



Legislative Assembly of Alberta

The 30th Legislature
Third Session

Standing Committee
on
Alberta's Economic Future

Ministry of Executive Council
Consideration of Main Estimates

Wednesday, March 16, 2022
4 p.m.

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Third Session**

Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

Participants

Ministry of Executive Council

Hon. Jason Kenney, PC, Premier

Dana Hogemann, Assistant Deputy Minister and Senior Financial Officer

Christopher McPherson, Deputy Clerk and Deputy Secretary to Cabinet, Cabinet Coordination and Ministry Services

4 p.m.

Wednesday, March 16, 2022

[Mr. Neudorf in the chair]

**Ministry of Executive Council
Consideration of Main Estimates**

The Chair: Good afternoon. I would like to call the meeting to order and welcome everybody in attendance. The committee has under consideration the estimates of Executive Council for the fiscal year ending March 31, 2023.

I'd ask that we go around the table and have members introduce themselves for the record. Premier, please introduce the officials who are joining you at the table when we come to you. My name is Nathan Neudorf. I'm the MLA for Lethbridge-East and the chair of this committee. We will begin, starting to my right.

Mr. Rowswell: Garth Rowswell, Vermilion-Lloydminster-Wainwright.

Mrs. Frey: Michaela Frey, MLA, Brooks-Medicine Hat.

Mrs. Allard: Tracy Allard for Grande Prairie.

Mr. van Dijken: MLA Glenn van Dijken for Athabasca-Barrhead-Westlock.

Ms Rosin: Miranda Rosin, Banff-Kananaskis.

Mr. Kenney: Okay. Yes. Thank you very much, Chair. I'm here joined by, from my right to left, secretary of the cabinet, Christopher McPherson; my deputy minister, Ray Gilmour; Deputy Minister of Intergovernmental Relations, Coleen Volk; and assistant deputy minister and senior financial officer, Dana Hogemann.

The Chair: For the record can you introduce yourself and your riding as well?

Mr. Kenney: Yes, of course. Jason Kenney, President of Executive Council.

The Chair: Thank you very much.

Ms Notley: Thank you very much. Rachel Notley, MLA, Edmonton-Strathcona, and I am also joined at the table by our director of research and policy – I think I might have just given him a promotion right there, so that's cool – Paul Bretscher.

The Chair: Thank you.

Mr. Sabir: Irfan Sabir, MLA, Calgary-Bhullar-McCall.

The Chair: Thank you very much.

Now we'll go to the members participating remotely. When I call your name, please introduce yourself for the record. Ms Armstrong-Homeniuk.

Ms Armstrong-Homeniuk: Good afternoon. MLA Jackie Armstrong-Homeniuk of Fort Saskatchewan-Vegreville.

The Chair: Thank you.

Mrs. Aheer.

Mrs. Aheer: Leela Sharon Aheer, Chestermere-Strathmore. Good afternoon.

The Chair: Thank you very much.

I'd like to note the following substitutions for the record: Mr. Sabir for Ms Goehring, Mrs. Allard for Mr. Walker.

A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of meetings can be accessed via the Legislative Assembly website. Members participating remotely are encouraged to have your camera on while speaking and your microphone muted when not speaking.

Remote participants who wish to be placed on the speakers list are asked to e-mail or send a message in the group chat to the committee clerk, and members in the room are asked to please signal the chair. Please set your cellphones and other devices to silent for the duration of the meeting.

Speaking rotation and time limits. Hon. members, the standing orders set out the process for consideration of the main estimates. A total of two hours has been scheduled for consideration of the estimates for Executive Council. Standing Order 59.01(7) establishes the speaking rotation and speaking times.

In brief, the Premier or member of Executive Council acting on the minister's behalf will have 10 minutes to address the committee. At the conclusion of the Premier's comments a 50-minute speaking block for the Official Opposition begins, followed by a 20-minute speaking block for independent members, if any, and then a 20-minute speaking block for the government caucus.

Individuals may only speak for up to 10 minutes at a time, but time may be combined between the member and the Premier. After this, the rotation of speaking time will then follow the same rotation of the Official Opposition, independent members, and the government caucus. The member and the minister may each speak once for a maximum of five minutes, or these times may be combined, making it a 10-minute block. If members have any questions regarding speaking times or the rotation, please feel free to send an e-mail or message to the committee clerk about the process.

Ministry officials may be present and at the direction of the Premier may address the committee. Ministry officials seated in the gallery, if called upon, have access to a microphone in the gallery area and are asked to please introduce themselves for the record prior to commenting.

Pages are available to deliver notes and other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members; however, members have priority to sit at the table at all times.

If debate is exhausted prior to two hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and the committee will adjourn.

Points of order will be dealt with as they arise, and individual speaking times will be paused; however, the speaking block time and the overall two-hour meeting clock will continue to run.

Any written material provided in response to questions raised during the main estimates should be tabled by the Premier in the Assembly for the benefit of all members.

The vote on the estimates and any amendments will occur in Committee of Supply on March 21, 2022. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. The original amendment is to be deposited with the committee clerk with 20 hard copies. An electronic version of the signed original should be provided to the committee clerk for distribution to committee members.

Finally, the committee should have the opportunity to hear both questions and answers without interruption during estimates debate.

Debate flows through the chair at all times, including instances when speaking time is shared between a member and the Premier.

I would now invite the Premier to begin with your opening remarks. Premier, you have 10 minutes.

Mr. Kenney: Yeah. Thank you very much, Chair and colleagues. It's a pleasure to be here. I've already introduced my colleagues here from Executive Council, which, as you know, is the central co-ordinating body in the government of Alberta and provides leadership to ministries to implement the government's agenda as well as leadership to the public service. It leads strategic planning, policy development, and policy co-ordination across government and supports cabinet decision-making. Executive Council also leads interaction and partnerships with other Canadian governments. We do that particularly through our intergovernmental relations function.

In normal times Executive Council plans and manages state, official, and working in-person visits involving government of Alberta representatives. This has been done successfully through virtual meetings typically throughout the pandemic, but we are increasingly returning to in-person meetings, and that's great to see.

Executive Council's budget reflects modest increases in each of the next three years to maintain the existing organization structure. Executive Council's budget is allocated to two programs in the voted estimates before you. The first one, program 1, is for the office of the Premier, Executive Council, which includes the office of the Lieutenant Governor. Program 2 specifically relates to intergovernmental relations. Program 1 includes the following: the Premier's offices here and down in Calgary, McDougall Centre, as well as the office of the Deputy Minister of Executive Council, who serves as head of public service and provides policy advice, operations and issues management.

The cabinet co-ordination office – that's DM McPherson's office. They provide organization and administrative support to cabinet. The policy co-ordination office works with the cabinet co-ordination office to support legislative and policy agenda work. Operations and machinery of government works with ministries, tracks crossgovernmental programs, projects, and issues.

The protocol office. A small office but essential to building partnerships and relationships here and internationally, normally through state, official, working, and private visits. I make it a priority in my own schedule to meet with visiting heads of mission and foreign ministers to improve our trade relations, in particular. We're now engaging with the global community through virtual meetings, as we've done with about a hundred heads of mission on, for example, the Alberta recovery plan.

The Lieutenant Governor's office is, of course, very important in supporting Her Honour's responsibility to fulfill her duties as the Queen's representative. The total budget allocation for all of these divisions within program 1 is \$12.9 million.

Program 2 is for intergovernmental relations, as mentioned, and that continues the important work of Alberta fighting for a fair deal in the federation and on economic exports, especially pipelines, to improve Alberta's role in the federation. We're implementing recommendations of the Fair Deal Panel and through IGR work very much on federal-provincial issues. In fact, there's been a huge increase in that work through COVID, with dozens of meetings of the Council of the Federation, the first ministers in a much faster tempo, and a lot of very serious work being done there.

All of this adds up to an Executive Council budget of \$18.7 million in 2022-23. I should add that last year we created the new environmental, social, and governance secretariat within Executive Council. That added about \$2 million to our budget. So excluding that additional function and budget space, our total budget for Executive Council was actually down very slightly from where it

was in 2018, which I think reflects a focus on fiscal responsibility on our part. Even during a time of crises we've managed to keep our spending down to lead by example.

Let me turn, then, to some bigger picture items, Mr. Chair. Of course, Budget 2022, a very exciting opportunity for Albertans to see how our economic recovery is taking hold: the first balanced budget for Alberta in eight years, the second in only 14 years. That happened because of, first of all, spending restraint. We have effectively over three years kept spending growth close to zero. Had we continued with the spending trajectory of previous governments, we would have, even at today's resource prices, about a \$6 billion deficit instead of a \$500 million projected surplus. That spending restraint was difficult – I know it invited a lot of criticism – but it was necessary to get our finances back in order so that we now can increase, in a targeted and responsible way, investments to address key pressures in delivery of services like health care and education.

4:10

The second reason why we got to a balanced budget this year was to see explosive growth in every area of government revenues, in every sector of Alberta's economy, and in every region of the province, which is remarkable because it's only now, in the first quarter of 2022, that Alberta is finally recovering where our GDP was at in the last quarter of 2014. It's hard to believe, the four or five years of economic decline and stagnation and then, of course, the whipsaw of COVID, at the bottom of which, with negative oil prices, we had seen our total GDP 20 per cent lower than it had been in 2014.

I'm pleased to report, Chair, that we have fully recovered from that period of adversity, and so, too, has our job market, now 30,000 jobs above where we were at the beginning of the pandemic. Alberta last year led Canada in economic growth. All of the private-sector forecasters are projecting that we will do so again in 2022, with 130,000 net new jobs created last year, 30,000 already so far, according to Statistics Canada, this year.

Now, obviously, the increase in commodity prices has helped a great deal in getting us back to balance this year. But, as I said, if the spending track had continued at 4 or 5 per cent a year, we would have permanent structural deficits. That would mean constantly borrowing more, constantly paying more interest, and eventually raising taxes to finance that interest, and that would mean killing jobs. We went through an experiment like that between 2015 and 2019. It was a failed experiment. It was four of the toughest years in Alberta's modern economic history. Albertans chose a different path, one that encourages investment and economic growth anchored in policies like the job-creation tax cut.

I'm very pleased to report, Chair, that after we implemented that tax cut, we have seen now corporate income tax revenues growing by \$400 million over where they were. This is \$400 million more revenue at an eight-point rate than was being generated three years ago at a 12-point rate. Why? Because we've gone from the vicious cycle of suppressing investment and economic activity to the virtuous cycle of accelerating investment and economic activity. As I said earlier today in the Legislature, last year was the best year on record for exports from Alberta. It was the best year on record for manufacturing in Alberta. It was the best year on record for agriculture revenues despite bad weather, which has caused adversity for a lot of our farmers and livestock producers. Still, \$860 million of new agrifood investments, that bode well for the future of that industry.

Last year was the best year ever by orders of magnitude for our film and television and therefore our creative industries. We've gone from an average annual \$100 million investment to a billion-dollar annual investment last year in film and television, seeing a

whole new workforce and industry really spring up around that. We anticipate this will be the best year ever in the history of oil and gas. Last month we exported 4.1 million barrels of Alberta oil, which was a record high, with the completion of Enbridge line 3 pipeline optimization. We believe that we'll be able to export even more Alberta energy this year, and that's prior to the completion of the Trans Mountain expansion.

Mr. Chair, finally, we are very excited to see huge new industries taking shape around us with securing \$18 billion of new capital investment commitments in petrochemicals, which will ensure a long-term future demand for oil and gas, which means good certainty for upstream exploration and production, midstream pipeline service companies, producing low-emitting or zero-emitting products for the global market, and five major hydrogen projects that have also announced their intention to achieve our vision of making Alberta a key global hub in the future hydrogen economy. These are just some of the highlights, all of which underscore the return of Alberta to dynamic economic growth and fiscal health.

I think the biggest challenge we'll be facing in the mid-term will be a shortage of people and a shortage of talent, and that's why we have focused on the Alberta at work initiative in this budget with \$600 million in targeted investments to help bridge people who are unemployed or underemployed into the growing number of job opportunities while also attracting more Canadians to come here and enjoy a higher quality of life at a lower cost of living with lower taxes. We think the Alberta advantage is now stronger and more attractive than it's ever been.

With that, Chair, I look forward to your questions.

The Chair: Thank you, Premier.

For the next 50 minutes members of the Official Opposition and the Premier may speak. Hon. members, you'll be able to see the timer for the speaking block both in the committee room and on Microsoft Teams. Members, would you like to combine your time with the Premier's? You would.

Premier, would you like combined time or block time?

Mr. Kenney: Block time.

The Chair: All right. Ms Notley, you have the microphone for up to 10 minutes for your first set of questions.

Ms Notley: Well, let me begin, of course, by expressing my disappointment with the Premier's decision not to go back and forth, as I'm pretty sure every Premier has done for – I don't know – as long as I've been in this Legislature. It certainly undermines and inhibits the quality of conversation. I do hope the Premier will write down all the questions that I'm asking as I go forward and endeavour to answer them all.

As I begin, let me just, of course, say thank you to the public servants who are here for the work that they have been doing on behalf of the people of this province over the course of the last year.

Notwithstanding the rather rhetorical flourish that we just got in the introductory comments, I think it is fair to say that our province has been through some tremendously difficult times over the course of the last 12 months, and those times are still confronting many Albertans or different types of challenges. The challenges are evolving, no question about that, and some of that is really good news, of course. As we, hopefully, are able to move out of COVID and into recovery, there is still no question that we have a number of challenges. Of course, the way in which we face those challenges, as reflected in this budget, will be very much reflected in the competence and the efficacy of the work that is done at the top and in particular as it relates to the work that is done in the

Premier's office since, of course, the Premier serves as the ultimate decision-maker on every decision and every choice that is made within this government.

I'd like to begin my first set of questions on the matter of the Premier's office and some of the questions that we have that are around how that's been functioning. Of course, just for reference I'm looking at line 1.1 on page 103 of the estimates, page 212 of the fiscal plan, and, of course, looking at the goals identified on item 1.1 of the business plan at page 48. That's sort of what we're looking at. Let me, I guess, just begin at the very outset. If the Premier, when he answers me, could just confirm that the government of Alberta directory, that suggests there are now 32 people working in the Premier's office, is correct: that would be my first question.

Then I'd like to, from that, go to a matter which I did raise last year, actually, which was the issue of contracts for staff in the Premier's office and where they are. I'm sure the Premier will remember that last year I asked about the matter of publicly disclosed contracts of senior political staff in his office. Technically speaking, the threshold to disclose those contracts is \$113,400 a year. That's the salary. Our practice was to disclose all of them, but in any event what we are seeing now is that those disclosures are well out of date once again. When I asked the Premier about it last year, he indicated that he would make that a normal practice and that he would make sure that those contracts were posted as soon as possible. Unfortunately, it doesn't appear to be a thing that has been a priority in his office.

4:20

So the first thing I'd like to ask is that this be updated and that these contracts be tabled in the Legislature before we're asked to vote on the Premier's budget. For example, we don't have the updated contract for the acting chief of staff. In fact, the chief of staff, who's away on a leave, is still listed in the contract as the deputy chief of staff. The current acting chief of staff, who is apparently the deputy chief of staff, is still listed in her contract as working for the minister of labour. The executive director of issues management has been in that role since December, and she has no contract posted at all. The concern that we have here is that there are a number of staff who do not have their contracts posted. This is the most basic piece in transparency and accountability.

Next is the question of who's there and who's coming and who's going. Now, when we last met at estimates, there were at that time, I believe, 29 people listed on that same government website talking about who was in the office. Having looked at the names and compared to what we've got now, it looks like of those 29, over 50 per cent of the people in the office have left. We've seen senior positions like the principal secretary, the senior policy adviser, the issues director, the director of strategic planning, the director of the southern Alberta office of the Premier, and more all leave. It appears that 80 per cent of the staff in the Premier's southern office have left. We also seem to see that we are on, well, three chiefs of staff, three directors of strategic planning, and two directors of policy in the last 12 months.

My question generally to the Premier is: (a) is that accurate; (b) what's going on, and why is that happening; and (c) does he understand that certainly we are hearing from lobbyists and others that they are deeply frustrated with trying to engage with this government because every time they sit down and try to talk to somebody, the next time they call them, they've changed? How exactly should we be approving this budget if the people who are in that role are not in it long enough to be able to engage with the stakeholders and leaders across the province who they need to

engage with in order to perform the functions which are listed under item 1.1 of the business plan? That is a huge concern.

Now, moving on, in particular we mentioned your chief of staff. Your current chief of staff is on a leave of absence in order to work on the Premier's campaign to save his job. At the time that that was announced, the Premier also indicated that other staffers were also going on an unpaid leave of absence. I would wonder if he could please advise us: who else from his office is on a leave of absence as part of the job of campaigning to save the Premier's leadership? I'd also like him just to let us know whether those people are continuing to earn any kind of pension time or if they're still receiving benefits or any of those kinds of benefits from the public service that might arise depending on the nature of the leave of absence that those staff would have taken.

Finally – what have I got here? I've got 30 seconds left – in the fall there were media reports about requests coming from the Premier's office staff to people, business leaders to send staff to the UCP AGM in November. The reports were that those people who received those requests believed that that would give them greater influence in the Premier's office. Now, that's obviously hearsay, and I don't know whether that's true or not. I'm wondering if the Premier could simply answer whether any people working in his office at that time reached out to people about the UCP . . .

Mrs. Frey: Point of order, Mr. Chair.

The Chair: Yeah. A point of order has been called. I hesitate to interrupt.

Mrs. Frey: Thank you, Mr. Chair. Under 23(b) I fail to see how this is relevant to the estimates. Certainly, political matters are not anywhere listed in the estimates document. I'm curious if the Leader of the Opposition could please refer to the estimates document and govern herself accordingly.

The Chair: The member to respond.

Mr. Sabir: I think it's a question squarely about the people who are working in the Premier's office. I can refer to operating expense 1.1. I can refer to the government of Alberta's strategic plan, providing value for each tax dollar. I can refer you to the fiscal plan, page 212, asking about full-time employees. So there's a lot more to it. They are people who are working in the Premier's office, and this question is squarely about those who work in the Premier's office. It's not a point of order.

The Chair: Thank you.

At this time I find that it is not a point of order. However, the Premier has his discretion. He may speak to the contracts' financial obligations but not necessarily have to answer any parts that would go into HR or party matters outside of the realm of his office. So I would provide that caution to the hon. member in asking her questions, to be aware of some guidelines in that regard. You may continue for your last few seconds.

Ms Notley: Thank you very much. I would agree that the alleged activities are definitely outside of what should be in the realm of anybody in the Premier's office while receiving a public salary, and that is why I'm hoping the Premier will on the record assert that, in fact, nobody in his office in October or November reached out to anybody within Alberta asking them to send people to the UCP AGM.

I have 13 seconds left. I think I will leave it there and see what kinds of answers we get back.

The Chair: Thank you.

Premier, you have up to 10 minutes to respond to the questions presented.

Mr. Kenney: Yeah. Thanks very much, Chair. Thank you to Ms Notley. I just would like to reiterate what I said in the House: I'm glad to see that she is back and well recovered from a brief bout with COVID. I'm glad to see she's in good health. I'm sorry to hear that one of my colleagues on the line here is at home sick with COVID. Everybody continues to do their jobs, I know, despite this challenge to our personal health from time to time.

With respect to the format, Mr. Chair, one of the things I was focused on in becoming the Leader of the Opposition and Premier was improving the decorum in the Legislature. That was a platform commitment, which is why I discouraged heckling and desk-thumping and the like. I think that this is a much more respectful and civil way of having a good exchange of information, to avoid the kind of crosstalking and heckling that is, unfortunately, all too familiar, at least on one side of the Legislature.

With respect to the questions, there are currently 28 full-time staff in the Premier's office. I can report that the allocation of the average number of full-time equivalents in the Premier's office for the fiscal year just ending was 26.4. We project that for the fiscal year 2022-23 it will be 25.8. That compares, for example, to 29 FTEs in the Premier's office in 2017 and 28 in 2018.

Secondly, with respect to the disclosure of staff contracts I'm informed by officials that the normal Treasury Board guideline is for those contracts to be published semiannually in June and December, that we are in full compliance with that requirement, and that more recent contracts that have been entered into since the end of last year will be published per the normal requirements in June of this year. I'm advised that that is, again, the normal process.

Now, in terms of disclosing contracts of employees or contractors with compensation of less than \$113,000, that is not required by legislation. I and my office made a decision very early on, Mr. Chair, that, for example, for administrative people who are not in the public eye, who are not really political staff, who are making average compensation, it's not a reasonable imposition on their privacy. These are not people making big, six-figure salaries. They're not exercising a great deal of political authority. They are typically administrative staff and in support positions. They're below that threshold, and we respect their privacy, as we do broadly in the public service.

Number three, in terms of who is in the Premier's office, well, that is public information. There's a directory of staff not only in my office but in other ministers' offices. Yes, of course, from time to time there's, as the Leader of the Opposition knows well – I believe she had three chiefs of staff in her four years in my position. These are incredibly stressful positions where people are often working 100-hour weeks away from their family.

4:30

I must say that in COVID time it's been even more stressful because it wasn't just – the normal pressure of government is enormous for people operating at the centre of government and in the first minister's office, but if you add on to that multiple concurrent crises like a once-in-a-century pandemic, a once-in-a-century economic collapse, the largest collapse of energy prices ever, it's a lot of pressure on people. So I don't think it's at all surprising.

The federal government ended up seeing a similar kind of turnover in the Prime Minister's office under different administrations, just as you do in the White House or government leaders' offices. I think one thing that may be a little different in, frankly, a Conservative government is people who come from the private sector that have

opportunities in the private sector. To have their evenings and weekends off, to have much more remunerative positions is a pretty attractive offer. I think of, for example – Ms Notley mentioned a former director of my southern office at McDougall Centre. He was on a leave of absence from a major company. Of course, he was in complete compliance with ethics guidelines, but if he did not return to that employer this past summer, he was going to lose his position there and would completely upend his career prospects for the next potentially 25 years. I think those changes are understandable.

I am interested to hear that Ms Notley is very concerned about lobbyists and their access to the Premier's office. All I can do is say that we have a very strong team, and I'm pleased, Mr. Chair, to highlight, for example, that I have in place the first permanent, not temporary, female chief of staff to a Premier and deputy chief of staff to a Premier as well as a director of issues management. We have a strong and diverse team.

With respect to pension time any individuals who are – apart from Ms Livingston, I'm only aware of one other individual in my office who is on an unpaid leave. That's Chad Hallman from the issues management branch of the Premier's office. My understanding is that neither of those individuals receive accrued pension time during their completely unpaid leaves of absence. I don't think it's at all extraordinary that political staff periodically work on political campaigns. It's important when they do so that they take an unpaid leave, and all of these are done in consultation with the office of the Ethics Commissioner to ensure full compliance both while they are on a leave and when they return.

With respect to the last question, about requesting people to go to a meeting, the answer unequivocally is no. I've checked with my staff. No one is aware of or has ever made such a request.

Mr. Chair, I think that answers all of the questions that I recall here.

The Chair: All right. As we are still on the block time, 50 minutes, it will continue to go back.

Ms Notley, coming back to you for up to 10 minutes of time.

Ms Notley: Thank you very much. Well, just following up on a couple of those things, you said that as of December you are in full compliance with respect to posting contracts, but my information is that there are nine people who hold executive director, director, or deputy director positions within your office who have no contracts posted at all. So are you suggesting that these nine people actually earn less than \$113,000? Or, in fact, are you misinformed about what you just told me? Because, you know, that's a big number of people and fairly high-level people. The people of the province legislatively have a right to know what those folks earn and what their terms of contract are. Frankly, they just have a right to know in principle as well as by way of legislation. That's what our information suggests, so I will ask you again to tell us why it is that there are nine people. Or is it that nine people in executive director, director, or deputy director positions have arrived in your office out of the 29 since the end of December, which goes back to my other point?

Now, I think I heard you say that it's more natural for Conservatives to have turnover because they get paid more outside in the private sector than people who are not members of the UCP. I think that's a bit disconcerting. You did suggest that the level of turnover was understandable. Let me just take that to you again one more time: over 50 per cent turnover in the office of the Premier over the course of 12 months, when this is the single most important office in the province around driving the agenda and the priorities of the government. A 50 per cent turnover is understandable? I really want

you to come back and explain to me why you think that's okay, because that suggests to me a tremendous level of chaos.

Now, you may be dismissive of lobbyists, but, you know, other people just come direct although that's not our experience. Nonetheless, generally we know that there are a lot of leaders across the province with or without lobby groups who need to meet with the Premier's office. If they can't figure out who's picking up the phone, it is actually a problem. We have been hearing nothing but complaints about that. So it's a serious problem, and that's part of the budget that we're dealing with right now.

Now, speaking to the matter of – I'm just going to confirm. You did say that there was only one other person from your office who's on that leave of absence. I'm going to conclude that that is accurate. I would also ask if you could produce for us any and all advice from the Ethics Commissioner, who would have been consulted about the leave of absence to different employers and would have provided advice that that was adequate for both your chief of staff as well as the second person that you mentioned. There should have been consultation with the Ethics Commissioner, and we'd like to see that tabled before we pass the budget, if, in fact, there was written advice from the Ethics Commissioner received. You can also answer that question when you get a chance.

Now, going back to the matter of turnover, there are a lot of reasons, of course, why one might have turnover in an office. One of the ones that received a great deal of attention this year in late fall was the allegations around harassment and sexual harassment. Now, I'm fully aware that that matter is before the courts, the particular one that received a lot of attention, so I'm not going to ask about the details of that. However, in November, Premier, you committed to creating a harassment policy in the Premier's office. What I'd like to know is: who in the Premier's office did the investigation that you announced would be – not an investigation but a review. I'm sorry. A review. Has that review been completed? Can you table it? Is there now a completed harassment policy for members of your office as well as other staff working in ministers' offices? Can you also table that? So those questions.

And then notwithstanding that we can't get into the detail of the allegations and the legal action, can you advise us the financial cost of the legal action against the Premier's office arising from the alleged harassment complaint that we all, unfortunately, heard too much about? Then obviously flowing from that, I'd certainly like to hear whether it's your sense now that folks feel that the concerns that were raised have been resolved through the review of harassment issues as well as the creation, I hope, of a new policy or potentially one that's coming.

On that matter, it is my understanding that political staff members have recently been contacted and told to leave the office at 4 o'clock in order to go over to Park Plaza across the way there and phone from CallHub on behalf of the Premier. I'm wondering whether that is an appropriate request to come into the workplace or whether 4 o'clock is a reasonable time for people to leave the office in the government at this time. Is that your view? Is that sort of part of the 50 per cent turnover, understandable thing? Or are folks habitually leaving at 4 o'clock in order to do that?

4:40

Final set of questions – ah, no. I guess a couple more. How am I doing? About three minutes. I guess we'll start on this one. Oh, yeah. As we all know, you recently commenced a radio show on the Corus network. I don't think it's your director of communications, but one of your communications people in your office said that the government of Alberta was paying for ads during that weekly radio show. Can you advise what the cost of those ads is to the government

of Alberta associated with that radio show and table that information so that we can learn that?

Then the question I would have around that is that there was a time in your platform – and you mentioned having executed and implemented certain percentages of your platform – when there was a plan to bring in legislation barring the government from advertising in relation to elections. I am wondering your thoughts on the costs that are associated with the ads that are associated with your now weekly radio show being incurred both in the middle of what is clearly a leadership contest and also in the middle of a by-election. Does that meet the spirit of the alleged plans to bar government advertising that overlapped with political or democratic events in the province? Is it your intention to bring in that legislation? Will it apply to things like a review of the Premier's job by apparently now – I don't know – 10,000 Albertans, and will it apply to by-elections as well?

The Chair: With that, Premier, we will go back to you for up to 10 minutes to respond to Ms Notley.

Mr. Kenney: Okay. Thank you, Chair. With respect to posting of contracts, officials have just reconfirmed for me yet again that we're in full compliance. If there's some misunderstanding for Ms Notley on maybe the timing of postings, people may be on a registry but their contract was signed since December. We are in full compliance with respect to the requirements for disclosure, as I have already addressed.

Secondly, with respect to, "Is turnover at this level normal?" again, I had the privilege of serving for 19 years as a Member of Parliament in Ottawa, for about nine of those years as a member of the federal cabinet, for part of that time worked right in the Prime Minister's office as his parliamentary secretary. My recollection was that in those nine years there were four chiefs of staff, there were eight directors of communications, and there were four or five directors of issues management.

I think that people who have not worked in those positions don't understand how quickly people burn out running 100-hour weeks constantly, so I find that this level of turnover is actually normal, particularly mid-term. I've had two permanent chiefs of staff, yes, a couple of people who acted in that position, two policy directors, I think two directors of issues management. For the government, three years in, managing multiple crises, I think that would be a fairly typical rotation of staff. Again, for many Conservatives, like some people I know who left private-sector jobs to be compensated much less but to work much more, that is – I appreciate the public service. Let me just say that, Mr. Chairman.

The disclosure of letters to the Ethics Commissioner. Well, I have these exchanges between Ms Livingston, Mr. Hallman, and the office of the Ethics Commissioner, which confirm what I reported. In terms of releasing those, I understand there's a freedom of information and protection of privacy request for the release of those documents. I'll leave it to that process because I am not certain about what privacy rights are enjoined in terms of the release of personal correspondence between an employee and the office of the Ethics Commissioner. I think both of them have to be contacted before something can be released. But, certainly, if it's legally appropriate per the Freedom of Information and Protection of Privacy Act, those documents would be released. I see them here. There is absolutely nothing problematic in the exchange. It's quite a normal pro forma process when a staff member is going on a leave of absence to have an exchange of correspondence with the office of the Ethics Commissioner, for example.

With respect to the important issue of allegations of misconduct, first of all, I am not aware of a legal case against the government or

anybody in my office with respect to harassment, as Ms Notley just alleged. I am aware of a case having been filed for alleged wrongful dismissal, and that is before the courts. So respecting the convention of a matter being sub judice, I ought not comment on it. I would instead refer Ms Notley to the filings from both the defendant – that is to say, the government of Alberta – and the plaintiff in that respect.

In terms of broader issues of a safe workplace, first of all, I'm very proud that this government has instituted a respectful workplace policy. We, in fact, have made it mandatory further to a platform commitment to ensure mandatory respect in the workplace training. That's a program that's been designed in part by Sheldon Kennedy and was first rolled out by the government of Saskatchewan. Now everybody in the public service, all political staff in the Legislature, all MLAs, members of my office, are required to participate in and be certified as having gone through that respect in the workplace training. In addition, there's antiharassment training for employees, both in the public service and in political positions. There, of course, is whistle-blower protection legislation and ongoing training.

In addition to that, following recent allegations, my office did commission a report from Ms Pytel, who I understand is a professional expert in workplace safety issues. It's an independent review of human resources policies for political staff. We are awaiting the full report, and we'll certainly make public the key recommendations with respect to improving, where necessary, internal processes for human resources to ensure that people know, if they have a complaint or a concern, how best to raise it, to whom to raise it, how they can keep their identity confidential, and to ensure just that there is clarity about how best to address workplace conduct issues.

With respect to political staff doing political work on their own time, I think that's hardly surprising. I know that that was standard operating procedure for the previous government, led by Ms Notley, for the political staff to sometimes do party work on their own time. That is standard operating procedure. Of course, in the Westminster system for about 150 years, Mr. Chair, governments are formed by organized political parties who need the support of voters, and that requires reaching out and communicating to people. It also means that both Ms Notley and I are the leaders of political parties, so we spend a portion of our time dealing with internal political party responsibilities because we have multiple hats: in my case as Premier, in her case as Leader of the Opposition but also as leaders of our respective parties. It is entirely conventional and normal as an essential part of our system that people who are involved in parties also have elected and public responsibilities, and we use good common sense with, of course, the clarity of all sorts of statutory and regulatory guidelines to ensure that each of those things stays in their own lane.

4:50

With respect to the radio show to which Ms Notley referred, yes, I'm pleased to say that we've begun a latent tradition. It was something that my predecessor Ralph Klein did for I think 13 of his 16 years in office. He did a regular Saturday morning call-in show. I know that this has caused some people to get very agitated about the idea that the Premier would actually be accessible to regular folks instead of just journalists, but anybody can call in and can make their point, represent their issue, ask their question right across the political spectrum.

I remember back in the day that this was far more normal, and we used to have more call-in shows. As I say, we renewed the latent tradition of doing this on a regular basis. It's not unusual. I know that on Friday mornings, at least in Calgary, the current and the former mayor would do a regular 30- or 60-minute slot, taking

questions from callers. I don't see how this is at all controversial. I understand that there has been – there's not advertising on the program, but there was some promotional advertising, I believe in the range of \$6,000. Yes; \$6,800 for that program.

With respect to the by-election in Fort McMurray, my understanding is that neither QR 77 nor CHED broadcast in the Wood Buffalo region. These are Calgary and Edmonton region broadcast zones. The advertising has been done in a way that's consistent with the election communication policy approved in February 2019 and updated in August 2021, which sets out what is in or out of bounds with respect to advertising. We adhere very carefully to that policy, and I look forward to continuing to do that, Mr. Chair. I think the things we're paying for, things like banner ads, on those radio shows are just to make people aware of my availability, just as we have – I very frequently do Facebook Live sessions, which is another way of being accessible to the general public, and sometimes we'll promote those through social media advertising, within the appropriate budgets.

I think the Premier being accessible to the general public is a positive way of being accountable to the public. I will say this. I find the questions I get on Facebook Live and in open-line talk shows far higher quality than the ones that I get in the Legislature typically in question period. They speak, typically, far more to the concerns I hear from ordinary Albertans, so I think it's good to be, yes, accountable in the Legislature but also accountable to regular people through means such as open-line radio and Facebook Live.

The Chair: Thank you very much.

Ms Notley, up to 10 minutes for you to ask further questions.

Ms Notley: All right. Well, just going back to the contracts being posted, my understanding is that if one goes to where one finds the political contracts, one will not be able to find a contract for the executive director of issues management or the deputy director of issues management or the director of digital strategy or the deputy director of government communications and speech writing or the executive director of the southern Alberta office of the Premier or the director of community relations or the director of government communications. Then, of course, your chief of staff's contract is two jobs out of date. Also, the director of policy position is not updated. Those are the specific ones which we cannot find. Perhaps you could just table them before we move to voting on your budget.

I'd like to move over quickly to – oh. As well, I'm asking that you table the draft report completed by Ms Pytel in November around the harassment policies and safe workplace policies review that she completed.

The next thing that I'd like to go on to is the matter of delegation of authority within your office. Now, of course, we've had lots of conversations about this in question period and other places, but this gives us just a little bit more time. Now, we know that under section 9(1) of the Government Organization Act, "A Minister may in writing delegate to any person any power, duty or function" that they otherwise would hold. Of course, that's particularly a thing that is done when there is an absence of some type. There is a memo that's prepared by the deputy cabinet secretary and the head of the cabinet co-ordination office and then filed with Executive Council stating who will be acting in the absence of the minister or Premier. That's what the MLA for Grande Prairie did before her trip to Hawaii in December 2020, when she was in Executive Council.

Now, as we have discussed, in the fourth wave, where there was what some people actually characterized as a failed state for a brief period of time, there were a lot of people away on vacation. On September 1 you described your time away, which I understand was

an intercontinental vacation – you weren't on the continent – you described it as an extended period off. The next day, when people, of course, immediately started questioning, "Well, who was in charge during your extended period off?" you then said, "Well, I was actually working the whole time; I was on the phone the whole time."

Notwithstanding that, we know that the practice is still to delegate somebody through the process that I just described for signing authority. We know that that happened with other people as well. My first question, then, would be: will the Premier table any and all documentation around the delegation of signing authority during the period when he was not on the continent for I believe it was two and a half weeks or something like that in August 2021? Of course, the reason for that is because it has big implications for the budget going forward. Let me just be clear, Premier. I want to say that I absolutely think that taking a bit of time off is necessary and important, and I would never in a million years have critiqued that and indeed did not at the time. The question was: who was doing the job here? I know enough about the job to know that you just can't do it all with an eight-hour time differential. So I'd like to see what documents there are and have those tabled.

In addition, as I'm sure you know, we called on the Auditor General to do a performance audit of your office, arising from that matter in particular. The Auditor General has reported at Public Accounts in December that he is still considering that request and that he is looking at a number of different competing priorities, but he takes that request very seriously. As you would know, Premier, section 17 of the Auditor General Act enables you as Premier to make a special request to the Auditor General to have him come in and do a performance audit of your office. Indeed, this is a thing that happened under former Premier Alison Redford in March 2014. My question is: rather than waiting for the Auditor General to get to that audit, whether you would resolve these concerns by simply asking the Auditor General to come in and do an audit of how authority was delegated in August and the first week of September in 2021, during the explosion of the fourth wave?

The final question, because I know I'm going to run out of time here, is – I understand there was quite a bit of renovation done to the permanent office of the Premier, not the Federal Building, which I'm sure needed some changes to allow you to be there while work was being done on the building as a whole. I understand that there were specific renovations done to the office of the Premier. We have tried to FOIP it, and there were 300 pages that came back blank.

I am wondering if you would be prepared to table with the Legislature, before we vote on your budget, a description of the renovations that were done, specifically in your office, and an itemization of the costs. I understand that some of those might be implicated by way of security issues, so we would be perfectly happy to accept the level of opaqueness that would ensure security issues were not implicated; I'm happy to do that. But we would still like to get the total cost and a general description of the renovations that occurred to your office.

I'll pass it over to you.

The Chair: Thank you very much.

Premier, you have up to five minutes and 44 seconds to respond.

5:00

Mr. Kenney: Thanks very much, Chair and Ms Notley. First of all, the contracts to which Ms Notley has referred will be tabled per the legal requirement on a semiannual basis. I can assure her that all of the equivalent positions are paid less than they were in her Premier's office, so I'm sure she'll take some comfort in that.

Secondly, we have not received the report from Ms Pytel to table, but I look forward to receiving that and reviewing it.

Thirdly, with respect to delegations of authority, what we have is an acting ministers list, which is about four ministers deep. Should a minister be incapacitated, there are acting ministers who are designated by order in council to act on their behalf. Mr. Chair, my definition of being incapacitated would be somebody who is completely off the grid, who is unable to respond for an extended period of time, or somebody, for example, who is under general anaesthetic or for other medical reasons is completely incapacitated from doing their job. It doesn't mean not being in the office.

I think this is, apparently, a kind of a philosophical difference that I have with Ms Notley. I can tell her that when I was the Minister of National Defence, at a time when under my authority Canadian Armed Forces were deployed to a hot conflict in the Middle East, in Iraq and Syria, and deployed to a training mission in Ukraine, for example, if I took a few days of personal time in the middle of the summer, my authorities were not delegated to anybody. I would check in, be fully accessible to my office. I would check in multiple times a day, and that's what I continue to do. I don't have in that sense a day off. Every single day, as I'm sure Ms Notley was in my position, I'm accessible and dealing with issues.

Ms Notley has in the Assembly raised the case of then Health minister Tyler Shandro having taken some personal time with his family at a family cabin. I recall very distinctly during that period being on calls with him for hours, hour-long, multiple back-to-back calls on different issues. Not being in the office in the middle of August does not mean a minister is not performing their duties or their roles.

There is no obligation that ministers sign a letter for delegation of authority. There is, as I say, an acting ministers list. That is the arrangement that is in place should a minister be incapacitated and unable to perform their functions. With respect to signing and things like that, ministers have autopen ability, so you can authorize electronically the application of your autosignature to a formal instrument should it be required.

I am mystified by Ms Notley's obsessive focus on something that has never in my many years of public service been an issue before, again, in my 19 years in Parliament. Ministers carry massive responsibilities. The Prime Minister would take time away with family but would stay engaged in their responsibilities. They did not delegate authority to anybody else. If a minister was going under general anaesthetic or something, there might be a backup plan, but that's what we cover through our acting ministers list.

With respect to the issue of an Auditor General's performance audit, look, I think primarily what Albertans want the Auditor General to focus on is responsible spending of tax dollars, not political fishing expeditions for the opposition, but that's just my opinion.

Mr. Chairman, with respect to renovations, I don't have a list of any work that was done in the Premier's office proper in the Legislature Building. The reason that we moved our operations over here to the Federal Building: first of all, there was work being done in the immediate outside, which made it effectively impossible to work there; secondly, there was scaffolding up to the Premier's office, which created a security concern for the people responsible for security; thirdly, we moved effectively all of our meetings over to this Federal Building to allow for physical distancing. I understand that some work has been done in the Premier's office during that interim to reinforce security. For example, anybody can see now that there's a bulletproof door on the exterior. There are other security improvements that I've been asked not to speak about publicly because they are matters of security sensitivity, but I would be happy to ensure disclosure of whatever can be disclosed in that respect. I think that apart from security upgrades I'm not aware of any other work that was done.

The Chair: Thank you.

That concludes the first portion of questions for the Official Opposition. As we see no independent members, we will now move to the government caucus for 20 minutes of questions from members.

Members, would you like to do block time or combine your time?

Mr. Rowswell: I would do block time if that's what he wants.

The Chair: Very well. We'll do block time, and you may begin with up to 10 minutes of questions, Mr. Rowswell.

Mr. Rowswell: Okay. Thank you very much, through the chair, Premier, for being here today. As per page 47 of the business plan the policy co-ordination office works with all ministries to support the development of policy options and align with the government's agenda and co-ordinates the review and approval of government regulations. As you know better than anyone, this government has pursued an aggressive legislative agenda, meeting campaign promise after campaign promise throughout what we've been through, even though there's a global pandemic that we've been working through as well. Given this mammoth undertaking, I'm sure the policy co-ordination office has been kept pretty busy.

Performance measure 1(b) relates to the satisfaction of ministries that the advice and support from Executive Council assists the ministries in advancing the policy and operational mandates of the government and sets targets. Can the Premier please give the historic performance of this metric as well as explain the rationale behind the 85 per cent target? Can the Premier also highlight some of the initiatives undertaken by this government which the PCO assisted with and how they have benefited Albertans?

With that, I'll cede the rest of my time to MLA Allard.

Mrs. Allard: Thank you very much to my colleague and thank you again to the Premier for being here this afternoon. I just have one question. I'm on the core business plan, page 48. One of the key commitments that our government made to Albertans was to balance the books in our first term in office, which was no small task given the challenges that we face, as the Premier outlined earlier. After years of deficits and accumulated debt from previous governments we promised to return the provincial books back to balance within our first term. At one point it did not look like that would be possible. We also promised to do this without reducing funding for health care and K to 12 education. I, like many Albertans, was very pleased to see that we are projected to reach balance at the end of this fiscal year, one full year earlier than planned, and I think that's commendable.

With two tough years of COVID and other challenges and record spending on health care this is undoubtedly a remarkable achievement. My question, through you, Mr. Chair, to the Premier: could the Premier comment on how we were able to keep our balanced-budget pledge, the work that it took to get here, and how Executive Council assisted in the execution as indicated in outcome 1 on page 48?

With that question, I will cede the rest of my time to my colleague MLA Frey.

Mrs. Frey: Thank you very much, MLA Allard, and thank you, Premier, for being here today. I also want to thank your staff for all that they do to work for Albertans as well as political staff who work very hard every day, often under-thanked by the public, for sure. Thank you to all of them for being here today and for what they do.

I see that line item 1.1 on page 103 of the estimates speaks about intergovernmental relations. As you are the Minister of Intergovernmental Relations, I was curious that Executive Council

plans to spend just over \$5 million on intergovernmental relations. Now, I do know that the responsibility of IGR, as stated on page 47 of the business plan, is to work with “ministries to ensure a coordinated and consistent approach.”

I also know that IGR provides supports to the Premier on his intergovernmental relations agenda, missions, and meetings, so I'm hoping the Premier can speak to a few questions that I have regarding this money and how it's being put to use. To the Premier: can you please detail how this money will be put to use to ensure that government ministries are co-operating effectively and efficiently, of course, and as well some examples of how ministries have successfully co-ordinated efforts to promote Alberta and our industries?

5:10

Following that, I'm curious if the Premier could comment on line 1.1. I see an estimate for 2022-2023 that is consistent with the current forecast for the previous year. However, when I look at the actual expenses in 2020-2021, I see a nearly 55 per cent increase in expenditure. Can you please speak to why we might see this increase and why it's important to maintain strong intergovernmental relations?

Finally, I'm going to ask about line 2 on page 103 of the government estimates. I'm curious as to some of the challenges that Executive Council has faced when it comes to ensuring that IGR can continue to operate effectively. Of course, with the COVID pandemic there was less travel or no travel at one point. Part of the job of IGR is to make sure that we're promoting Alberta to the rest of the world, of course, to ensure investment comes to our province. I'm curious if you could speak to some of the challenges that the COVID pandemic has created or continues to create when it comes to your important work in intergovernmental relations.

I will cede the rest of my time, because there is still lots of time, to MLA Rosin.

Ms Rosin: All right. Thank you, MLA Frey. We are a motor in this section, so I will keep up that trend.

My first question is related to outcome 2 of your business plan, which states a key objective of ensuring that “Alberta's priorities are advanced across Canada and internationally.” I see that the budget for intergovernmental relations this year reflects a \$700,000, or a 14 per cent, increase for the year, which is also up 92 per cent from over two years ago, so quite a significant increase from last year and dating back even two years ago as well. I'm wondering if you could speak to what specific priorities you intend to advance on behalf of Alberta, again, within Canada, as well as internationally with this monetary increase and how that money will be spent.

Further, I'm also wondering if you can speak more specifically to reform with federal and provincial relations, especially when it comes to matters such as the one we recently had a referendum on. I'm wondering if there are any metrics being used to ensure that the spending increase is being used to accomplish the priorities set out by your ministry as well as those which Albertans did recently vote on, I believe around 62 per cent in the provincial referendum.

Further, I'm also wondering. If we look at key objectives 2.4 and 2.5 of the business plan, these highlight the importance of reducing barriers to internal trade and the free flow of goods, services, and labour mobility across Canada. I know this is something that your office has been very proactive on in the federation. I believe we were the very first province to reduce all barriers to procurement with other provinces. I am wondering if you can speak to what progress is being made to ensure that those barriers being dropped are reciprocated by other provinces towards Alberta within the federation, if you can further quantify the impact to our economy that this has or will have if and when completed, and then if you

can quantify the impact to our economy and our financial position right now as we reduce those barriers and then quantify the future potential impact that you project to see once those barriers are dropped not only from Alberta but also towards Alberta as well from our partners in the federation.

With that, I am passing it off to Mr. van Dijken.

Mr. van Dijken: Good. Thank you, MLA Frey, and thank you, Chair, for the opportunity to speak, through you, to the Premier. I thank the Premier for the work that he does and the staff that work with him, an incredibly important part of good governance within our jurisdiction in this province.

I am going to just speak a little bit about key objective 2.1. It's with regard to building relationships within our federation and securing strong relationships right throughout our country. The key objective is to build and maintain strong relationships with federal, provincial, and territorial governments, advocating for Alberta's interests on issues of importance to Albertans. I know, Premier, that one of the key roles within intergovernmental affairs and one of your objectives was to focus on the free flow of goods and labour and all of the necessary commerce mobility throughout the country. My question is: how do you feel that's going? Where are we at? As you alluded to earlier, there was a lot of work that was done over the last two years in dealing with a pandemic, a global pandemic, but also work that had to be done ensuring that we had smooth-flowing policies across the country.

It's an important part of your job, intergovernmental relationships, and hopefully we can hear on the work that you're able to do with Premiers and the federal government, the Prime Minister in advancing some of the causes with regard to the free flow of goods, the free flow of labour. An important part of any strong and vibrant economy is that ease of moving from jurisdiction to jurisdiction and providing value, human-resource value throughout the country, then.

With that, I will cede my time over to the Premier.

The Chair: Premier, you have up to 10 minutes to respond.

Mr. Kenney: All right. Thank you, Chair. There's a lot there. Let me see. I'll do my best, which will be insufficient. Thank you very much. The first question was from Garth Rowswell. Yes. MLA Rowswell. Thank you very much. On the performance ratings, look, Executive Council is not an operational department. We don't do surgeries or run universities and things like that, so it's, frankly, harder to do performance measurements. Typically the way that it's done in Exec Council is by surveys across the public service in Alberta to see their level of satisfaction. I have always wondered if those are anonymous because I'm not sure which of Ray's deputy ministers wants to tell him that he's doing a bad job. Generally they're high ratings, and they range between about 81 per cent and 87 per cent last year. So there have been fairly good ratings in terms of the service provided by the policy co-ordination office, the cabinet co-ordination office to our stakeholders, who are basically the other departments in government.

You're right. This has been a very busy year or couple of years, obviously, with the multiple crises that we've been managing. I really do want to pause just to say thank you, through Deputy Minister Gilmour, to the entire Alberta public service. The team at Executive Council, without additional personnel, with the exception of that ESG bureau that we created, which is, like, 11 FTEs – with that exception, this team did not expand. There was very little turnover going through an enormous amount – like, I think DM McPherson told me that the frequency of cabinet meetings was up by over . . .

Mr. McPherson: A hundred and twenty-one.

Mr. Kenney: A hundred and twenty-one . . .

Mr. McPherson: From 38.

Mr. Kenney: . . . from 38. The average would be 38 a year. We did 121 meetings last year, so, like, a fourfold increase in the volume of work flowing through cabinet. That wasn't just COVID. Like, about a third of that was COVID-related policy work, but two-thirds of it was platform implementation and regular policy work. So the amount of – I see here 1,087 initiatives on policy in 2020. That's, I think, probably without precedent. The volume of policy work going through PCO: 689 initiatives last year. PCO supported the development of 29 bills in the First Session and 87 bills in the Second Session. These are just some of the metrics of, I think, the unprecedented volume of work that's gone through the co-ordination of Executive Council.

MLA Allard, thank you for your questions. The first one was, really, I think, on the fiscal situation of the province. I did address that in my opening remarks, but let me just underscore how important continued fiscal discipline is. This is something I indicated to the Alberta Urban Municipalities Association last week, which is that everybody is getting out their shopping lists now. They're rubbing their hands together, imagining, like, visions of sugar plums dancing in their heads. Everybody is saying that we're going to have big oil prices and therefore big surpluses; let's spend it all now. Gosh knows I hear that in question period every time I walk in there, but if we did that, Mr. Chairman, we're just right back in the poorhouse. We have to have the discipline.

It has been hard. It has been hard to hold spending to a growth of only .34 per cent, down from – this is not a partisan point because it was previous PC governments that did it, too, where spending was 4, 5, 6 per cent a year, year after year after year, which is how we ended up with the least efficient provincial government in Canada according to the MacKinnon report. We were paying a 20 per cent premium for roughly the same public services, often with substandard outcomes. The habit in Alberta politics became to measure success not by outcomes and results but by input and how much we were spending. We simply had to put an end to that.

5:20

Now, it wasn't the Ralph Klein 1993 20 per cent cuts. It was a grind to get it down to basically zero over three, and I want to say thank you again. Everybody in the broader public service has made sacrifices and hard decisions. There has been a reduction in FTE count of, I think, 9 per cent in the core Alberta public service, largely through attrition. That's what we committed to, by the way. That's actually what we ran on, which was freezing government spending to get our total per capita spending down to that all-Canada average, reducing the size of the public service through attrition. Somehow we got through that during multiple crises, but we've got to continue to show that discipline in the future.

Yes, we will spend more where it's absolutely necessary to address significant pressure points. That's what we're doing in health care this year and last, \$1.9 billion in additional health funding, and we'll continue to do what's necessary. But here's my hope, that in the long run, should we experience some decent surpluses and, please God, with a strong economy for a few years here, we must have the discipline to pay down debt and put it in our savings account, the heritage savings trust fund, so that it is there to stabilize our fiscal situation for the long-term future. Right now the heritage fund is under AIMCo investment management, spinning off double-digit annual returns, and we're only spending two percentage points on our bonds right now on average. For me, it

would make more sense to put any potential surpluses largely into the heritage fund and pay down debt as it matures.

Thank you, MLA Frey, about the questions on the spending in the Department of Intergovernmental Relations. The 55 per cent increase you referred to: that is basically just the addition of the environmental, social, and governance secretariat into Executive Council. Now, that's work that had been done a little bit here and there: Energy and the environment and in other corners of government. We brought it together to have one central policy and communications function for such a critically important issue. As you know, the number one issue that our major energy producers raise as their top concern strategically is access to capital and financial services because of pressure on ESG investment metrics. We have a great story to tell. We weren't telling it well enough. It's one of the reasons we set up the Canadian Energy Centre, and the ESG secretariat is supporting much of that work. That was a \$2 million addition to the budget with, as I mentioned, about 11 FTEs.

Also, to Mrs. Frey's question about, yeah, Intergovernmental Relations, we've been super busy. As I mentioned, I think the pace of meetings between provinces and the federal government went up, like, fivefold during COVID for understandable reasons. DM Volk and her team have been extremely busy supporting us through all of that over the past two years.

MLA Rosin on the question about, again, federal IGR, intergovernmental relations. One of the big things we do is defend Alberta's energy sector. That's why we set up the ESG secretariat. But it's things like lobbying other provinces to support us on getting the cap lifted on the fiscal stabilization program. Deputy Minister Volk was just briefing me today on – well, just last week we decided to match a federal transfer program to help municipalities cope with the cost of transit given the collapse of their revenues. Right now we're dealing with a potential long-term or continuing care shared-cost program with the federal government. There's a lot of that, and there have been a lot of wins. We managed to defend Alberta industry by getting equivalency agreements with the feds on methane regs, on major industrial carbon emissions, on woodland caribou species habitat protection. These are multibillion-dollar ticket items, big deals for the Alberta economy, big wins. Again, the IGR section of Executive Council supports me in that good work.

The question about labour mobility that I got here from MLAs Rosin and van Dijken. I'm very proud of the Labour Mobility Act that we introduced, that basically gives a two- to three-week maximum for professional regulatory organizations to certify the credentials of a Canadian professional coming here from another province. I think it's a hugely important step forward. I'm glad to see Ontario has reciprocated. We did this in the hopes that other provinces would follow our lead. Ontario has come forward with strong legislation. We'll continue to lobby other provinces to do the same. According to the International Monetary Fund, the C.D. Howe Institute, and other think tanks, the single costliest element of trade barriers in Canada is with respect to labour mobility. Now that we are moving, we hope, into a boom cycle here and more and more Canadians will be moving here, we need to recognize their credentials as quickly as we can.

We continue to champion free trade. We've dropped 80 per cent of our exceptions that had been filed under the Canada free trade agreement, all of those with respect to procurement. Just last week – here's a news flash – we dropped two of our four exceptions under the New West Partnership agreement, and we'll continue to press other provinces to follow our example.

The Chair: Thank you very much, Premier.

I wish that MLA Loewen would introduce himself for the record at this time.

Mr. Loewen: Thank you. MLA Todd Loewen, Central Peace-Notley.

The Chair: Thank you.

That concludes the government members' first block of questions. We now move to five minutes of questions from the Official Opposition, followed by independent members, then government caucus in that continued rotation, followed by five minutes of response from the Premier, respectively. As mentioned, members are asked to advise the chair at the beginning of their time rotation if they wish to combine their time with the Premier's time. Please remember that discussion should flow through the chair at all times regardless of whether or not speaking time is combined.

Ms Notley, it is to you for your first up-to-five-minutes block of questions unless the Premier is wishing to change and combine time at this time. No. Continue with block time? There you go, Ms Notley.

Ms Notley: Right. So just very quickly, to follow up from our last conversation, I just want to confirm that the list of political staff whose contracts we cannot find on the website – the Premier is now saying that even though they are not there in a timely or legal basis, now we have to wait until the next time they would be posted, which I gather would be June. I asked him, if he believes that they are posted adequately or not – I don't really care – to table them in the House before we vote on his budget, the ones in particular that I listed. I just want that very clear. We are asking for them to be tabled, and we would want an explanation for why they would not be, because he has not yet explained why those particular ones aren't there.

On the matter of delegation of authority, just a quick one. The Premier has suggested that nobody delegates authority unless they are under general anaesthesia. The Minister of Municipal Affairs went to Hawaii and delegated authority. The Minister of Health went on vacation and delegated authority even as he was allegedly on the phone on a daily basis with the Premier, who was somewhere in Europe. He still delegated authority. I'm wondering if the Premier would want to withdraw the comments that only people who are deathly ill or unconscious would ever consider delegating authority given that there is a practice of that in his own Executive Council.

Now, speaking of outputs, I want to sort of go up a little bit more and talk about a couple of other issues. The Premier suggested that we should measure the performance and the effectiveness of the government on the basis of outputs. Let's do that. Last year 50 per cent more children in care died. Fifty per cent more. To be clear, the year before, we had the highest number of children who died in care in the history of the province. I'd like the Premier to ask whether his thoughtful efforts to reduce costs in the children's ministry and to keep them flat – if that particular output is one that he thinks we should not respond to.

Additionally, I want to talk about affordability. This is a Premier who spent a good part of his early career railing against the pernicious element of bracket creep. He then brought it in almost immediately upon getting elected, and he has defended it primarily by deflecting against things that we did in government. But, you know, that was three years ago. What's happening right now is that the rate of inflation, even though projected to be just over 3 per cent in the budget – we are actually suggesting and many experts suggest that this year it could be much closer to 5 per cent. That is a 5 per cent loss to people who are paying taxes in this province. It is also a 5 per cent loss to people who earn income through AISH, because they are severely disabled, or seniors.

5:30

My question is whether the Premier now will reconsider the decision to embark upon over a billion-dollar tax grab from Albertans through the, quote, unquote, pernicious practice of bracket creep in the face of what are accelerating inflationary pressures and whether he will reconsider the not onerous grab that was instituted, in contradiction to what he promised Albertans leading into the last election, from Albertans who are disabled and from seniors who are on fixed incomes and others who need income support who lose money every year when subjected to an inflation rate which is clearly skyrocketing now and creating a crisis. The question is: will he act to deal with this? Someone on AISH, someone who literally is paralyzed from the neck down, has lost a thousand dollars of purchasing power this year in the face of inflation, so as a result . . .

Mrs. Frey: Point of order, Mr. Chair.

The Chair: Sorry to interrupt. A point of order has been called.

Mrs. Frey: Under 23(b), "speaks to matters other than the question under discussion." We're here to talk about the Executive Council government estimates. Once again, the long-standing Member for Edmonton-Strathcona would know that you need to be referring to a line item in the budget of this department, Executive Council, to be asking questions. I'm just curious if she could bring that back to the matter at hand, if we could talk about the Executive Council estimates, or if she would like to go back to Children's Services or CSS or somewhere else and ask those questions there.

The Chair: To respond?

Mr. Sabir: Mr. Chair, it's not a point of order. For all those questions, I can point the member to many things that relate to these questions; for instance, the strategic plan. The Premier is the author of that plan. On page 1 there is the Premier's message, how ideas work to create that plan. That plan talks about affordability, talks about new initiatives, and then under outcome 1, both 1.1 and 1.2, it talks about that this budget is used to "provide advice and information to the Premier and Cabinet to support informed decision-making." These are some of the decisions made by cabinet that impact Albertans across this province. So we are asking exactly about those decisions, what input this office had in those decisions, and I think it's fair and square within the purview of this estimate.

The Chair: All right. At this time I find that this is not a point of order. However, I have allowed a great degree of latitude for Ms Notley to make her case and point out elements of other estimates and budgets and other ministries, so I would ask her to bring that back to the estimates at hand with her final time in this line of questioning.

Ms Notley, you may continue.

Ms Notley: Indeed. Well, just going off the comments made by the Premier and the depth and breadth of the assertions that he's made in his, I simply am asking whether this budget will now be adjusted to consider the more likely rate of inflation and the impact that bracket creep and the failure to engage in inflationary adjustments for those on low income and other forms of limited income – what is the impact for them, and would he reconsider advising his colleagues and the ministries that he has a job to do just that for . . .

The Chair: Thank you, Ms Notley.

Premier, you have up to five minutes to respond.

Mr. Kenney: Yes. Thank you, Chair. First of all, once again, the contracts for political staff will be disclosed in full compliance with the Treasury Board guidelines.

Secondly, again, with respect to delegation of authority, I said that the primary instrument for delegation of authority is the acting ministers list. We have, I think, three or four acting ministers that are designated by virtue of an order in council. If a minister who is going away doesn't want to authorize the autopen and there's some emergency instrument that needs to be signed, they can delegate that, I suppose, signing authority on a discretionary basis, but it's the normal practice certainly for myself – and it always has been whenever I've been in a position of government authority – simply to electronically authorize autopen utilization.

With respect to the outputs Ms Notley has raised a very tragic situation with respect to, as we discussed in question period today, the death of children in care. I regret that she has alleged that these fatalities are the result of what she just claimed were government spending reductions. We have seen over the past two years of COVID an increase in domestic violence, an increase in drug overdose deaths in the incidence of addictions. We've seen a significant increase in child and adolescent mental health challenges. Indeed, the government appointed a task force, co-chaired by MLA Jones, to investigate the depth of the child and adolescent mental health crisis of the COVID era. Undoubtedly, these are all factors that are reflected in the tragically higher numbers with respect to the death of children in care, but to suggest that this is somehow a deliberate policy choice of the government is deeply offensive.

I would point out, since she's asked about the budget, that the dollar figure in 2018 under her government in the budget for Children's Services was \$1.509 billion, and the budget before this committee for Children's Services is \$1.72 billion. That's an increase of 14 per cent, so there has not been a reduction in that budget; there has been an increase, specifically, with respect to child intervention. The 2022 budgetary allotment was \$796 million, and in the budget before the committee it is \$843 million. That does not include additional investments being made by Alberta in youth mental health hubs of \$7.3 million over three years, \$1.25 million for the new 12-week youth recovery program at Hull Services, additional grants and contributions to nonprofit and charitable organizations, in addition to the report being commissioned by Children's Services to investigate the rise in deaths, which will help to govern future actions.

With respect to bracket creep, Mr. Chair, the decision to suspend indexation of tax brackets was made during a fiscal crisis. This government inherited a structural deficit of \$8 billion from the previous government. Thanks to difficult decisions like that, we are now moving back into surplus and fiscal health, so we will reconsider that policy. We will also appoint a committee, as per our platform commitment, to advise us on how to construct the most efficient tax system to encourage jobs, growth, and investment in Alberta. I would remind Ms Notley that when she was Premier, she actually substantially increased income tax rates on Albertans, and that helped to depress the economy. We certainly will not follow that policy direction.

With respect to broader cost-of-living issues, Ms Notley, of course, supports the quadrupling of the current carbon tax. Today she raised in the Legislature the case of a woman whose gas bill is \$400 this month, on which that individual is paying \$84 in carbon tax. When Ms Notley and Mr. Trudeau succeed in quadrupling the carbon tax, her monthly carbon tax bill would be \$357. The average household's carbon tax bill over a year will go from \$252 to \$1,000. So, Mr. Chairman, if the NDP is actually concerned about the cost of living and energy poverty, I implore them to join with us in opposing the federal carbon tax, particularly the scheduled April 1 increase in the carbon tax.

The Chair: Thank you, Premier.

We will now go to the independent member for up to five minutes of questions. Mr. Loewen, you may proceed.

Mr. Loewen: Okay. Thank you very much, Mr. Chair, and thank you, Mr. Premier, for being here today to answer questions. I just have a couple of quick questions, actually. In the business plan on page 50 can you explain to us what is considered capital investment for the Executive Council, with maybe some examples of what's included in that line item?

The second question. On page 145 in the fiscal plan it says that there are \$500,000 in savings from vacancies. I'm wondering: how many staff vacancies are there currently, and how many staff do you have in the Premier's office at this time?

5:40

Mr. Kenney: Thank you, Mr. Loewen. On the first question, my understanding is that the only capital expenditures on the part of Executive Council were for computers. From time to time computers have to be modernized and replaced. Do we include software as capital? No, just hardware. Okay.

Secondly, with respect to the \$500,000 being lapsed. Actually, the very first question that I answered in this appearance was about, I think, 28.5 FTEs – is that correct? – in the Premier's office, but it's budgeted for 31.5. So we're understaffed by a couple of positions, and that represents the \$500,000 that's being lapsed. Is that right? I'm going to refer to ADM Hogemann.

Ms Hogemann: Thank you. Dana Hogemann, senior financial officer and ADM. The \$500,000 lapse in the current year is related to vacancies within IGR. So that's the lapse.

Mr. Kenney: Oh, so it was IGR, not PO. Go ahead.

Ms Hogemann: Yeah. There are approximately 28 positions that are staffed right now. There is an allocation of 31.5 for the Premier's office, and that would also encompass any potential summer students, that type of thing. There is a flux over the normal course of a year. FTEs are different than people because some people work part-time, et cetera.

Mr. Loewen: Thank you very much.

I cede my time. I appreciate it.

The Chair: Thank you.

We now go to the government caucus, Mr. van Dijken, for up to five minutes of questions.

Mr. van Dijken: Good. Thank you, Chair. Thank you to the Premier for the answers from the previous line of questioning. I will just highlight how other provinces will follow. When we make good policy in regard to labour mobility and that kind of thing, other institutions, other provinces, other jurisdictions will be able to see the benefit and will follow. I think Alberta has always been a place where we've tried to help lead the country into improved business practices and improved ways of doing things.

One thing I will highlight also that is fairly exciting to me is our agricultural policy in the capital plan, with the investment in irrigation in this province. I believe that we have a need on the globe to continually produce more food. In the irrigation part of the investment that's happening, it's generational investment that will help build a foundation of providing the opportunity to feed even more people from the acres that we have available. We look at water security investment, water storage investment, water use efficiency investment, and this is just going to increase acreage available for irrigation, increase primary crop production, which, at the end of

the day, helps to increase and produce more jobs, because we're seeing where we can have value-add from that. So thank you for your leadership on that aspect of things.

Another key commitment that this government has made to Albertans was to focus on creating jobs and growing our economy. Since day one I know that it has been one of the central focuses of the Premier and this government. Unfortunately, like the rest of the world, Alberta was side-swiped by COVID-19, by the pandemic, with the economic fallout that came along with it further throwing a wrench into things for Alberta. This was accompanied by the single largest decline in oil prices in history. In response, Alberta's government set out a recovery plan that is already seeing results, has seen good results, has seen growth in jobs. I see on page 23 of the fiscal plan that it starts to outline how Alberta's recovery plan was "key in assisting the province through the worst of the pandemic." Despite these unprecedented challenges we are now seeing Alberta emerge from the pandemic with strong momentum both in job creation and economic growth. My question is: given what we see on page 26 of the fiscal plan, can the Premier detail for us the goals of Alberta's recovery plan, the progress we have made so far, and how he sees the road in front of us as we position the province to lead Canada's economy into the future?

In addition to the recovery and growth in our traditional core industries, one of the central pillars of the Alberta recovery plan is to encourage diversification in our economy and position the province for success in the economy for the future. I would really appreciate if the Premier can expand on our diversification efforts and tell us more about the industries and sectors which show promise for Alberta in the years ahead as we continue to diversify and grow and provide the opportunities for Albertans.

With that, I'll cede my time to MLA Rowswell for a question.

Mr. Rowswell: Thank you very much. Through the chair, the Premier has answered some of these questions partially, but it has to do with being disciplined in order to balance the budget. I always know whenever we're in a bit of a downfall, everyone is saying: well, the government has got to spend money to recover things. Then when we have a surplus: well, we're so rich; why don't we spend more money, right?

Mr. Kenney: It's permanent Keynesian economics.

Mr. Rowswell: Yeah.

It was interesting. I harken back to Ralph Klein when he was cutting all the different ministries. Everyone said: well, can't you do somebody else? It requires a lot of discipline, right? But we're getting there. Just a quick question relative to where the money is going to go, to reducing debt, the heritage trust fund, or whatever. Like, how are we going to divvy up a surplus in the future?

The Chair: Thank you, members.

Premier, you have up to five minutes to answer.

Mr. Kenney: Thank you. I apologize to government members. I didn't get around to answering all of the questions on their first round. There were so many detailed questions. MLA van Dijken, yeah, thank you for your advocacy for agriculture generally, irrigation in particular, even though you've had too much wet, I know, on your farm and your region in the last couple of years. You're thinking of those guys in dry country, and that's very kind of you. There really has been no meaningful capital investment in modernizing Alberta's irrigation infrastructure since the '60s.

As you know, we have put forward about a \$400 million capital investment from the government of Alberta plus attracted an equivalent amount of capital from the Canada Infrastructure Bank.

You talk about intergovernmental relations. That was a lot of hard work being led out of my office, quite frankly, to bring the CIB – the CIB, Canada Infrastructure Bank, had done virtually no deals. The first major thing they've done, I believe, since the Trudeau government created it three years ago was the big infrastructure deal here. So that plus, I think, 12 or 13 of the local irrigation boards have come in with their own cash. Altogether we're north of \$900 million now. It's going to add, I understand, 125,000 acres of new arable land for good crops, good cash crops, potatoes and tubers, and that will in turn result in more processing jobs, especially down in the Lethbridge ag corridor.

MLA Hunter, Mr. Chairman, is very happy about that. MLA Hunter is going to be leading a special task force to maximize the potential of the highway 3 ag corridor, leveraging these new irrigation projects, and I've seen it. I've seen it myself. I was out in a farm field this past September, I think, where they got some very good yields thanks to new irrigation as a result of this investment. It's already been shovels in the ground. He got his pivots out there this year, and on wheat that particular farmer in that field yielded 90 bushels an acre, but his neighbours without irrigation were at 30 bushels an acre. That's the difference this could make. That can feed thousands of people. The world will need that with the problem on food security coming out of Europe right now, so this is a big deal not just for Alberta but for the world. Now all we need to do is avoid a rail strike.

On the question of the goals of the ARP, the Alberta recovery plan, well, really they're twofold: first of all, to ensure a strong future for our traditional industries like agriculture, oil and gas, tourism, forestry but also to ramp up diversification. That's a buzzword in Alberta politics. It has been since Peter Lougheed's day. In the past we used to think about diversification. Well, I remember that in the late '80s, early '90s, before Ralph, it was about government writing cheques to winners and losers, and that was a failed policy. Remember MagCan and Gainers and NovAtel and all of that?

5:50

We've taken a different approach. Our approach is: create the best macroeconomic conditions – clearly, lower taxes, less regulation, faster approvals – but also some targeted industry sectoral-wide incentives. That's the Alberta petrochemical incentive program. It's the new film and television tax credit. It's priming the pump on green tech through the TIER program. It's increasing the budget for Travel Alberta, which we've done by \$23 billion, so they can really restart our tourism industry for MLA Rosin's constituents. We have made these targeted incentives and investments, and I'm just so excited to see the results coming in.

You know, when I sat down with the global head of HBO in January of last year, 14 months ago, eyeball to eyeball, about trying to land *The Last of Us*, a \$600 million multiyear production, I asked him: "What is it going to take? Who are we up against?" He said, "The state of Georgia, but you guys are a couple of cents ahead of them." That's how fine they do the economic analyses on these things. I'll share another one with you. We're about to land, I hope, an aeronautics factory in rural Alberta that is going to be 1,000 manufacturing employees, high-tech stuff. We're making it happen because of our local property tax breaks; the corporate income tax reduction; supporting them on critical, key infrastructure; the training programs, the targeted money in this budget to go to SAIT or NAIT and say: we need people who can do aviation manufacturing, aviation mechanics training.

I'm sorry. I'm out of time. I'm sorry, Mr. Rowswell. I'll try to get back to you.

The Chair: No problem, Premier.

Irfan, up to five minutes for you to ask questions.

Mr. Sabir: Thank you, Chair. Premier, I take that it's block time, right?

Mr. Kenney: Correct.

Mr. Sabir: Yeah. My first question is about high staff turnover, in particular high staff turnover in the southern Alberta office, where your office saw 80 per cent of your Calgary staff depart in 12 months. The question I have is: how did this happen? Why it's important: Calgary is a hub of economic activity, but the downtown core of Calgary sits at 30-plus per cent vacancy rate, and the concern is that because of this high turnover in your staff and because of its impact on the stability of your office, we didn't see any co-ordinated plan to help Calgary out, help with the downtown core, where the vacancy rate is skyrocketing. Also, Calgary still remains the city with the highest unemployment rate among Canadian metropolises. That's my first question.

The second question relates to another policy since outcome 1 says that one of the key roles of the Premier's office is to assist government to implement public policies, programs, and services. The public policy I specifically hear about from many students – it's also on page 205, schedule 5 of the fiscal plan as well – is that government will be taking \$150 million out of the pockets of students in tuition fees this year alone, and on top of the skyrocketing tuition fees the government has increased the cost of student loans. You have increased the borrowing rate from prime to prime plus 1. For a graduating student, for instance, with a \$70,000 loan, that's another \$700 per year out of their pocket. It's quite a bit on top of all other inflationary pressures and costs they are facing. I guess your office has assisted in coming up with this public policy, which no student across this province likes, so I would want your comment on that.

Then another policy that was recently implemented or introduced to municipal partners: that is, increase the borrowing rate from .5 to 7.75 per cent. Municipal partners across Alberta, Calgary are saying that that will be effectively a new tax on every municipal capital project. It will impact Calgary's green line. They are concerned that their costs are going up again. That's a policy, I'm sure, that your office has assisted the Department of Finance and Treasury Board to implement. I would want to hear from you as well.

The last question – I have a minute and 24 – relates to a couple of other policies that relate in particular to northeast Calgary. For instance, northeast Calgary didn't get any relief for the hailstorm in 2020. Then they were accused of spreading COVID-19. Then in this last budget they didn't get even a school. As key objective 1.1 says that your office's role is to assist the government to implement public policies, programs, the question I want to ask: why is it that the programs and policies that are implemented and supervised by your office ignore northeast Calgary?

Thank you. Those are my questions.

The Chair: Thank you.

Premier, you have approximately three minutes to answer questions.

Mr. Kenney: I'll do my best. Thank you, Mr. Sabir. With respect to my southern Alberta office: actually, a very small staff. I think at one point we had three or four staff there. As I mentioned, somebody left because they were going to time out their leave from a major private-sector job. Someone else, after two years of service, had a significant private-sector opportunity. Someone else had

some personal issues, a loss in the family and other personal issues. This is, I think, normal turnover, but we've actually relocated a couple of positions from Edmonton to our McDougall Centre office, have a great team down there.

I'm thrilled, as I know you are, Mr. Sabir, to see the dynamic economic growth in Calgary, to see that we've landed the largest tech investment in the history of the Canadian economy, the \$4.3 billion Amazon Web Services project, as well as the new location of Infosys and Mphasis, the new Rogers Centre of telecommunications excellence, the RBC operation. I was just on the phone yesterday with the CEO of one of the world's largest tech companies, that will be announcing 250 additional high-paying jobs in Calgary in the next couple of weeks. We're thrilled to see the film and television industry take off. So Calgary is coming back in a big way. It's great to see the commercial vacancy rate start to go down. You know, the barometer of this is the residential real estate market. Typically Calgary has about 7,000 homes on the real estate market. Right now there are 400. There's almost no inventory, and this is a sign of the huge population surge that we are seeing in Calgary. It's great news, and I'm glad to hear you share that enthusiasm.

On the tuition, undergraduate tuition in Alberta is lower than the average in Canada. This budget includes \$600 million of targeted investments in postsecondary education and training to ensure that Albertans are workforce ready. We did need to challenge our universities to operate at least as efficiently as those in Ontario and B.C., and we commend them for having done so.

The municipal interest rates: that's, honestly, a new one to me. Thank you for raising it. I had not heard that. I've been at the AUMA and RMA in the last week, and that had not been put on my radar screen, so I will look into, Mr. Sabir, and check in with Treasury Board and Finance on what's going on there. We would have called the municipal finance board – we do offer effectively discounted interest rates with a government backstop for our munis, and we're pretty generous in doing that. I wasn't aware of any policy change. I'll look into it.

Northeast Calgary is, of course, a critical part of our province, and we've made many key investments in that area. It was not for Alberta taxpayers to cover people who were uninsured. I understand from the Insurance Bureau of Canada that something like a billion dollars of payouts has happened there. I've met with residents who are broadly happy with the response that they have seen from the private insurance market and always look forward to future investments. The most important thing . . .

The Chair: Sorry.

Mr. Kenney: Can I finish my sentence?

The Chair: I apologize – I can't . . .

Mr. Kenney: You can't. Okay.

The Chair: . . . for the interruption, but I must advise the committee that the time allotted for consideration of Executive Council's estimates has concluded. Hon. members, this concludes the committee's 2022-2023 main estimates consideration. Thank you, everyone.

This meeting is adjourned.

[The committee adjourned at 6 p.m.]

