



Legislative Assembly of Alberta

The 28th Legislature
Second Session

Standing Committee
on
Alberta's Economic Future

High-speed Rail

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Standing Committee on Alberta's Economic Future

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Fox, Rodney M., Lacombe-Ponoka (W), Deputy Chair
Eggen, David, Edmonton-Calder (ND)
Hehr, Kent, Calgary-Buffalo (AL)
Kennedy-Glans, Donna, QC, Calgary-Varsity (Ind)
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Lemke, Ken, Stony Plain (PC)
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10:01 a.m.**Friday, May 16, 2014**

[Mr. Amery in the chair]

The Chair: Good morning, 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. We have a number of members joining us via teleconferencing, and I will call on each of you to introduce yourselves as well: Ms Pastoor, Mr. Hehr, Mr. Stier, and Mr. McDonald.

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

Mr. Fox: I'm Rod Fox, MLA for Lacombe-Ponoka and deputy chair of this committee.

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

Mr. Luan: Good morning, everybody. Jason Luan, MLA, Calgary-Hawkwood.

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

Mr. Eggen: Dave Eggen, MLA for Edmonton-Calder.

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

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

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

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

Ms Dean: Good morning. Shannon Dean, Senior Parliamentary Counsel and director of House services.

Mrs. Sawchuk: Karen Sawchuk, committee clerk.

The Chair: Thank you.

Members joining us by teleconferencing, please introduce yourselves.

Mr. Hehr: Kent Hehr, MLA, Calgary-Buffalo.

The Chair: Thank you, Mr. Hehr.

Ms Pastoor: Bridget Pastoor, MLA, Lethbridge-East.

The Chair: Thank you.

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

The Chair: Okay.

Mrs. Sarich: Good morning and welcome. Janice Sarich, MLA, Edmonton-Decore.

The Chair: Great.

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

The Chair: Thank you. Anybody else?

Mr. Lemke: Good morning. Ken Lemke, Stony Plain.

The Chair: Thanks, Ken. Thank you, all.

Ladies and gentlemen, the meeting materials were posted to the internal committee website during the past few days. If a member requires copies, please let the committee clerk know.

A few housekeeping items to address before we turn to the business at hand. The microphone consoles are operated by the *Hansard* staff. Please keep cellphones, iPhones, BlackBerrys off the table as these may interfere with the audiofeed.

Now, item 2 on the agenda is the approval of the agenda. Can I have a motion? Mr. Rogers moves that the agenda for the May 16, 2014, meeting of the Standing Committee on Alberta's Economic Future be adopted as circulated. All in favour? Opposed? Carried. Thank you.

Now we need a motion to approve the minutes of the May 6, 2014, meeting. Mr. Quadri?

Mr. Quadri: Yes. I move that.

The Chair: Mr. Quadri moves that the minutes of 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.

Now we will go on to item 4 on the agenda, review of the draft report on the study of the feasibility of high-speed rail in Alberta. This morning, ladies and gentlemen, we have before us the draft report for consideration. I would like to thank Dr. Massolin and his staff for their hard work in putting together the information received by the committee in the form of written submissions, the information that came forward during the oral presentations as well as in incorporating the feedback from the caucus representatives in the working group, which met this past Monday. The committee received a lot of information and opinions on the feasibility of high-speed rail, and I believe the draft report encompasses this.

Now I'd like to ask Ms Robert if she could provide us with an overview of the draft report, and then I will open the floor for discussion.

Ms Robert, the floor is yours.

Ms Robert: Thank you, Mr. Chair. Certainly, I'd be happy to offer a high-level summary of the committee's draft report, which was prepared at the direction of the working group.

If committee members could please turn to the table of contents on the first page, I'll just go through it. There are three components to the report. There's introductory material talking about the committee's process, its review process, its reporting process, and then an executive summary of the committee's recommendations. The substantive portion of the report includes background information and the rationale for the committee's recommendations and then, finally, the recommendations.

The background section of the report offers a high-level description of high-speed rail, or HSR, and discusses the government's efforts to date studying the feasibility of HSR. It includes summaries of both the 2004 Van Horne study of HSR and the 2008 TEMS market assessment and economic benefits assessments.

The rationale section of the report highlights the information the committee received from stakeholders regarding population and traffic levels in the Edmonton-Calgary corridor, HSR ridership and revenue estimates, some of the financial issues to be considered if the committee was to invest in HSR, and the economic benefits of HSR systems.

The committee heard that the current population in the corridor is not sufficient to support an HSR system at this time, that there would not be enough ridership for HSR to earn enough revenue to

be profitable, and that without the necessary ridership the economic benefits anticipated by HSR may not materialize. The committee also heard that most HSR systems do not operate without financial assistance in one form or another from the government.

The rationale section also includes information offered by stakeholders with respect to the need for a transportation infrastructure strategic plan with light rail transit, or LRT, and regional rail as top priorities and the need for transportation/utility corridors with the capacity for an HSR system among other transportation infrastructure.

Based on the information it received, the committee made four recommendations as outlined on page 9 of the report, which you can see.

I'd be happy to answer any questions about the report that you might have.

The Chair: Thank you.
Any questions?

Ms Pastoor: Hi. Could I get a question?

The Chair: Ms Pastoor, yes. Sure. You're on the list.

Ms Pastoor: Okay.

The Chair: Thank you.
Ms Kubinec.

Ms Kubinec: Thank you, Mr. Chair. You know, I came to this committee late as I was only appointed to it fairly recently. Having given it a lot of thought over the last week or so, I'm a little uncomfortable with the second recommendation, making it such a high priority, when we have some other ones in the province that, in my opinion, are higher ones. Those would be the ring roads around Calgary and Edmonton and highway 63. So I'm going to propose an amendment.

The Chair: Okay. Is the amendment being distributed to committee members?

Ms Kubinec: It's being distributed, and I will read it. I move that we change the recommendation on both pages 2 and 9 of the final report of The Feasibility of Establishing a High-speed Rail Transit System in Alberta to read as follows: the government of Alberta should include in their long-term transportation infrastructure strategic plan an integrated regional transportation network that would better support a future high-speed rail line.

The Chair: Okay. Having heard the motion, any discussion on the motion?

Mrs. Sarich: Mr. Chair, is it possible to have that motion sent via e-mail to see that? Or how is that . . .

The Chair: Mrs. Sarich, I think the committee clerk is e-mailing it to you right now. You should be receiving it.

Mrs. Sarich: Oh, okay. Thank you.

The Chair: Do you want the mover to read it again?

Mrs. Sarich: Yeah. That would be very helpful while I'm waiting.

The Chair: Okay. I'll ask the mover to read it again.

Ms Kubinec: Thank you, Mr. Chair. I move that we change the second recommendation on both pages 2 and 9 of the final report of The Feasibility of Establishing a High-speed Rail Transit System in Alberta to read as follows: the government of Alberta should include in their long-term transportation infrastructure strategic plan an integrated regional transportation network that would better support a future high-speed rail line.

10:10

The Chair: Okay. My understanding is that the motion has just been sent to you, Mrs. Sarich, and to all the others.

Any discussion? Mr. Luan.

Mr. Luan: Yeah. Maybe the mover can help explain a little bit the difference because I read it twice, and I couldn't see much difference. Can you help?

Ms Kubinec: The difference would be that – if you look at the original, “includes the expansion of light-rail transit and the development of regional transportation systems as its top two priorities,” what we've done is taken out the words “top two priorities” because I felt that it was a little ambitious for this group to be telling, you know, the government that those would be their two top priorities when we have a few others that are, in my opinion, again, a little more urgent in the province at this point.

Mr. Luan: Yeah. Okay. So it's kind of softened the language in terms of saying: yes, those are important, but don't name them as the top two priorities. Is that your intent?

Ms Kubinec: Yes.

Mr. Luan: Okay. That answers my question. Thanks.

The Chair: Thank you.

Mr. Rowe: Are we going to address the amendment now, or . . .

The Chair: Yes. That's what we're doing.

Mr. Rowe: Yeah. I don't have an issue with the amendment. It's . . .

The Chair: Okay. Then I'll put you on the list.
Ms Pastoor.

Ms Pastoor: Yes. Thank you. I disagree with the changes. I think that as a committee we can say that these are our two top priorities. These are recommendations. That doesn't mean to say that the government accepts it, but I think that sending that message – the other thing is that I really feel very strongly that with the influx of people that we're getting in this province, we have to start looking at public transport and not increasing all of the cars we're putting on roads, which were the two ring roads and highway 63.

I have another question. Never mind; it doesn't pertain to that. I'll wait my turn on that.

I have no problem with saying that it's the top priority out of this committee. It doesn't mean to say that we are tying anybody necessarily into it being a top priority.

The Chair: Okay.
Mrs. Sarich.

Mrs. Sarich: Thank you, Mr. Chair. I don't have any problem with the proposed amendment, but I do have a question. The

question to the mover of this amendment would be: it's my understanding that Alberta Infrastructure is doing the conversations, consultations across the province regarding an integrated strategic plan on transportation. Do you have any idea if your amendment is being addressed by the activities of the government at this time?

Ms Kubinec: I wouldn't want to speak for the department. I don't have knowledge of that.

Mrs. Sarich: Okay. I'll leave it at this, Mr. Chair. I support the . . .

The Chair: Okay. Thanks, Mrs. Sarich.
Mr. Rogers.

Mr. Rogers: Thank you, Mr. Chairman. Speaking to the amendment and also referring back to recommendation 2 as it currently sits on page 9, I'm certainly willing to support a modification of number 2 as proposed by the Member for Barrhead-Morinville-Westlock, but I have a little trouble with it.

We heard at this committee from the cities of Edmonton and Calgary how important the expansion of LRT is and that that could also work as an enhancement that might enable high-speed rail at some point in the future because light rail could likely be a feeder for the networks in those two large centres. I don't think it hurts to acknowledge the input and the importance of light rail to our two largest centres and – who knows? – maybe even another centre, let's say a Lethbridge or even a Strathcona county at some point in the future, that might grow enough to support those systems. I think we would be doing a disservice if we left out the reference to light rail. However, as written, number 2 now says, "transportation systems," and then it goes on: "as its top two priorities."

At some point, Mr. Chairman, if I were proposing an amendment, I would propose that we would drop those last four or five words, "as its top two priorities," and we might accommodate some of where Ms Kubinec might be going, but I can't speak for her. But, certainly, as proposed, I would have trouble supporting this amendment.

Thank you.

Dr. Massolin: Mr. Chair, just as an item of clarification. As Mr. Rogers brought up, I think, in fact, I'm sure the intention was – and perhaps it's not clear here, admittedly so – "its top two priorities" before HSR, not its top two priorities, period. Admittedly, that's not clear necessarily, but I think that's the context in which this recommendation was written.

Thank you.

Mrs. Sarich: Mr. Chair?

The Chair: Yes, Mrs. Sarich?

Mrs. Sarich: I do have another question if I may.

The Chair: You're on the list.
Mr. Luan.

Mr. Luan: Thank you, Mr. Chair. Upon some further reflection I want to support MLA George Rogers' motion because I'm trying to reflect the . . .

The Chair: No, no. He did not make a motion. A suggestion.

Mr. Luan: Oh, the suggestion.

The Chair: But we have a motion on the floor right now.

Mr. Luan: Okay. All right. As it stands now, I am not in favour of the motion on the floor. When I reflect on the subject of this one, really, we're talking about the corridor between Calgary and Edmonton. I've heard very loud that both cities have put the LRT as their top concern, even before the high-speed rail. So from that point of view, if we are being objective, to really reflect what we heard, I would like to leave it as is.

Thank you.

The Chair: Mrs. Sarich.

Mrs. Sarich: Thank you very much, Mr. Chair. A question to the mover of the amendment, Ms Kubinec. When I look at the words "integrated regional transportation network" in the amendment, are you meaning the inclusion of light rail transit and other forms of transportation? If you are going to say, "Yes, this is the intent there," I'm wondering if we could use the expansion of the light rail transit as an example but not limited to only that one example of transportation systems.

The second thing, going back to Dr. Massolin. If the current recommendation reads "regional transportation systems as its top two priorities" before high-speed rail, just as a clarification, I'm wondering if we should consider that clarification as well. I'd like to hear some comments from the mover of the amendment.

Ms Kubinec: I think that we all are wanting the same thing here, and that is for it to be a priority and for the government to do some strategic planning on this. I think that we can probably work something out. I probably am fine with amending my amendment and removing the words "as the top two priorities," as wisely suggested by our colleague, because I think we're talking about – "an integrated regional transportation network" is a little broader, in answer to your question, MLA Sarich, than expansion of light rail transit. It's broader, so it could include more things. So maybe we can come up with a hybrid of the two, but I do want to take the words "as its top two priorities" out.

Mrs. Sarich: Okay. Thank you.

Ms Pastoor: Could I make a comment?

The Chair: Yes, Ms Pastoor.

Ms Pastoor: I really am opposed to taking out the two priorities because I think that it is a huge priority, and it's something that we're talking about for the next 50 years. If we don't make it a priority, nothing will get done, and we know that. So I really believe that by putting in the priority, then coming out of this committee, this committee thinks that it's a priority.

Thanks.

10:20

The Chair: Ms Kubinec, are you willing to withdraw your amendment? You would need the unanimous consent of the committee to do that.

Ms Kubinec: Yes, I am. I will make another one right after.

The Chair: Okay. Ms Kubinec is willing to withdraw her amendment.

Do we have the unanimous consent of the committee? Members, all in favour? Opposed? Okay. The amendment is withdrawn.

Now, if you want to do a new one, you can read what the new amendment would be.

Ms Kubinec: Yes. I move that we change the second recommendation on both pages 2 and 9 of the final report of The Feasibility of Establishing a High-speed Rail Transit System in Alberta to read as follows: the government of Alberta should include in their long-term transportation infrastructure strategic plan the expansion of light rail transit and the development of regional transportation systems.

The Chair: Great.

Okay. Any discussion?

Ms Pastoor: My comment still stands against taking out the two priorities.

The Chair: Okay.

Mr. Rogers: I think that's on the floor. Is that on the floor, Mr. Chairman?

The Chair: That's on the floor. Yeah.

Mr. Rogers: Wonderful. I'd love to speak to that amendment.

The Chair: Yes.

Mr. Rogers: Well, thank you, Mr. Chairman. Committee members, I would support this amendment. I would hope we would set ourselves up for some success. This report will be sent back to the Legislature and ultimately be voted on at some point, and I'm a little bit afraid of wording that would essentially pigeonhole the government into a place like this in terms of determining what its priorities should be. Without that language we give some flexibility. There's some clear indication to the government from what we heard from proponents around this table and many others as we travelled up and down highway 2. I think it gives some clear guidance to government but does not pigeonhole them in terms of what their priorities should be. Government has to be allowed the opportunity to determine what government's top priorities are. I don't think it's the role of this or any other committee to try to tell government what its top priorities should be. I'm quite comfortable with this proposed wording.

Thank you.

The Chair: Thank you, Mr. Rogers.

Any further discussion?

Mrs. Sarich: Yes. I do have some comments, for sure.

The Chair: Mrs. Sarich, go ahead.

Mrs. Sarich: Thank you very much, Mr. Chair. I'm just wondering in regard to the new amendment, the last piece, regional transportation systems – and then the words after that fall off the current presentation – because I do recall lots of dialogue from the presentations about an integrated approach to the regional transportation system, and I'd like to hear other comments from other members of the committee if they recollect that. Is it important to have the words “integrated regional transportation system”? I'm very mindful of what the intent of the

other amendment was that was withdrawn. I'm just asking a question. Perhaps it's a question of clarification.

Thank you.

The Chair: Any thoughts on that, Ms Kubinec?

Ms Kubinec: No.

The Chair: Any committee members?

Hon. Members: Question.

The Chair: Okay. All right. We'll call the question.

Mr. Rogers: Mr. Chairman, if I may.

The Chair: Yes, Mr. Rogers.

Mr. Rogers: For the record, might we have the motion as proposed now read back before we vote on it?

The Chair: Sure. Ms Kubinec, please do that.

Ms Kubinec: I move that

we change the recommendations on both pages 2 and 9 of the final report of The Feasibility of Establishing a High-speed Rail Transit System in Alberta to read as follows: the government of Alberta should make a long-term transportation infrastructure strategic plan that includes the expansion of light rail transit and the development of regional transportation systems.

The Chair: Okay. All in favour?

Ms Dean: Mr. Chair, I just noticed a very minor change from the first time you made your motion, Ms Kubinec, to the second time, and it's the words “the government making a long-term transportation infrastructure plan” versus “including in its long-term.” I believe that the first time you moved it, you used the word “include.”

Ms Kubinec: “Include.” Yes.

The Chair: Okay. It's nice to have a lawyer around the table.

All right. Any further discussion?

Seeing none, all in favour? Opposed?

Ms Pastoor: Please register me as opposed.

The Chair: Okay. Thank you.

Ladies and gentlemen that are participating via teleconferencing, please keep your papers away from the microphone. It's really interfering with us hearing you when you're talking. Thank you.

Okay. Mr. Rowe, you have something?

Mr. Rowe: Thank you, Mr. Chairman. I don't have a question so much as I need some clarification. If you read number 1 and read number 4, they seem to contradict each other somewhat. I'm fully in favour of number 4, but that's going to take some investment. They seem to contradict one another. My question, then, would be: where do we go from here? Does this come back to the committee, then, to devise a strategy around doing number 4? What's the process from this point on?

Dr. Massolin: Well, I can explain the apparent contradiction because I don't think that it is. You know, I stand to be corrected on this, but the working group gave us directions to say: well, high-speed rail shouldn't be invested in at the present time; however, there should be the process by which a transportation/utility corridor

which includes the possibility, the capacity for high-speed rail should be invested in or should be examined. In other words, it allows, but it's not exclusively for high-speed rail. So that's the difference, and I think those two can work in conjunction, therefore.

Mr. Rowe: Okay. To the chair, then: if we approve this report as is, where do we go from here? Does it come back to the committee, then, to devise a strategy for accomplishing number 4?

The Chair: No. I think if we approve this report – okay? – it goes to the Assembly, right?

Dr. Massolin: Yes.

The Chair: Yeah. It goes to the Assembly. You know, we will do exactly what we did with the BRIK program. We will present the report to the Assembly. Right now, because the Assembly is not sitting, we will deposit this report with the Clerk of the Assembly.

Mr. Rowe: So we won't have the opportunity at this committee to . . .

The Chair: The government, after we present the report or deposit it with the Clerk, has 150 days to respond to the report and to the recommendations.

Mr. Rowe: Okay. I'm good with that. Thank you.

The Chair: Great. Thanks.

Mr. Hehr: Mr. Chair, can I be put on the list?

The Chair: Sure. You're on the list. You're on.

Mr. Hehr: I'm on it. Well, thank you very much. As I'm apt to do, I'm going to throw, probably, a wrench into everything that's gone on so far, and I apologize for that. One of the most compelling presentations, at least to me, of all the ones that came forward to the committee was the group Alberta High-Speed Rail, that stated that, in their view, they could do the project, raising private money and purchasing the land and the like, as long as a regulatory model was established. I know there were lots of people who questioned whether that can be done or not. Nevertheless, in the entrepreneurial spirit that Alberta is known for – I think we were slightly remiss in not actually mentioning that in the report – I think we should actually be making some recognition of that as one of the recommendations on how that could possibly happen in this great province.

10:30

I guess my understanding from Alberta High-Speed Rail and other groups was that what they needed was a regulatory system that would allow them to work in this thing, and then the project could go forward if they could raise the capital and assemble the land. So on that note and given that I was particularly impressed with their presentation and that I think it's the agreement of this group that this project should not go forward at this time with government investment and the like, this may be a viable alternative.

I'm going to try an amendment here, and if people have ideas on how to make it better, I would appreciate that as well. If I could read this amendment into the record: the Alberta government should consider establishing a regulatory model that would allow private investors who can raise both the capital for high-speed rail infrastructure and the procurement of land to be able to go forward to build this necessary infrastructure.

The Chair: Mr. Hehr, can you have your staff or somebody e-mail that motion?

Mr. Hehr: I will e-mail that right away. So would that go to Karen?

The Chair: Yes.

Mr. Hehr: Okay. I'll send that out right now, and it'll be two shakes of a lamb's tail, Mr. Chair.

The Chair: Okay. We'll just pause for a few seconds.

Any discussion on the motion or what you have captured from the motion? Mr. Rowe.

Mr. Rowe: Thank you, Mr. Chair. Mr. Hehr, just a question: how would you foresee a private company acquiring the necessary right-of-way and land appropriation?

Mr. Hehr: Well, what it would have to be – and I believe this was canvassed extensively in Alberta High-Speed Rail's report – is that they would need a mechanism like has been established through one of the regulatory bodies that have already been established under our oil and gas structures and the like. There are a multitude of different, already established regulatory bodies that deal with rights-of-way and things of that nature.

I don't want to hamstring the government into picking which regulatory body would be best suited to do this. Nevertheless, any type of company that would go about raising the private capital and assembling, purchasing land would need a regulatory body to oversee what was happening. If we allow this amendment to go forward, to leave it up to the government to look at what is the best regulatory body to manage and to look into what is happening on this project, I think the government of the day could then be left to select which one is most appropriate.

I don't want to tie the government's hands in saying which regulatory body shall look after this project. There is not one specifically set up right at this time to deal with land acquisition for a high-speed rail. There is not.

Mr. Rowe: Thank you.

The Chair: Thank you.

Well, we've got the motion here. I'd like to ask the clerk to read it again for the committee members.

Mrs. Sawchuk: Mr. Chair, moved by Mr. Hehr that the Alberta government should immediately move to establish a regulatory model to allow for private investors who can raise both the capital for high-speed infrastructure and procurement of land to be able to go forward to build this necessary infrastructure.

The Chair: Thank you.

Mr. Fox.

Mr. Fox: Thank you, Mr. Chair. Mr. Hehr, the mechanism that Alberta High-Speed Rail was talking about was under the Railway (Alberta) Act, and I believe what it did was give expropriation powers to a private-sector entity. Is that what you are advocating in this motion?

Mr. Hehr: What I'm advocating is for the government of the day to do what's necessary to establish a regulatory model that works to establish a high-speed rail system that would allow for private investors to be able to do this project should they be able to raise

the money and be able to cover the costs of it. That's all I'm saying. I'm not tying their hands.

Mr. Fox: So you're saying yes, then, to giving a private-sector entity expropriation powers.

Mr. Hehr: Whatever you want. Sure.

The Chair: All right. Any further discussion on this motion? We have it printed now. Mr. Rogers.

Mr. Rogers: Thank you, Mr. Chairman. This was a rather intriguing presentation. That is probably the best term I would use. The thought that we could achieve what has been the subject of our deliberations to now under a situation totally funded by the private sector with no government involvement is certainly something that caught my attention as well. I guess the best way to put it is that I'm a little skeptical of that opportunity.

Now, I'm just reading Mr. Hehr's motion here, that the government "move to establish a regulatory model." I might be inclined to support something in the order of the government investigating something to that effect, but the idea that we would direct government or try to direct government to establish a regulatory model to enable this certainly brings a lot of other considerations. I think some were raised by Mr. Fox in terms of the impact on landowners along the way, communities, movement on other transportation/road networks, et cetera. To me, that's a very tall order, and I'm not particularly keen on something that would essentially offer a process that would say that this will happen.

I would support something in terms of investigating but not to move to the piece about establishing a model because I'm not convinced that that would be in the best interests of all concerned even though this particular transportation system is very desirable. But it's like anything else. How do you get there, what are the opportunity costs, and are we willing to bear that as Albertans?

Thank you.

Mr. Hehr: I agree with that sentiment one hundred per cent. Sorry for jumping in there.

The Chair: Thank you. Thank you, Mr. Rogers.

Mrs. Sarich: Mr. Chair, I have some comments.

The Chair: Mrs. Sarich.

Mrs. Sarich: Thank you. I'd like to know how the addition of this current amendment relates in terms of our recommendation 4.

The Chair: Mr. Hehr?

Mr. Hehr: Yeah. I'm here.

The Chair: Yeah, we can hear you, but can you hear us?

Mr. Hehr: Yeah, I can hear you, but whether I can answer the question or not: that's a totally different question, okay?

The Chair: Okay.

Mrs. Sarich: What I'm getting at, Mr. Chair, is that in recommendation 4 we are asking the government to begin a process of acquiring land for the transportation/utility corridor, and the current proposal of the amendment is asking for a different structure for consideration under the private sector.

The Chair: I see where you're going, yes.

Mrs. Sarich: On the one hand, we're asking government to do something here, and then on the other hand we're not asking government anymore. We're asking for a different approach under the regulations and land acquisition. So it's a little bit of a contradiction to what we're asking in number 4.

The Chair: Well, this is a motion by the member, and I think we can discuss it, and we can vote on it. This motion is not intended to replace number 4. I mean, it's a motion by the member, and we will have a discussion, and then we will vote on it.

Any further discussion on this motion?

Mr. Hehr: Can I be added to the list?

The Chair: Yes. Go ahead. You're the only one on the list.

10:40

Mr. Hehr: Well, I actually appreciated Mr. Rogers' comments. They were wise and sage. We should word the motion in terms of "investigate" rather than: move immediately towards. I believe that would be much more wise, and then it would work in conjunction with recommendation 4, and we can almost look at that. The word "investigate" means we're looking at options, and as we've stated earlier, this report doesn't tie the hands of government, nor should it. It gives them options, and I think that's what would be important.

If Mr. Rogers would actually propose a friendly amendment, if that's what he wants, to investigate, I think that would make the motion I proposed much better and much more feasible should the government at some point in time wish to do this.

The Chair: Mr. Hehr, before I ask you to reread the motion into the record, I'll ask Mr. Rogers if he would like to comment.

Mr. Rogers: Well, thank you, Mr. Chairman. Unfortunately, it takes four words for what I think will make clear what I hope the member is intending. It would read something like: should investigate the development of a regulatory model. So take out "immediately." I'm not so sure about "immediately," but that's up to the mover.

Mr. Hehr: I agree. Keep going, George. Keep going.

Mr. Rogers: That the "government should investigate the development of a . . ." and the rest of the wording is fine. So just "that the Alberta government should," and then the next words would be: "investigate the development of a regulatory model to allow . . ." da, da, da.

The Chair: Okay. Well, now we have two questions to call, one on the amendment as it was presented by Mr. Rogers.

Mr. Rogers: I'm moving to amend the motion by Mr. Hehr with the words that I just read to you, Mr. Chairman.

The Chair: Yes. Okay. All in favour of the amendment? Any opposed? It's carried.

Now I need a vote on the motion as amended.

Mr. Rogers: Sorry, Mr. Chairman. Just a clarification. Will this, then, be point 5? I'm assuming so. We have four points to date, so this will be point 5.

The Chair: Yes.

Mr. Rogers: Okay. Thank you.

The Chair: The motion as amended. Would you like to speak on it, Mrs. Sarich?

Mrs. Sarich: I just want clarification that this point number 5 would appear on pages 2 and 9 of the report.

The Chair: Yes, it would, right after 4.

Mrs. Sarich: Thank you.

The Chair: Okay. The question on the motion as amended. All in favour? Opposed? Carried. Thank you. Thank you, all.

Any other discussion on the recommendations?

Mr. Stier: I just wanted to perhaps get on the floor a bit of a concern with recommendation 4, having not heard anyone else speak to it at the moment. It may be something that, from this distance away, I'm going to have a little difficulty managing here on my own, but I'm going to throw it out anyway for the conversation. As we can all see, the recommendation talks about beginning the process of acquiring land, and that indicates to me an immediate cost or an immediate nonbudgeted expense. I realize that it's a little bit ambiguous where it just talks about beginning a process, but what does that process mean? What are the limits? When does it start? Where is it going to go, et cetera, et cetera?

I'd like to see someone wordsmith that to be a little bit more detailed, if I could use that word, because I don't think that we have in the current budget any allowance for such an endeavour right now. I'm wondering if it should not contain when or what process would trigger that type of thing. Certainly, this could lead to land speculation and all kinds of things we may not be prepared for at this time without a proper plan and authority to proceed.

I'd just like to throw that comment out, and I welcome comments from the other members. It may be that we're going to put together an amendment to this, by the way, on our side here, myself and my assistant, who I'm online with, and look at perhaps a different wording if it sounds like it would be appropriate.

I'll just stand by and sign off for now.

The Chair: Are you planning to put forward an amendment, Mr. Stier?

Mr. Stier: Well, I have one that we've just mashed together in a hurry now, and I can get my assistant to forward it to the secretary.

The Chair: Can you e-mail it to the committee clerk?

Mr. Stier: Yes. I will do that. I'm just going to get that proceeding. Thank you.

The Chair: Okay. In the meantime, while we're waiting for the amendment to arrive, we will hear from Mr. Eggen.

Mr. Eggen: Thank you, Mr. Chair. Yeah, I share Pat's concern, actually, in regard to land acquisition, mostly on the side of land speculation. I know from the longer history of developing both highway routes and rail routes that lots of trouble has happened – right? – over the years. I recall the story about the location of Edson being moved several times when they were building the CN rail and people buying land along the way, you know, expecting the town to be here when it's really being moved over there. I mean, we're not looking at that same kind of era or scale, but certainly there could be a lot at stake. We don't want people to be

buying and selling land inappropriately just because of something we might have said for appropriation.

The Chair: Okay. Mrs. Sarich, go ahead.

Mrs. Sarich: Yes. Just a couple of thoughts. I appreciate the comment to prompt some additional thinking about recommendation 4. It seems to me that one of the logical steps would be to have a consultation with the public on the transportation/utility corridor so that the public is looking at a number of proposals. They go through that process and some finalization, and then somewhere down the road you begin acquiring the land once you have identified through the public consultations what some of the considerations would be. So I'm hoping that the amendment we're going to see is perhaps going to be leaning in that direction.

Thank you.

The Chair: Okay. Mr. Stier, would you like to say something?

Mr. Stier: Yeah. Thank you. I'm not sure if the secretary is in receipt of that amendment now. I've asked my assistant to send it in.

The Chair: We just got it. The committee clerk will read it into the record.

Mr. Stier: Okay. Thank you.

The Chair: Please.

Mrs. Sawchuk: Thank you, Mr. Chair. The amendment by Mr. Stier is that the government of Alberta should begin the process of acquiring land for a transportation/utility corridor right-of-way between Calgary and Edmonton following public consultation with affected landowners, including aboriginal groups, as budgets warrant.

10:50

Mr. Stier: If I could, Mr. Chair, to explain.

The Chair: Sure.

Mr. Stier: What we've done here is that we've maintained that it's probably a good idea to acquire land for a transportation/utility corridor. I think most people would agree with that. But we do need to have this after proper public consultation, of course. Certainly, it makes sense, I think, to look at what our budgets would allow in the future. Certainly, we can't go boldly forward without keeping in mind that extremely important factor. We've just heard an awful lot of comment back from the Calgary region about the \$5 billion ring road, as an example. Certainly, something like this is a large consideration, especially when you're looking at getting into closer proximities, where we are entering the major cities. There could be enormous costs to such a venture. I think this is prudent. We could wordsmith that, I suppose, further. You know, the last phrase could be ahead of the acquiring land phrase, but certainly I think this covers off that concern.

I'll stand by for comments now.

The Chair: Okay. Having heard the motion, any discussion?

Mr. Rogers: Are we getting it in writing?

The Chair: We're getting it in a couple of seconds here.

Mr. Rogers: Paper helps.

The Chair: Yeah.
Ms Sarich.

Mrs. Sarich: Yes. One of the considerations would be to put “as budgets warrant” after the word “Edmonton” and before the word “following” if it’s identified that it’s important to have the budget piece on the land acquisition. Those two pieces are tied together.

The Chair: Okay.

Mr. Stier: It certainly sounds like something I wouldn’t oppose. It makes sense to me. Thank you.

The Chair: All right, Mr. Stier.

Any other discussion? Those who are participating via teleconferencing, did you receive the motion online?

Mrs. Sarich: No. It has not come through yet. Oh, yes, it has just now.

The Chair: Okay. You got it.

Any discussion on the amendment presented by Mr. Stier?

Mr. Luan: Mr. Chair, through you, just clarification. All I’m reading is that they added three words, “as budgets warrant.”

The Chair: “As budgets warrant.”

Mr. Luan: Is that all they changed?

The Chair: Mr. Stier?

Mr. Stier: Actually, I will yield the floor to hon. Member Sarich, who had changed the amendment as it is right now, that I was in agreement with. I think she took the last three words off and moved them. I wasn’t near a pen to write in where she was putting them. If I could do it that way, please?

Mr. Luan: Okay. I’m confused. So if I take out the last three words, it’s exactly the current one.

The Chair: Okay. You’re telling us that you’re in agreement with the changes that Mrs. Sarich made.

Mrs. Sarich, can you read the amendment again to us as changed?

Mrs. Sarich: Yes. It would be that the government of Alberta should begin the process of acquiring land for a transportation/utility corridor right-of-way between Calgary and Edmonton as budgets warrant following public consultation with affected landowners, including aboriginal groups.

The Chair: So you just moved the words up. Okay.

Mr. Stier, you’re okay with that?

Mr. Stier: Yes, I am. I concur.

Mr. Luan: Can I finish my comment?

The Chair: Mr. Luan and then Mr. Rogers.

Mr. Luan: I just want to finish my comment. To me, adding the three words, whether at the end or in the middle, doesn’t really make much sense to me at all. My take is that the recommendation that we have is just reflecting what the committee had heard from our process. It’s up to the government to decide what to do within the budget and through the budget cycle. It’s not up to us to say:

you do it within a budget or other budget. It’s really government business. That’s my point.

The Chair: Mr. Rogers.

Mr. Rogers: Thank you, Mr. Chairman. With all due respect, Mr. Stier, as your amendment reads right now – and that’s why I was waiting for the paper – for example, it says: “including aboriginal groups, as budgets warrant.” You know, language is everything, and somebody could read that to suggest we would only consult or consult with aboriginal groups if we had budgets. I think, as Mr. Luan said, it’s inherent that governments will be prudent, ought to be prudent, and would do this within the framework of budgeting. You can’t have a runaway acquisition of lands if you’ve got other things to do: building schools in Olds-Didsbury-Three Hills and Edmonton and Calgary and other immediate infrastructure.

Unfortunately, sir, I can’t support your amendment, but I do get where you’re coming from. But if we’re not careful with our words, we could end up with more criticism than we deserve.

Thank you.

The Chair: Thank you, Mr. Rogers.

Any other discussion? Mrs. Sarich.

Mrs. Sarich: Yes. I would like to ask my hon. colleague MLA Rogers: what criticism would be towards the government by putting in the words “as budgets warrant”?

Mr. Rogers: Well, if I may respond, Mr. Chairman?

The Chair: Briefly.

Mr. Rogers: As I just said, in reading that sentence, “including aboriginal groups, as budgets warrant” – I mean, we may or may not consult if we don’t have enough budgets. I’m just saying that you could do all kinds of things with the language. I think it’s inherent upon government to be prudent and to do this as budgets warrant. We don’t need to add that at the end and offer three words that might be misconstrued.

Thank you.

The Chair: Mr. Rogers, can we read the motion as:

The government of Alberta should begin the process of acquiring land for a transportation/utility corridor right-of-way between Calgary and Edmonton as budgets warrant following public consultations with affected landowners, including aboriginal groups.

So the “as budgets warrant” has been moved to after “Edmonton.”

Mr. Rogers: I could live with that, but not at the end.

The Chair: All right. Good. Any other discussion?

I’ll call the question on the motion as amended. All in favour? Opposed? I think we should have a count. Members participating via teleconferencing, please let us know how you feel and how you’re going to vote.

All in favour?

Mrs. Sarich: I’m in favour.

Ms Pastoor: I’m in favour.

Mr. Stier: In favour.

Mr. Lemke: I’m in favour.

The Chair: How about Mr. Hehr?

Mr. Hehr: I'm abstaining.

The Chair: You can't abstain in committee, Mr. Hehr.

Mr. Hehr: I can't abstain? My goodness. Then I vote that I'm supportive.

The Chair: Okay. Mr. Quadri, for or against?

Mr. Quadri: For.

The Chair: Mr. Luan.

Mr. Luan: Opposed.

Mr. Eggen: I voted for it, too.

The Chair: Mr. Rogers.

Mr. Rogers: I'm with.

The Chair: Okay. It's carried. Great. Thank you.

Are there any other discussions on the content of the committee report?

11:00

Dr. Massolin: Mr. Chair, may I just say something at this point with respect to the changes and amendments that were proposed? We'll certainly make those, but I just wanted to inform the committee that in order to form the new recommendation about the regulatory model and private investors and so forth, the body of the report, the rationale, be changed to reflect that as well. Just to inform the committee that we will do that as well.

The Chair: Okay.

Dr. Massolin: Thank you.

The Chair: Now we need a motion that the Standing Committee on Alberta's Economic Future adopt the final report on the feasibility of establishing a high-speed rail transit system in Alberta as revised.

Mrs. Sarich: So moved.

The Chair: Any discussion?

Mr. Eggen: Well, I was part of the working group and the good work that the staff did to put this together. I was fully prepared to support this, but honestly that last recommendation, about whole-hog, private high-speed rail, really throws a wrench into the whole thing as far as I'm concerned. I don't know. It's too bad for that to be included. That's all I can say.

The Chair: You can . . .

Mr. Eggen: I'm sorry. I'm just not quite finished yet. My adviser pointed out to me that it does say "investigate," so it's not so bad, right?

Mr. Hehr: Investigate, David. Investigate.

Mr. Eggen: Yeah, I know. I know. I don't want to hurt Mr. Hehr's feelings either.

Mr. Hehr: Thank you.

The Chair: Who's your adviser, on the right or on the left?

Mr. Rogers: I'm on his left.

Mr. Eggen: I'm going to take Mr. Rogers around with me all day just to give me advice.

Okay. Thank you. That's fine.

The Chair: Okay. All in favour of the motion? Opposed? Carried. Great.

Now, for the information of the committee, minority reports, if any, are attached as appendices to the committee's final report. Minority reports should be directed to the committee clerk by Thursday, May 22. Okay? Any questions on that?

Now, ladies and gentlemen, I would like to thank the committee members and staff for their hard work during this review.

The committee's final report will be deposited next week with the Clerk of the Assembly as an intersessional deposit, meeting our obligations under the standing orders. The report will then be posted to the committee's external website.

I would really like to thank the clerk for her hard work.

Now item 5 on the agenda. Any other items for discussion as new business?

Mr. Eggen: I was perhaps under the mistaken impression that we were going to talk about our tour on bills 9 and 10.

The Chair: It's going to be next meeting.

Mr. Eggen: Next Wednesday?

The Chair: Yeah.

Mr. Eggen: Okay. All right. Good.

Further to that, then, we will have a report that might frame up where and how and how much?

Ms Dean: I'm still looking into it.

Mr. Eggen: Okay. Good. It's a big job. I just realized the scale of what we're suggesting, so good luck. Everybody is watching.

The Chair: Mr. Eggen, the committee adopted the final report, so we will meet next Wednesday, May 21, to commence our review of bills 9 and 10.

Mr. Eggen: Yeah. Super. I'm looking forward to that.

The Chair: The materials will be posted on Tuesday.

Any other discussion from committee members?

If not, I'll ask for a motion to adjourn.

Ms Kubinec: I move that we adjourn.

The Chair: Thank you. All in favour? Good. Thank you all very, very much.

The next meeting: Wednesday at 10 a.m., 10 till noon.

[The committee adjourned at 11:05 a.m.]

