



Province of Alberta

The 29th Legislature
First Session

Alberta Hansard

Tuesday evening, June 23, 2015

Day 6

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature

First Session

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Barnes, Drew, Cypress-Medicine Hat (W)
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Ceci, Hon. Joe, Calgary-Fort (ND)
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Connolly, Michael R.D., Calgary-Hawkwood (ND)
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Larivee, Danielle, Lesser Slave Lake (ND)
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Miranda, Ricardo, Calgary-Cross (ND)
Nielsen, Christian E., Edmonton-Decore (ND)
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Sabir, Hon. Irfan, Calgary-McCall (ND)
Schmidt, Marlin, Edmonton-Gold Bar (ND),
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Schneider, David A., Little Bow (W)
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Shepherd, David, Edmonton-Centre (ND)
Sigurdson, Hon. Lori, Edmonton-Riverview (ND)
Smith, Mark W., Drayton Valley-Devon (W)
Starke, Dr. Richard, Vermilion-Lloydminster (PC),
Progressive Conservative Opposition House Leader
Stier, Pat, Livingstone-Macleod (W)
Strankman, Rick, Drumheller-Stettler (W)
Sucha, Graham, Calgary-Shaw (ND)
Swann, Dr. David, Calgary-Mountain View (AL)
Sweet, Heather, Edmonton-Manning (ND)
Taylor, Wes, Battle River-Wainwright (W)
Turner, Dr. A. Robert, Edmonton-Whitemud (ND)
van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
Westhead, Cameron, Banff-Cochrane (ND)
Woollard, Denise, Edmonton-Mill Creek (ND)
Yao, Tany, Fort McMurray-Wood Buffalo (W)
Vacant, Calgary-Foothills

Party standings:

New Democrat: 53 Wildrose: 21 Progressive Conservative: 9 Alberta Liberal: 1 Alberta Party: 1 Independent: 1 Vacant: 1

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Legislative Assembly of Alberta

7:30 p.m.

Tuesday, June 23, 2015

[The Speaker in the chair]

The Speaker: Please be seated.

Consideration of Her Honour the Lieutenant Governor's Speech

Mr. Connolly moved, seconded by Ms Kazim, that an humble address be presented to Her Honour the Honourable the Lieutenant Governor as follows.

To Her Honour the Honourable Lois Mitchell, CM, AOE, the Lieutenant Governor of the Province of Alberta:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has been pleased to address to us at the opening of the present session.

[Adjourned debate June 23: Ms Gray]

The Speaker: The hon. Leader of the Official Opposition.

Mr. Bilous: Mr. Speaker, with all due respect, the Member for Edmonton-Mill Woods was still in the middle of her response and has a few minutes left.

The Speaker: Sorry. Thank you.

Mr. Bilous: Thank you.

The Speaker: The hon. member.

Ms Gray: Thank you, Mr. Speaker. It is my pleasure to rise today in reply to our first Speech from the Throne for the 29th Legislative Assembly of this great province of Alberta. I'd like to begin by congratulating Her Honour the Honourable Lois Mitchell, who is in the first few weeks of her service as Alberta's 18th Lieutenant Governor. I was delighted to be able to attend Her Honour's installation ceremony on June 12, where she spoke eloquently on a variety of important topics. I know that she will make an excellent representative of the Crown throughout her tenure.

I would also like to take this chance to extend my congratulations to all the hon. members of this Assembly on their recent electoral success. I think Albertans have built a strong Legislative Assembly, and we are now all tasked with doing our utmost to help make life better for every Albertan. As we heard in the Speech from the Throne: "We are optimistic, hopeful, entrepreneurial, remarkably diverse, and community-minded people. We are a people who dream no little dreams and live them."

I was born on the north side of Edmonton in 1978. I'm the elder daughter of Craig and Linda McLennan. My father, Craig, is an accountant and a small-business owner, and my mother, Linda, is a now retired schoolteacher who focused largely on special-needs education throughout her long career with Edmonton public schools.

On July 16 of this year my husband, Neal Gray, and I will be celebrating our 11th wedding anniversary. Last year for our 10th wedding anniversary he surprised me with a trip to Paris. He arranged the time off with my work, and I didn't know. He has his work cut out for him this year.

I owe some of my interest in politics to my husband's family, where political discourse is the appetizer of choice at every meal. In my own family's home we didn't talk as much about politics

because my father is a staunch fiscal conservative and my mother is firmly progressive. Discussion was avoided at my house a little bit lest it give way to overly heated debate. So in spite of the many polls that foretold the election results this year, in spite of our Premier's excellent performance, in spite of all of those various signs, I knew for sure that change was finally coming to Alberta when I saw Dr. Bob Turner's sign on my parents' lawn. The planets had to have reached a very special alignment for my father to ever agree to such a thing.

Mr. Speaker, hon. ministers, hon. members, it is with great pride and humility that I stand before you today as the elected representative from my home constituency of Edmonton-Mill Woods. I'm excited to take this opportunity to talk a little bit about Edmonton-Mill Woods and the great people who live there, who have sent me here in this incredible new role.

Of the many words we might use to describe Canada and why we love being Canadian, multiculturalism is one of the first to jump to mind. Canada is a nation where people of all backgrounds and faiths have come together under a commitment to mutual peace and prosperity to build a collectively better future. It is my tremendous privilege to represent Edmonton-Mill Woods, one of the most diverse and vibrant examples of Canada's commitment to multiculturalism. In the very short time since my election I've already had the chance to attend numerous wonderful events put on by members of very different organizations in my riding, representing a variety of cultural and community groups.

Almost 15 years ago, when I was looking to buy my first home, I chose Edmonton-Mill Woods because of its amazingly strong network of communities, its beautiful cultural mosaic, and because I saw my own commitments to honesty, hard work, and open friendliness reflected in its citizenry.

Amidst all of its wonderful diversity there are a few things that hold true for everyone in Edmonton-Mill Woods. It's a community of hard-working people looking to build a better future. Ours is a community founded on the bedrock of volunteerism. Our extremely active community leagues, which contribute so much to enriching our lives, are comprised entirely of volunteers. Our schools, our seniors' centres, our local hospital also depend on a network of volunteers to assist in the delivery of their very important services.

Residents in my constituency work towards that better future in other ways as well. Ours is a community rich with entrepreneurial spirit. Edmonton-Mill Woods is home to countless small businesses, many of which are family owned, and these small businesses work to provide a whole host of services to our community and to the city as a whole.

I invite every MLA to take advantage of the opportunities that being in this Legislature provides and come down to Edmonton-Mill Woods on one of your brief breaks from session. If you come to Edmonton-Mill Woods, you will find some of the best ethnic and cultural restaurants that this city and possibly this province have to offer. That is just one of the kinds of treasures that Edmonton-Mill Woods houses. They are an example, these restaurants, of the way in which the entrepreneurs in Edmonton-Mill Woods enrich their fellow citizens' lives while they also provide for their own families in the process.

In Her Honour's speech it was clear that this new government is also working towards that same better future as the people of Edmonton-Mill Woods and all the people of Alberta. The Speech from the Throne revealed that this government intends to do exactly the same things that we told Albertans we would do during the election. It was those commitments that Albertans overwhelmingly endorsed with their votes, and it is because we will keep our promises that Albertans will continue to endorse us going forward.

I'm a believer in the philosophy of servant leadership, and it is my intention to work hard, very hard, every day on behalf of my constituents. I'm here as their humble servant and to give voice to their opinions and concerns as we go forward. The election results in every constituency tell a separate and unique story about a particular part of Alberta, and I go forward knowing that a strong majority of voters in Edmonton-Mill Woods endorsed me, this government, and the choices that we laid before them. So I see my role in this Legislature as one of advocacy, of being a voice that ensures that those commitments continue to be kept. I will push our new hon. ministers and our new hon. Premier to stay on track and to deliver on the wisest and most progressive options available to them at every turn.

Our system of government is at times like a pendulum, and in Alberta that pendulum can swing slower than it does almost anywhere else, so we were long overdue for it to begin swinging back the other way, as it has now begun to do. The time has come to focus on things that matter to all Albertans. The time has come to reinvest in education, in health care, in social services. The time has come to once again build vital infrastructure. The time has come to make Alberta a leader in human rights and to ensure that every minority community in Alberta is afforded the full protection of law and the dignity of their provincial government. I sincerely look forward to being part of this Assembly as we move forward towards those goals.

Thank you to all the members for their time today, and thank you, Mr. Speaker.

The Speaker: The hon. Leader of the Official Opposition. [some applause]

Mr. Jean: Thank you, Mr. Speaker. Thank you for the extra applause tonight. I do appreciate the opportunity. As time goes, I'll be better at standing up and sitting down, and I'm sure that we'll all get better at our respective jobs.

I have to tell you that it's an absolute pleasure and honour to be here today to respond to the Speech from the Throne, and I appreciate the attendance here. I know sometimes it can be riveting no matter who's speaking. I hope this is a little more riveting than some. It is, actually, my most significant speech in the Legislature so far, and I think it's an important opportunity to talk about some things as well as my plan, the plan of what the Wildrose has and what the government has and how we will have some opportunities to have some commonalities, and of course we will have some differences as time goes on. You know that, Mr. Speaker, as you've seen this go on for some period of time.

But I will tell you one thing that I'm proud of and that I think all members in this House are proud of and that we should remember, that we have some similarities. One is that we've all been elected by the people of Alberta, notwithstanding different ridings and different jurisdictions and, actually, different peoples, in essence. We have all been elected to this place, and we all have the respect and the ability to speak for the people that we represent. All of us should be respected for that belief because if we aren't, we will find ourselves sometimes as a third party if we don't actually represent the people that we were elected by. As I said before, we are not here for ourselves, nor did we get here by ourselves, and we need to make sure that we remember that no matter how important we start to believe we are.

7:40

The other thing that we have in common is that we're all very proud to be from Alberta, very proud to be here. We all have families, we all have loved ones, and we all love and are loved. I love Alberta, and I would like to say that when I first came into my

political sphere, nobody loved Alberta more than I did. But I know that's not true because we all love Alberta as much as we possibly can, I would suggest. I would recommend, Mr. Speaker, through you, of course, that all of us remember that as we give our speeches and as we comment on other people's performance on those speeches and beliefs.

But the Wildrose and the NDP government have some different political philosophies, and I'm going to try to talk about the different philosophies. Those philosophies, of course, are based on different experiences in the world and different experiences that we have all had, whether it be in Alberta or elsewhere.

I would commend the NDP at this stage, though, for something, and that is that the NDP do believe in something. Now, they believe in something more than just staying in power, which I find refreshing. No disrespect to our third party here, but I found that for many years that party would do anything to stay in power. I don't think that's a good source of options for the people of Alberta, and I think that's something that I'm hoping will change. I hope that the NDP will stick to their policies, primarily because I think Alberta is more associated with our policies.

But whether or not that is true – we will find out in the next election – the truth at this stage is that we must respect those policies and have good policy debates and make sure that we don't fall into the trap of previous parties; that is, to lack principles. Principles and ideas are all that we actually can give to Albertans that they want, truly. I think the NDP will govern from their principles, and I hope that they do. I hope that they will also be honest. No disrespect to the NDP as a party, but that has been a difficulty of some NDP governments in the past in other jurisdictions. I hope that doesn't happen here, and I believe, based on the leadership that I've seen, that it won't.

Many of the things the NDP believes in come from academic theories and works of intellectuals. Almost all of the things that the Wildrose believes in come from, in my opinion, real-world experience, and I say that with respect. From working, from sweating, from succeeding and failing, from trying and achieving, or from trying and failing we all learn something. I'm sure that I will learn in this place from failing and succeeding, as you will.

Wildrose MLAs have real-world experience in productive things. Someone once said that the facts of life are conservative. I truly believe that. I know that free markets lead to prosperity. I've seen examples of that throughout the world. I know that freedom, the freedom that we enjoy, leads to good government. I know that small government leads to innovation, and I know that nothing stifles innovation more than big government. I know and firmly believe that I can spend my money better than the government ever will be able to, and I know that the overwhelming majority of Albertans believe the same thing. They believe in smaller governments. I know that a good government protects the vulnerable, and I think there's no greater measure of a people than seeing how they treat the vulnerable people of that society.

I am conservative in principle. I believe in conservative principles – not those Conservatives, the conservative principles of fiscal responsibility. But I promise you that there is nothing more important than a strong social safety net for the people that can't protect themselves. We as a society cannot let people fall through the cracks, but we must also reject the nanny state, that wants to control every aspect of other people's lives, and I hope that this government will do exactly that.

I know that people working together in charities and not-for-profits can achieve so much more than an overzealous and bureaucratic government. I know this because I live this. I have worked at many charities and nonprofits, as you will soon find out. I know that innovation, creativity, and the human spirit are much

better than a bureaucratic government that's large, wasteful, and doesn't get the job done. [some applause]

Good thing I have 90 minutes; we're going to have 30 minutes of applause. I hope you guys start soon, through you, Mr. Speaker, of course.

How did I come to believe these things and know these things? Well, it has a lot to do with who I am, how I've lived my life, and where I come from, so I'm going to tell you a little bit about that today. I'm the youngest in a family of 11 children, and our family made the very smart decision to move to Fort McMurray in 1967. I was only four years old. Fort McMurray was an amazing place to grow up. I had a dog team. I would go down the main street of Franklin Avenue with my rifle slung over my shoulder at the ripe old age of 12 years. I know it sounds a little bit astonishing today, but it was an incredible, incredible upbringing and life, a small-town atmosphere that gave me the opportunity to try so many different things and to see boom and bust, boom and bust but meet an amazing number of people.

The average age in Fort McMurray is much younger than most places in Alberta, but we have the opportunity to meet so many different people. We don't have cliques. We don't have these little groups that form in older communities because we have such a young community. So everyone gets along pretty well, and that's what I like about Fort McMurray. I like the fact that people walk down the street and say hi to everyone, that they go out to a restaurant and stop at a table to talk to everyone. I like the fact that it's a small town. I like the fact that there are five rivers that flow into the city centre. That is probably one of the most beautiful places on the planet. Heard that before? Unlikely. I've lived there for 50 years. I've lived in other countries, including Australia, including the United States, and I find no greater place than Fort McMurray as far as working, playing, and raising a family. It's a beautiful place.

I invite you, like the previous member did, to come to my hometown and see exactly what it's like and why I find it so beautiful. If you get lucky enough, you might even get invited, like your House leader was, on a fishing trip on the Clearwater River with me. It's a beautiful place, and you can actually eat the fish.

I attended the Prairie Bible Institute, which is in Three Hills, Alberta, for high school – I don't know whose riding that's in – and I would say that it was an incredible upbringing because I learned how to milk cows, how to work on a farm, how to talk the talk, how to shoot gophers, and how to be a different kind of Albertan, and I enjoyed it very much. I did get into some trouble there. It was a Bible school, and I went there for high school, but I did get into some trouble. I understand that all good people get into trouble from time to time. I was also the captain of the hockey team. I liked to play a lot of sports, and I still do.

After that I went and got a bachelor of science degree in Portland, Oregon. I then attended and received a master's in business administration and finance and a law degree. During school I had a variety of jobs, some interesting ones. I've worked as a log hand, a printer, a lawyer, a registered trapper, a heavy-equipment operator, and many other jobs, including a politician. I don't tell a lot of people that because they get worried. I had an incredible upbringing out of Fort McMurray, travelling to Australia for my law degree and my MBA, travelling the world and understanding that there is more than just Fort McMurray even though I kind of would have liked it to stay that way because I had such a great upbringing. Before I returned to Fort McMurray in 1991 after my law degree, I was president of the student council at university. I was also the editor of the newspaper. I've been very active in all communities that I've been involved with.

I actually attended the University of Calgary to finish off an equivalency in Canadian law and began practising in Fort McMurray for 10 years. I was a very busy litigator. I had some businesses that I started during that period of time in Fort McMurray, bought some land and did some wonderful things.

You know, the thing about Fort McMurray that is so incredible, besides what I've told you already, is that Fort McMurray is a land of opportunity, just like Alberta is a land of opportunity for so many people in the world and in Canada. You can go to Fort McMurray with nothing, and in 10 years you can leave with as much money as you can possibly carry and more. You can make a lot of money through hard work and determination, which many people go to Fort McMurray for but don't stay. Most people go there for opportunity, and that opportunity usually leads to a good family, an incredible lifestyle, and a great quality of life for years to come.

Now, I did want to tell you and have the opportunity to tell the public a little bit about what I have done for nonprofits. I was the chair of the children's health foundation of northern Alberta. I did that for six years, raising money for hospitals for sick children. I was the director of the Alberta Summer Games, director of the chamber of commerce, president of the downtown business association and other business organizations. I taught, volunteered my time at Keyano College – quantitative methods and statistics and business law – so I had an opportunity to give back to my community, and I continue to do that. That's what I feel I'm here today to do, I think much the same as everyone else feels.

7:50

Now, I did talk a little bit about Fort McMurray and opportunity and prosperity, but I will tell you this. When you move to northern Alberta, whether it be in Slave Lake or High Prairie or Athabasca or Lac La Biche or these small rural communities, Fort McMurray, you will find a vibrant community of people that actually love to be there.

Now, you've heard some bad things about Fort McMurray. I have. Those people are usually the people who work at work camps that are from different areas and are unhappy because they fly in and fly out. Anyone would be unhappy flying in to a camp with 3,000 other people, working at the same place 12 hours a day, and then flying out to go home because you miss your family. Everyone wants to be near their family. So when you knock Fort McMurray or have opportunity to hear other people do it, remember that they are not people who actually call it home. I am a person who calls it home, and I am very proud of it.

Now, Fort McMurray is also about energy, and I'll get to that in a little bit.

But I will tell you that further on in my career, after practising for 10 years in Fort McMurray, I ran for the federal Conservative Party of Canada in a nomination. There's sympathy from the other side, I know, but I'm very proud of that. I was very proud to run for Stephen Harper, and I was honoured to be elected with 60 per cent of the vote the first time, 65 per cent the second time, 68 per cent the third time, and 72 per cent the last time. I didn't do quite as well the last election, but the people of northern Alberta liked what I offered and liked what Stephen Harper had to offer and re-elected me with a clear majority each and every time.

I believe that I made a significant difference in Stephen Harper's government, and I believe that Stephen Harper's government made significant positive differences. It was a government that reduced Canadians' tax burden: clearly, 12 days of tax freedom that wasn't there when we got there in 2006. It reprioritized government. It respected provincial jurisdiction, something that hadn't happened before in quite a while. It improved our standing in the world. It kept us safe – and to commemorate that statement, this is the 30th

anniversary of the Air India bombing, the largest ever terrorist attack against Canada, and my heart still goes out to those people who were affected by that tremendous tragedy – a government that made me proud to be Canadian; that invested in our infrastructure, \$47 billion over eight years, the largest infrastructure investment in the history of Canada; a government that protected the vulnerable.

Yesterday we talked about the residential school apology. I was there when the Prime Minister correctly and courageously made that apology. It was right to come from the federal government, and he made that apology. Stephen Harper made that apology, not a Liberal Prime Minister, not any previous Prime Minister but Stephen Harper, and I was very proud of that.

I'm very proud of my time in Ottawa for a number of reasons, and I won't get into them because we will be asleep for a long time before that. I fought for some big ideas. I fought for decentralization, for limited taxation. I fought for a lot of things, passed about 25 bills in committees that I was part of. I was parliamentary secretary for transport and infrastructure for six years, and I enjoyed that portfolio very much.

As all of you will know if you ever have the opportunity to go to Ottawa, it's a long trip. From Fort McMurray it would be anywhere from seven to 10 hours of flying twice a week. That's travel time, and it becomes exhausting. I was missing my family. I had a young family. So I decided to come home and stay. I didn't want to stay in Ottawa. I'd never actually been in the House of Commons before I was elected. I was actually never in this House before I was elected. I'm not in politics to be a politician. I'm in politics to make Albertans', Canadians' lives better.

You know, I decided to go to Ottawa because things were bad there. People were stealing our money, and it's our money, all of us here and all citizens of Canada. They were taking that money and using it for political purposes, to put in their own pockets and to change the course of history and the elections without the democracy that we all have so much respect for. That's why I went to Ottawa.

Under the Liberals the things that were happening there were exactly the same, in my opinion, as the things that drove me to run against the PCs in the last election. I saw the identical issues with the provincial government that I saw in Ottawa with the Liberal government 10 years before. They weren't listening to the people, whether it be Willow Square in Fort McMurray or just about any decision that the people actually spoke up for. They would do the opposite or thought they knew better. It was the same attitude that I saw back in the '90s with another government that thought they knew better, and that started the reform movement. I say to this government and I say to all people in this House: don't forget who put you here because they can just as easily get rid of you. Entitlement, overspending, cronyism: a government that believes in nothing except staying in power will have no priorities, and people will not keep them in power.

Then, of course, there is health care. Health care drove me to this. It's almost 50 per cent of our budget. We do have wonderful, dedicated front-line workers, but we have a system that just simply does not work. It is not good enough for Albertans. We spend more per capita on health care than anybody else in Canada, and we get bottom-of-the-pack results. I put it to you as the government: please fix health care. Concentrate on health care. It is not just a disaster; it is part of taking away our loved ones if it's done wrong.

So I did get back into politics for the same reasons that I was driven to politics federally. I ran for the leadership of the Wildrose because Wildrose believes Albertans need a better government. Wildrose believes that Albertans need true democratic reform. My compliments on Bill 1. Wildrose believes that Albertans need transparency, not secret deals, secret laws, secret regulations that contradict what politicians actually say out loud. It's time to do

what you say and say what you do. Wildrose believes that Albertans need efficient ministries, not cronyism and sole-source contracts. Wildrose believes that Albertans need this government to get down to the business of actually fixing the health care system and seniors' care. I challenge you all on that. Most of all, Wildrose believes that Albertans need a government truly committed to fiscal responsibility. I mentioned that health care is the most expensive in Canada per capita and gets bottom-of-the-pack results, but we have the most expensive government in Canada and get bottom-of-the-pack results.

I say this to you, Mr. Speaker, not because you can fix it all by yourself but because you might be able to carry the message on to others.

It's not our money. We need to be truly committed to fiscal responsibility and prudence in our management styles to make sure that what we do is right for future generations, and when I say future generations, I mean our children, our grandchildren. We do not want them to carry the debt of our stupidity. We want them to have a better quality of life than we have, and that's why we need to focus on fiscal prudence in the future, right now, starting today, and moving on for the next four years and the next four years after that. The government can do better and needs to do better.

Albertans do deserve to have the best quality of life in the world, but when your third-largest line item is debt financing, it means that you cannot have that money to do other things because you borrowed it. And I say to you all: please, do not borrow any more money. Albertans are smart, and they can spend their money much better than we can. They will get the dollars where they're supposed to go for them and their priorities instead of us and our priorities. Every time we decide to make a spending decision for them as a government, that decision costs money to implement, to announce, to roll out. The money is better left with them.

During the election Wildrose campaigned on five priorities, and I'd like to compare those priorities to the throne speech. The first priority, of course, was standing up for low taxes, balanced budgets, and a long-term savings strategy. Our plan would have balanced the budget by 2017 without raising taxes. We would have done this with actual reductions in spending, not draconian reductions but actual small reductions in spending across government, cutting PC waste, and the whole time protecting one hundred per cent of our front-line services. Our plan actually included a long-term savings strategy and investing back into the heritage fund.

8:00

Now, the first thing that bothered me about the throne speech was that it was very thin. The second thing was that it didn't have any, not one, mention of fiscal responsibility. This government at this stage has no plan for getting our spending in line with our revenue levels. Now, we've heard that oil is low. That's because we heard it from the previous government. Well, oil prices are not low, folks. We are in the third-highest revenue year that this government has ever seen, the third-best sales of this corporation's, this government's, business ever. Any business would be proud to have the third-highest sales in its history to deal with as far as expenses. So it's not a revenue problem; it's a spending problem.

And this government has no plan for savings. All indications are that this government will spend every dollar of the future legacy that is our resource wealth. When it is gone, what do we do then for jobs? We hear of diversifying our economy, but we see very little action and, bluntly, no action from the previous government. We must go away from the path of PC debt, PC entitlement, and PC cronyism and move to a new era of what's best for Albertans.

Every indication so far is that this government is committed to growing the bureaucracy and to growing government. I say to you:

think differently. Compare yourself to the rest of the country and what they do with the same amount of or less resources. Not once in the throne speech is there any mention at all of economizing. Already we have seen this NDP government resume a hiring boom and cancel the wage freeze to the senior managers in the civil service.

I went to a chiropractor just the other day a couple blocks from here, and he told me that he couldn't believe – couldn't believe – how many jobs were being advertised at AHS with six-figure incomes, and he was thinking of leaving private practice to go to Alberta Health Services. What scares me the most is how much money we don't have to spend, how big the bureaucracy is, and how much we're spending on the bureaucracy now in inefficiencies, middle managers, upper managers. It is not serving Albertans. It is pushing paper from one end of the desk to other, and that doesn't actually cure patients.

When it comes to fiscal issues, I promise Albertans, Wildrose promises Albertans, that we will fight the NDP government's fiscal folly. We are hoping they will see the light.

Our second priority was standing up for patient-centred health and seniors' care, both of which are very important to Canadians. We have about a million new Canadians that become seniors every year. We have 65,000 to 70,000 people in Alberta that become seniors every year. We cannot ignore this issue any longer. While we do want to reform the health system and guarantee Albertans that their wait times would be medically reasonable, unfortunately we were not elected with a majority to do that. A wait time guarantee would have put an end to excruciating and dangerous wait times Albertans face across the province. I would suggest that would be a very good start on health care.

We also wanted to have a mental health and addictions strategy. We believe that health care is about patients cured, not about dollars spent and managers hired. Health care is not about the system or the procedure. It is about the patient. It is about curing.

This throne speech has no mention, none at all, of how this government will fix health care. This is the number one priority for many Albertans, but the government's only plan seems to be to employ as many pencil-pushers as possible. That is not reasonable, and that is not what Albertans need.

Our third priority was standing up for a world-class education system. Fifteen years ago we were number one in the world, number one in Alberta. Today we're number five in Canada. That is not reasonable. We need to concentrate on an education system that builds schools both on time and on budget. How many did the PCs build? One school. How many did they promise? One hundred and twenty-three. How many times did they promise them? Two hundred and forty. Let's try business differently this time.

Our plan focused squarely on parents. We wanted to eliminate mandatory school fees for parents. We wanted to protect their right to choose what's best for their children's education. Parents across Alberta have told us that it was time to get back to basics. Wildrose MLAs will fight to develop consistent provincial grading standards with traditional letter or percentage grades for students from grades 5 to 12. We've heard clearly that this would be an important first step for education in this province and to restore education to where it was and where we all want it to be.

This throne speech has no mention at all of how this government will give Albertans the top-quality education system that we did have. Not one mention in the throne speech. All we know is that the government is prepared to throw money at the system. They claim that they're investing \$103 million in the system, but if you have a calculator and add it, it actually comes out to \$213 million. They claim that it is to fund 12,000 new students except that if you look on the website, the school boards have indicated that they only

anticipate 7,500 new students. The throne speech does not mention curricula. The throne speech is very weak on education.

Our fourth priority focused on democracy and accountability. We had a series of reforms to cabinet and to how MLAs should work. We would limit severance packages across all government, not just among political staff. We wanted to keep politicians accountable, and we wanted MLA recall legislation, true fixed election dates, and – you might guess this – a ban on floor crossing without a by-election. Now, you might say: why? Well, I will tell you why. I believe, clearly, Mr. Speaker, that the floor crossing was an attack on our reputation as politicians. It wasn't an attack on the Wildrose or the PCs or the NDP. It was an attack on all of us, and democracy should not be attacked like that again.

This throne speech has some elements of progress on this particular front, and I would like to compliment the House leader and the Premier. Yesterday we passed Bill 1, which almost – almost – gets rid of union and corporate donations. Pretty exciting. We campaigned on it. The NDP campaigned on it. Good opportunity. But I do say almost because the bill leaves in two huge loopholes. Unions can still guarantee loans to the NDP, like they have done in the past, and unions can donate paid time of their employees to the NDP, like they have in the past, two loopholes that, clearly, the NDP knew existed yet they did nothing to close. We thought we'd seen the end of governments that were opportunist and changed the playing field to their advantage. We're hoping that that loophole can be changed.

The law in Alberta defines contributions as cash, goods, or real property. I'm pretty sure the Premier doesn't think that union and corporate employees are goods or property, so I think this gives us a tremendous opportunity to slam the door shut on those two loopholes. It's not a fair playing ground, and we need to be fair so Albertans know that we believe in democracy for all parties, not just for the NDP.

But there is hope that we can fix it. The Premier has invited all parties to sit on a special committee to deal with these sorts of issues. We're hoping that the members from the government on that committee will be open to amendments and open to closing these loopholes. Of course, I look to the House leader, in particular, to give directions on that front. It's a good thing. I do commend the Premier for that effort, and I'm hoping that we will see better legislation in the fall.

8:10

Our fifth priority was standing up for Alberta communities, for healthy communities, for vibrant communities, to make sure that people want to live in Alberta communities, both rural and urban. Our rural and urban communities are tied together. It is not a mutually exclusive situation. They are dependent and codependent on each other. And why do I say that? Because the urban areas do not hold the natural resources or the people that work on most of these natural resources. The rural areas hold that. But the same is reversed. When people in Fort McMurray want to have a nice weekend out, they go to Edmonton, and that's where they spend a lot of their money, or to Calgary to watch a Flames game. There is a connection, and we're very proud of Edmonton and Calgary, living in the rural area, the same as, I believe, urbanites should be proud of the rural areas in Alberta.

Our urban communities need funding certainty. We heard that clearly from the mayors. For too long politics has been the key determinant of funding. That has to stop. We proposed the 10-10 municipal funding plan to solve this problem, to take politics out of infrastructure funding. We would give this funding to municipalities with no political strings attached.

The throne speech is very weak on community issues as well. It really fails to understand resource issues entirely. It fails to mention agriculture, one of the most important things that actually built this province and that keeps food in our mouths. What about tourism, other key economic drivers in so many communities that have been left out entirely from the throne speech? Not one mention. The government's policy on energy issues is also particularly concerning, and to suggest otherwise – nobody's listening. People in Alberta are worried. Communities are worried. Corporations and businesses are worried.

As the MLA for Fort McMurray-Conklin I know how important our energy sector is. When I moved to Fort McMurray in 1967 there were 1,500 people there. Today there are over 100,000 that live in that area, and there are another 70,000 that work in the work camps, which means that probably about 110,000 people work in the work camps because they hot-swap the beds. I know how important the energy issue is to us because I saw these people every week, flying back and forth to Toronto, to Newfoundland, to B.C., when I would fly to Ottawa. The planes were full, and there are three direct flights a day to Toronto and points beyond. The economy of Canada rests with our energy industry here in Alberta.

People wonder why Alberta has such a big influence on the world stage. There are a number of reasons. One of the reasons is the oil and gas industry and the success we have with patents, with ingenuity, with the people, the men and women that work in this industry that go around the world and bring their resource specialties into the world and bring Canadian jobs and investment into the world. What does that do? Well, when you come from Alberta, which is the most generous place in Canada per capita, and Fort McMurray, which is the most generous place in Alberta and Canada per capita for all nonprofits, including the United Way and other groups, we have the ability to influence not just Canada but the world with our decisions. That's why every decision that is made by your government is so critical to not just us in this place, not just Edmontonians and Calgarians and not just the people in rural Alberta but to all Canadians. To the entire world we are an example of what can be done with a proper democracy. We have struggled in the opposition to get the government to acknowledge the importance of our energy sector and our need to get more pipelines to get our product to market. As all of you know in this place, the Wildrose is here to help.

The throne speech is also weak on communities. Our cities and other municipalities will still have to go cap in hand to the government for their funding, and they will have to play political games to get their projects built. The most popular infrastructure program in Ottawa was the gas tax fund. The Federation of Canadian Municipalities gave rave reviews of it. Why? Because it was certain. It was based on population. It was indexed, so it would grow with the rate of inflation, and it was fair. It didn't take myself or someone else to make decisions on where the money would go. It would go to the communities based on their need and their population. It's a fair system, and that's a system that our 10-10 program suggests, very similar, and I would recommend that particular infrastructure investment project to be adopted by the NDP. It's a great platform, and we'd be happy to help to go over more particulars.

Overall, as you can tell, I'm not thrilled with the throne speech. I thought it was very thin. Really, it is a speech about how the government will return in the fall to give a Speech from the Throne. So it was a speech about a speech. That is very concerning. Albertans have gone months without a budget and a government, and we have a time in our lives right now that is very unpredictable. The economy of the world is faltering, and we need to make sure that the corporate community, the business community, Alberta families have certainty in their decisions. In my mind, that means that when we have an election, we come to the people with a clear,

laid-out plan for where the priorities of the government are so that they can feel confident and focused in the future.

As I mentioned, the throne speech fails to mention agriculture or forestry or tourism, which are all very big industries, and all of those industries need assurances that this government hasn't forgotten them. The throne speech has no plan for health care. It has no plan for restoring Alberta to world-class education. It has no plan on dealing with our communities.

It does have some elements that deal with improving democracy in Alberta, but much remains to be done about accountability, and now some on this side of the House would question this particular act based upon the two loopholes that allow the NDP to have employees working for them from unions or to allow loans. Those are troubling issues.

The throne speech really has no plan about fiscal issues except to raise taxes. You might have heard: the Wildrose is not in favour of raising taxes. Not just raising taxes but spending the money faster than they can tax it: that's something new for the NDP. Albertans are worried about their jobs, and they want the government to be predictable. They want the government to promote long-term stability, and this throne speech does not do that. It does none of that.

I think that it would have been helpful for Alberta businesses and Alberta families to get a clearer picture of this government's priorities, especially given the economic situation that's just come about in the last few months. That economic situation is not not enough revenue. That economic situation was brought about as a result of those folks over there, that spent faster than it came in, and they had no plan to do so. They threw it around like it was their money. It is not their money.

Getting that clarity from the government as far as a focus on the future would have been very helpful, and it would be helpful now because we see in our marketplace, we see in the economy that the uncertainty is causing difficulties with businesses. People are deferring funding and investment decisions in Alberta, and you can say that that's not happening, but it is. People are worried. A clear road map is the best thing to do before you get in a car and take any trip, and we have no map.

All we can do now is hope that the government goes away for the summer and, as the House leader said, as the Minister of Infrastructure said, works hard over the summer to come up with a plan, to come up with a strategy that identifies what Albertans want as their priorities. We can hope that it will take the time, that it will listen to Alberta families, listen to communities, listen to Alberta businesses. We can hope that such consultation will result in a stable and mainstream throne speech in the fall or the winter, as the case may be, or next year, as the case possibly might be even further – I hope we get to vote on it before the end of the year, but we'll see – a new budget and throne speech that actually deal with priorities that matter to Albertans and not just the ideological hobby horses which matter to this government's partisans.

8:20

I think there's nothing clearer than to make sure that we all represent Albertans with hard work, with honesty and perseverance, recognizing that we are here but for a very short time. To move this mountain called government, one way or the other, is difficult even with the largest majority, but to make things better only takes one step in the right direction.

Please, Mr. Speaker, through you, when you and everyone else takes the step, might they please take the step towards fiscal responsibility, prudence, and understanding that the money does not belong to the government. It belongs to the people of Alberta.

Mr. Speaker, with respect, I would move to adjourn debate.

[Motion to adjourn debate carried]

Government Bills and Orders

Second Reading

Bill 2

An Act to Restore Fairness to Public Revenue

[Debate adjourned June 23: Dr. Starke speaking]

The Speaker: The hon. member.

Dr. Starke: Well, thank you, Mr. Speaker. In the time I have remaining, I did want to talk a little bit about something that's been talked about quite a bit here in the Chamber, and that is: does this province have a spending problem, or does this province have a revenue problem? Well, I will put it to the members that we do have a spending problem. We spend \$1,300 per person more than the national average.

One of our problems is that we pat ourselves on the back – or, at least, I can tell you that in the past the government has patted itself on the back – by saying that we spend more per capita on education, we spend more per capita on advanced education, we spend more per capita on health. That's not a measurement of success. That's not the metric you should use. You should be looking for results.

But, Mr. Speaker, we have a revenue problem as well. The Alberta advantage is that we collect 11.5 billion fewer dollars than the next lowest taxed jurisdiction, which is British Columbia, and if you brought in the tax regime of Nova Scotia, there would be an additional \$24 billion per year. We've made up the difference between high-cost services and low taxes with royalty revenue, with nonrenewable resource revenue, and when resource revenue goes down, as it has in the past year, that gap becomes extremely problematic.

Notwithstanding some of the things that happened in the last election and a strategy which I won't choose to go into today, we decided to try to do some of both, in decreasing spending, which we did, and increasing revenue, which we also tried to do. Clearly, the voters felt that that was not the direction to go, and we accept that verdict.

Mr. Speaker, I would say, though, that it is important that we do not view issues on the economy in terms of black and white. Most issues are nuanced, and most issues are in multiple shades of grey. I won't give a specific number. It's important that we do look at things in that way. I do believe that a cautious but prudent approach is the correct one to do, and the members of my caucus will do that in this Chamber.

The Speaker: Are there any questions or observations?

Mr. Cooper: Thank you, Mr. Speaker. I would just like to see if we could get some help for the House, to get some clarity on an issue that the Member for Vermilion-Lloydminster raised before the break – I'm not entirely sure that he can provide the help, but perhaps we can get help – suggesting there was something untoward in the retroactivity of the date of Bill 2 coming into effect, the 1st of January. I assume that this merely reflects the need to make the changes that encompass the entire year and that the changes would be retroactive as well as pro-rated based upon the year. I'm just curious to know if anybody in the House knows the answer to this, particularly the member if he does. I'm inclined to believe that he knows more than me, particularly because of his experience at Treasury Board, but I just wanted to see if there was some chance for a little clarification on that or if we knew that at this point.

The Speaker: The hon. Member for Vermilion-Lloydminster.

Dr. Starke: Well, thank you, Mr. Speaker. Parenthetically, I'll just say as an aside that I'll just correct a common mistake in the pronunciation of my home community. It's Lloyd-min-ster, three syllables, not Lloyd-minister. It's all about the church, not the preacher, which is, indeed, how a lot of things should be.

With regard to the retroactivity or, at least, the coming into force or effect, I will tell you that I'm not aware of any situation that I've encountered in my admittedly limited parliamentary career where any act that has been brought in has a retroactive date for the coming into force or effect. My problem with it, quite frankly, is that in this situation it bridges over a period of time in which the existing government was not, in fact, in power. I have a fundamental issue with that.

You know, it also raises the question: what limitation is there on that retroactivity? If the government in power, for example, as they have asserted before, decides, let's just say as an example, that royalty revenues that have been collected by government have been insufficient for the past five or 10 or 15 or 30 years, will they pass after the royalty review a decision to raise royalties that is retroactive for the last 30 years? Mr. Speaker, I would suggest that that would be a measure that would cause considerable turmoil and one that we members of the Assembly here would certainly reject.

I have a fundamental problem with this act including a reference to a coming into force or effect that occurred before the date that this party won the election or was sworn into office. We already had a considerable debate as to the effect of Bill 1, and that debate was resolved, or, shall we say, it was defeated. But in this situation we're going right back to January 1 of this year, and I do have difficulty with that.

Mr. Ceci: Mr. Speaker, with regard to the pro-rated numbers, as you can see, for the 12 per cent they would be 10.5 per cent. So everything over \$125,000 to \$150,000 would be taxed for the 2015 year at 10.5 per cent. That's a pro-rated 12 per cent amount for three months of the year. There is a requirement when you're dealing with personal income tax to deal on a yearly basis, and that's why it goes back to January 1. But we're only pro-rating that fee, that 12 per cent fee, at 10.5 per cent, and we implement it on October 1.

Dr. Starke: Well, Mr. Speaker, I certainly understand the math involved here. That's not the issue. The issue is that, in point of fact, in order to affect the change that you're wanting and to bring in the tax rates that you're wanting, you have to start taxing people before you were ever elected. That is fundamentally wrong. You may say: "Well, it doesn't matter. They earn a lot of money." It's a question of fairness. Whether you earn \$50,000 or \$500,000 or \$5 million a year, fairness shouldn't change based on income level. So with regard to that, I reject this notion.

Yes, I understand the math. I get the math because, you know, that's what you have to do if you're implementing a tax for a three-month period. You have to stretch it out, and you do a multiplication, and that's not complicated. My difficulty and my problem with it is that we are being asked to pass a bill that retroactively has its coming-into-force date well before the election of the government. That's problematic for me.

The Speaker: The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Thank you, Mr. Speaker. I will always rise in this House to defend Alberta's hard-working families, and I will always fight against an increase in the size and the scope of government. It should be no surprise, then, that I vehemently oppose Bill 2. This is a regressive and harmful experiment with Alberta's jobs and the future prosperity of our province. It is nothing more than a direct

attack on the Alberta advantage. The government should have realized by now that 60 per cent of Albertans didn't vote for them, that 60 per cent of Albertans didn't vote for an attack on Alberta's hard-working families, and that 60 per cent of Albertans didn't support this government's plan for higher taxes, higher spending, and even more debt and borrowing against my children.

Mr. Speaker, the Wildrose was sent here on a platform of no new taxes. I'm humbled and I'm honoured to be here on behalf of my constituents in Rimbey-Rocky Mountain House-Sundre. Where I come from, we don't believe in higher taxes before we deal with spending problems, and we don't believe in taking money away from our hard-working families' pockets before we deal with spending problems. And you know what? We're proud of it. We don't believe in taxing our way out of spending problems. It's reckless and regressive.

8:30

We think that this government, just like the old government, needs to get spending under control. They need to take a look at the books, find efficiencies where efficiencies can be found, cut the waste where there's waste to be cut. Instead, Mr. Speaker, this government thinks that there's not a single cent to be saved. They think that after 43 years of waste and mismanagement and cronyism there's not a single place to find savings. Really? Forty-three years of PC government, and the NDP thinks that they're going great. That's a little surprising, to be honest. That's why Wildrose has long advocated for finding efficiencies and cutting waste. We believe Albertans are taxed enough. Hard-working Alberta families are the lifeblood of our communities and our province, and we shouldn't be taking more from them to fund the pet projects of the new NDP government.

Mr. Speaker, these tax hikes will mean the end of the Alberta advantage. It will mean the end of our competitive advantage, and why on earth is this something that we should be in favour of? Why should we be in favour of making Alberta a more difficult place to start a business? Why would we be in favour of making Alberta a more expensive place to raise a family? Why do we think that Albertans should be penalized for choosing to make our beautiful province home? I just can't figure it out. We have a government that wants to chase people away from our province, to encourage families to move away and work in more competitive jurisdictions like B.C., Ontario, and even Quebec. I never thought I would live to see the sad day that Quebec could end up being a better place to live and work and raise a family than Alberta.

I'm going to fight against higher taxes until the day I die. I'm going to do it every day that I'm in this House. I'm going to fight this government every step of the way because hard-working Alberta families need a champion in this House. Wildrose is here to be that champion. We do not believe in higher taxes now or in the future, Mr. Speaker. We are here to fight for hard-working families. We are here to fight for our constituents, that rely on the Alberta advantage. We are here to fight for keeping Alberta a great place to live and work and raise our families, and we're going to keep doing just that. I will wholeheartedly and without reservation vote against this bill every step of the way. I will never give up on the fight against the regressive tax hikes of this NDP government.

Thank you very much, Mr. Speaker.

The Speaker: Any questions or observations? The Member for Calgary-Greenway.

Mr. Bhullar: Thank you very much, Mr. Speaker. That was rather quick. I'm very, very, very pleased to rise, I guess to be recognized by you to be able to speak. I rather wish that the subject of this

discussion was something other than what it is. What I think it is is short-sighted political, ideological moves that are coming at a time when the economy is incredibly fragile. I know that the members opposite feel that we need to make changes to our income tax system. I for one believe we need to make changes to the income tax system. I think that significant and substantial changes at a time when the economy is in such peril are incredibly unwise. It is self-serving to put one's political ideologies and pursuits ahead of everyday, hard-working Albertans.

Mr. Speaker, I want to share with you a story of today. Earlier today I was in Calgary attending a school function. At that function I happened to check my phone, and I saw a headline about a particular company in Calgary that was going to lay people off today. So I immediately thought of a friend that works there, somebody I went to high school with, somebody that I've known since childhood. He was born and brought up in northeast Calgary. He's worked incredibly hard. He is the son of two immigrants that have worked labour jobs their entire lives so that their kids could have better opportunities. I thought of him immediately. I thought: "Oh, man, he works there. He works there, and he works in the major capital projects area."

Now, he's a guy that has worked his tail off. In a period of 13 years he has been able to get himself in a position where he's the sole breadwinner in the family, because one of their children has a medical condition, and his wife decided to stay home with the child. I thought: damn. I hope I can say that. No? My apologies. I'll take that back from the record. I thought: if he is the victim of this layoff, this is really going to suck. There's no other way to put it.

Now, I started calling him and sending him text messages, and for a period of about four hours I did not reach him. It wasn't until I was starting to come back to Edmonton that he finally called back, and he said: "I just missed it. I just missed it." He could have been one of those unfortunate people that lost their job today, and his life would have been turned upside down. So why in the world would we be debating a bill in the Legislative Assembly today that has the potential to have more of these stories, Mr. Speaker? I just don't follow that.

I'm not saying: don't bring in changes. I'm saying: bring them in in a thoughtful way that doesn't have a negative effect on the economy. Bring them in in a thoughtful way. I stand with you. You know, unlike other members of the Assembly, I do believe that there need to be some changes and adjustments to our income tax system. I get that. But you can't do it overnight, and you really can't do it at a time when thousands upon thousands of Albertans have either lost their jobs or are in fear of losing their jobs. That's just not cool. That's not right, Mr. Speaker. That's damn – sorry; again I retract that. That is unjust.

If we want to talk about justice and fairness, then we should be pragmatic in our approach. I see the members opposite and the government opposite, Mr. Speaker, stand up in the House on many decisions, on many things they talked about during the campaign, and they said: "You know what? We said that in the campaign, but now we might have to reconsider it." So you're willing to give on things like the Calgary cancer project, but when it comes to thousands of hard-working Albertans, you're not willing to reconsider their livelihoods. How do you explain the difference? How do you explain that difference? I invite any single member opposite to stand up and give me the rationale. How can you justify? How can you say, "This is a complicated decision, so we have to wait and look at our options"? Well, what about the income tax system and the corporate taxes? You don't have to do that for that? That's not complicated? That's not going to affect tens of thousands of hard-working Albertans?

I get it. You want to make changes. It's all good. Just do it thoughtfully, and don't jam it down the throats of Albertans in the midst of what may be one of the most significant economic crises that we face in many, many years. We have estimates right now that production levels in many countries are going up. What does that mean, Mr. Speaker? That means that we're going to be in this low-price environment for years. If that is the case, sir, you're going to have a significant reduction of capital expenditure. You're going to have a very significant reduction in capital expenditure across this province.

Now, what does that mean? That means that our hard-working friends and neighbours are going to be out of luck. That means that some of them are not going to be called back to work. That means that some of those gravel truck drivers are not going to have a season. Some of the rig workers: nope. That hotel or that motel in rural Alberta: empty. What about the diner? There'll be a couple of guys like us that go around, that want to shake some hands. We'll be in the diners. That's about it.

8:40

This is real. So if you can have the pragmatic instinct to delay the Calgary cancer project or now rethink your position on that, I'd invite you to do the same here for a bill that's going to have an effect on tens of thousands, millions of Albertans. That's all we're saying. We understand your ideological perspective. You want to make changes. Rock on. Just do it in a way that doesn't already kick people when they're down. That's just not right. That's not cool, you know.

I brought some other substantive issues up, Mr. Speaker, in the past, and I'd love it if the government opposite could provide us with answers. Alberta has double the high-income tax filers of other provinces, double the high-income bracket tax filers of other provinces as a percentage. Now, why do I bring that up? They're about 12 per cent of tax filers whereas in other provinces they are about 4, 5, 6 per cent of tax filers. Why am I bringing that up? I'm bringing that up because that means that there are a heck of a lot of people that pay their taxes in Alberta. On December 31 of any given year they say: I am an Albertan because Alberta has that advantage. So they pay their taxes here.

They pay their taxes here, and some 33 or so per cent of our income tax revenue comes from those very high-income earners. Some 33 per cent. So my question is: if you chase those people away because now they have to pay 15 per cent in Alberta – let's say that they live in B.C. They've got to pay – what is it? – 12 per cent. Why would they not file their taxes in B.C.? How much are they going to lose in their income? How much are we going to lose in revenue?

My question to the members opposite is: how will you make up for that revenue in two, three, or four years from now? You're going to go back to everyday, hard-working Albertans and say: "You know what? I know we said that we're going to keep you at 10, but we've got to bump you up." There's no other way, or you're going to have to bring in a sales tax. You tell me. If you lose that 33 or so per cent of our personal income tax revenue, you've got to make up for it somewhere. I don't see them, Mr. Speaker, making cuts.

I know my friends to the right proposed \$5 billion in cuts. I don't think that's reasonable. I don't think that's fair. I don't think that's sustainable. But what the government is proposing to do, Mr. Speaker, just will absolutely hinder our economy at a time when we can't have it. At the end of the day, if you look at the two-, three-, four-year horizon, when a good chunk of the personal income tax revenue is gone, there are going to be everyday, hard-working Albertans that are going to have to pay more.

You know, ideological pursuits aside, sometimes you've got to think this stuff through, just like you're thinking through the

Calgary cancer centre project. I'd invite you to do the same thing here. Go out; talk to a few people, maybe more than a few. Talk to some experts. More importantly, talk to some of those tax filers. Talk to the guys making \$100,000, people making \$50,000, the gals making \$80,000. Talk to some of them, and then talk to some of the guys making \$200,000 or \$300,000 or \$400,000 and say: if our rates go up, will you continue to file taxes here? Then tell me if your plan is sustainable in three or four years.

Now, I understand that this stuff is really emotional. You can get people all jacked up to say: "You know what? Those who do better should pay more." I get that. I get that you can get people worked up any second. But you've got to think right now – unless you're planning on just, you know, four years of this. Otherwise, you've got to think that in four years from now you're going to be going back to those same people and saying: "We chased away a whole bunch of tax filers. Now we've got to go up with the rest." You've got some folks around the table here that are in those categories. I suggest you talk to them.

On the corporate income tax side, for the Premier to stand up and say, "For those that have benefited from the good times in Alberta, we expect them to pay more now," you know what? I don't know about anybody on that side of the House, but businesses don't create themselves, Mr. Speaker. They don't create themselves. You don't wake up and have somebody go and switch on the lights and open the doors to your dry cleaning shop. It doesn't happen. You've got to work. You've got to put in that work yourself.

So for all those hard-working business owners, small-business owners – because a small business can easily do \$500,000 in gross sales a year, 1,400 bucks a day. Fourteen hundred bucks a day. I invite anybody here to go to their neighbourhood pub, go to their neighbourhood restaurant and ask them what their daily sales are. Then you'll see how many businesses are actually being affected by your plan. It's not bigwig corporate Calgary.

An Hon. Member: It's profit, not gross.

Mr. Bhullar: It doesn't matter. [interjections] Seriously?

The Speaker: Hon. member, could you . . .

Mr. Bhullar: Do I have the floor, sir?

The Speaker: No. I'd like you to sit down, and then you can have the floor. That's why I'm standing.

Could we let the hon. member finish?

Proceed.

Mr. Bhullar: Thank you. Mr. Speaker, it's quite simple. Those who understand business, who understand the hard work required to succeed in business, would never jam a 20 per cent tax hike down the throats of hard-working Alberta entrepreneurs overnight. It's ridiculous. Ridiculous. The members opposite say that they need months and months and months to prepare a budget. What about the budgets all these businesses have prepared? You're going to throw all those out the window? You're going to throw all of those budgets out the window? What about the planning they've all done? That's all done.

The Speaker: Any questions or comments? The Minister of Municipal Affairs.

Mr. Bilous: Thank you very much, Mr. Speaker. I want to start off by thanking the member for his very impassioned speech. Clearly, we see your ideology shining through here.

A couple of points that I'd like to address. First of all, I find it interesting that the hon. member is talking about kicking people when they're down. Last time I checked, income earners earning \$125,000 or more aren't considered being down.

I'd like to juxtapose that comment with the many men and women working multiple jobs earning minimum wage. That side of the House has vehemently opposed raising the minimum wage so that those people can afford to live and pay the bills. You know, I find that it's quite disingenuous talking about those earning significant salaries, as the hon. member's colleague had said the other day, talking about how people earning \$125,000 or more can possibly afford to make ends meet. I was quite surprised at that.

8:50

You know, I want to just address a couple of things here. First of all, 70 per cent of Albertans polled in a poll from this hon. member's party voted in favour of a 2 per cent corporate tax increase. So when the members opposite talk about all of these Albertans that are opposed to it, there are a significant number of Albertans that had said that the profitable corporations can afford to pay a little bit more. A 2 per cent increase still puts us in the middle of the pack, even lower than the average of the middle of the pack, as far as a corporate income tax rate goes.

As well, Mr. Speaker, the fact of the matter is that "tax" is not a four-letter word. We pay taxes in order to build roads and schools and hospitals and pay for the critical infrastructure. The members opposite often like to talk about and ask the front bench during question period when they're going to get a new amenity or an upgrade to a facility, yet they don't propose how it's actually going to be paid for. How we pay for it is through everyone paying their fair share. Again, you know, raising personal income tax in a graduated system starting at \$125,000 a year is very reasonable, is very prudent. We're talking about saving dollars for those Albertans earning an income under \$100,000. We're actually making life more affordable for the majority of Albertans while, again, asking those who can afford to pay a little bit more to pay a little bit more.

I believe, Mr. Speaker, that the member talked a little bit about businesses or individuals being chased out of the province. I remind the hon. member that there are many different things that make Alberta an incredible place to live and to invest in, and our tax regime is only one factor in a myriad of reasons why people choose to live in our province. We have an incredible infrastructure. We have no PST in this province. We have incredible amenities and services. Again, one of the reasons that we have such a robust economy is our natural resources. So although members opposite may think that many different businesses or individuals may decide to pick up and leave, the reality is that the natural resources that many people's jobs are dependent on are here in Alberta. Therefore, people will be staying in this province to continue to lead very prosperous lives.

We're not trying to say that Albertans shouldn't deserve to make good money and that their hard-earned money shouldn't go toward valuable projects. But at the end of the day, Mr. Speaker, it's not just about the taxes that people pay; it's what they get for their dollar. Again, in this province this government is committed to building schools, to ensuring that we're staffing them with teachers and support staff, to have hospitals, health care that's there when a person needs it.

Mr. Speaker, quite frankly, the proposal that this government has made is quite reasonable. This bill talks about doing a very modest increase to ensure that Alberta can continue to remain prosperous and that the province has the amenities and services here for our citizens. I appreciate the hon. member's impassioned speech on this

topic, but I felt moved to speak and offer some reasons as to why this is still an incredible province to invest in and to live in.

The Speaker: The hon. Member for Cardston-Taber-Warner.

Mr. Hunter: Thank you, Mr. Speaker. I'd like to talk about Bill 2 not as a legislator but as a father and a grandfather. I'd like to talk about the people who will be affected by this, those who can't vote for or against this bill but who will be expected to pay for it. I want to speak for our children and grandchildren.

Politics was once described to me as an act of determining who gets what from the cookie jar. A farmer wants the government to put in a culvert for him whereas a baker in the city wants a crosswalk in front of his shop to make it easier for his customers to come and buy bread. Each of these individuals competes for a limited fund called taxes unless, however, the government of the day happens to be the NDP. Then another option is available. In this option the farmer and the baker both get what they want because the NDP government is more than willing to mortgage our children's future in order to satiate their present spending.

[The Deputy Speaker in the chair]

The previous government would not address the problem of overspending and were convinced Albertans wouldn't mind if they stuck their long arm down taxpayers' short pockets. As can be evidenced by the scarceness of the numbers of those on my left, that didn't seem to work out so well. I would caution this new government to learn from our past. That history will be prone to repeat itself.

I've heard the Premier and many of her cabinet say that Albertans were consulted during the election, that therefore they have the right to bring forward the policies Albertans want. I would remind the governing party that even though they have a legal right because of their majority status, they did not receive a mandate from the majority of Albertans. The majority of Albertans voted for something other than the NDP platform. So to state that Albertans asked for what's coming down the pipe is simply spinning the reality of what actually did happen during the election.

The NDP government have often used the word "fair" to describe the implementation of their platform. I would ask them: what is fair about saddling our children and grandchildren with a debt burden that they have no say in? Over the next few days we will decide whether we should address the root of the problem, which is government overspending, or whether we will saddle our children and our grandchildren with mounting debt.

I read a telling caption the other day. A couple of fathers were observing their newborn babies in the hospital nursery. One father asked the other why all of the babies were crying, to which the other father proclaimed: because they just found out they were \$23,000 in debt.

With complete solemnity I would like to ask this governing body to do something for me. When you go home tonight and tuck your children in bed, I want you to lean over and ever so softly whisper in their ear that you have successfully sold their future to some banking interest. I want you to whisper in their ear that you have just made them someone else's future investment. Whisper in their ear that you appreciate their willingness to pay for your spending problems. Then in good conscience pat them on their head and tell them that you will ever remain their champion.

Thank you.

The Deputy Speaker: Standing Order 29(2)(a) allows five minutes for questions, comments. Anyone? The hon. Member for Edmonton-Rutherford.

Mr. Feehan: Thank you, Madam Speaker. I rise today to speak in response to the hon. member's statement. After listening to yet another member of the second and third parties making disparaging comments about my motives and accusations that my support of this bill is purely ideological, I can sit no longer. Time after time I listened to the accusation that I do not care about the citizens of this province and seek to cause harm to the wealthy citizens and corporations – I listened to the defence of the status quo in taxation as if there have been no victims – that I am not thoughtful and have not talked to the people affected.

Well, I stand to speak as a social worker with 33 years of experience, having worked in private practice, small business, nonprofits, government services, and at the university. I have committed my life to talking to the people of this province every day about their lived experience. While I could speak to many aspects of the accusations levelled against me and the members of the government, I wish to address just one to demonstrate a point.

A report from the Edmonton Social Planning Council, an agency for which I worked, states that 1 in 10 children living in the province of Alberta lives in poverty, with over 77,000 children living in poverty today under the regime built by the right wing in this province. From the report: Alberta children who live in low-income families experience a greater depth of poverty than the national average. Alberta children also tend to live in poverty longer than children in other parts of Canada. Among Alberta children living in poverty, 32 per cent lived in families where one or both parents worked full-time year-round, and only 22 per cent lived in households where no one worked. Yet these people are against a minimum wage of \$15 an hour, still a poverty level.

9:00

Children living in poverty is a debt that we have already exacted on our children and our generations to come. Research indicates that children living in poverty costs our province between \$5 billion and \$10 billion per year in extra social costs and lost economic potential. Poverty is a primary indicator of the social determinants of health. It is time we had a government that did not focus singularly on one indicator of well-being, that being wealth. It is time we focused on indicators of well-being that are complex, sophisticated, and future-thinking like the social determinants of health.

I intend to speak to these issues in a larger way in my first full speech to the House, but I ask the members of this side of the House to remember that the concern and care that brought me and many of the people on the government side of the House here today are concerns about the people and their well-being and where we are going and the need to develop a complex understanding of the ways in which we construct a social society in which everybody benefits and not the 7 per cent that had benefited under the previous regime.

Thank you.

The Deputy Speaker: We're back to the main debate now. Does another hon. member wish to speak on Bill 2?

Mr. Fraser: Are we still in questions?

The Deputy Speaker: No. Standing Order 29(2)(a) is done. You can speak to the main bill if you like.

Mr. Fraser: Thank you, Madam Speaker. You know, it's interesting to me to hear the comments of the member that just spoke, talking about the good intentions of the people that come to this House, the people that put their families in front of the public to view, to be criticized. There is a saying that the first one to lead is the first one to be criticized, that it is the first one to make

mistakes. I would agree, from the third party, that we have made mistakes.

I'll keep this short. You know, I was on the phone earlier tonight with friends that I grew up with from northeast Calgary that fought tooth and nail to become accountants, to become traders in the market for oil companies today. I'm calling them: "How are things going? What do you think about this corporate tax, this Bill 2?" They're like: "Rick, we don't care. I'd be happy to pay the corporate tax. That's if I have a job." Albertans are losing jobs because of this.

[The Speaker in the chair]

You know, it's funny to me. We talked about this. We've been talking about it in question period, yet you're laughing. You're laughing across the aisle, which you said you would never do if you were in that position. You said that you'd have debates, that you would change the way things were done. Well, you have an opportunity right now to admit that rushing this and putting through Bill 2, corporate taxes, in a downturn is costing Albertans jobs. You can reverse that. You can do something maybe that you criticized that we never could do. You could say that this is a mistake and that we're going to press the stop button, the pause button.

Further to that, I've got to tell you that if I was on that side of the House, which we were, and we were making decisions on finances – flood recovery or anything else, particularly on this one – and then retroactively put it back six months, how does a family budget for that? How does a corporation budget for that, that retroactively they're going to have to pay taxes going back to January 1? How is that fair? Let me remind you that you did have corporations that did vote NDP. You did. So it's fair to retroactively charge them?

I go back to the intent. Definitely, as a Progressive Conservative, which I am, I fought tooth and nail for everything that I have. Thank God for my wife, thank God for my parents, and thank God for my friends because they had faith in me that I would come here and I would do the right thing.

You're seeing right now that it's pretty hard to manage all the moving parts of being in government, and I wish you the best. I do. You know why? It's my kids. It's my dad, who owned a small business, who didn't have a pension, a defined benefit pension. He didn't work in the public sector. He fought for everything as a single parent in Georgian Village. You know, distinctly I remember sitting in the area of the hockey boards, where drug dealers were making deals right next to us. I was the age of my youngest son now, and I couldn't even imagine him having to deal with that. But thank the Lord and thank God for parents and thank God for friends, that that community put me on a track that put me in this House to make a difference for Albertans.

If you think that it's disingenuous why I'm here – I was a paramedic. I went to school specifically to serve my community, and like I said before, I've seen the best and the worst of this province. I am urging this government to press the pause button, to consider how many jobs are being lost. I would agree with the hon. member that at the end of the day . . . [interjection] See? Once again you just can't let me finish the debate without a comment, which you said that you wouldn't do.

An Hon. Member: You guys do that to us.

Mr. Fraser: Well, no. We're talking about Albertans' jobs here, good sir. Jobs. If you lost your job tomorrow . . . [interjections]

The Speaker: Hon. member, please proceed.

Mr. Fraser: Thank you. The intent here: I know that you want to do right by Albertans. Everybody in this House does. You have an

opportunity to slow it down, consider the jobs being lost, make a readjustment. Like the member said, we're not saying that you can't raise corporate taxes at some point or look at a royalty review at some point. Those are important things. We believe in that. I believe that government should always be evolving. This is an opportunity right now where government is evolving, so you can do something different. I'm urging you, I'm urging you with my constituents who are losing jobs . . .

The Speaker: Hon. member – and again I say this to all of the members in the House – I respectfully request that you try and direct your comments through the Speaker. I think that's part of the emotion that's being dealt with, if you would. Thank you.

Please proceed.

Mr. Fraser: Yes, sir. Mr. Speaker, thank you for that. My intent in looking at these members is not to spar. It is certainly to have a debate and give the side of the people that I'm talking to that are concerned about losing their jobs, and I think we all care about that. This government has a great opportunity right now. Like I said, press the pause button; save jobs. Let's figure out where we need to be. I do believe that the Wildrose, the Progressive Conservatives, and people in the independent parties absolutely want to help this government. I think right now that the economy, jobs, and making sure that Albertans are whole is job number one for this government.

Thank you, Mr. Speaker.

The Speaker: Thank you, hon. member.
The Minister of Finance.

9:10

Mr. Ceci: Thank you very much. Thank you to the hon. Member for Calgary-South East for those words. The point I'd just like to talk about is that I think he just misspoke a little bit when he talked about the corporate income tax being retroactive. It's not going to be retroactive. It'll be coming in on July 1. It'll only be two percentage points greater than the 10 per cent it is now. It's not retroactive. It'll be going forward.

The hon. member talked about retroactivity in terms of the personal income tax also. That will be implemented on October 1, but it will be pro-rated for the 2015 year only at a lower level, so it implies that it's only three months of taxes that it'll take in. It's going forward October 1, and the corporate income tax is July 1. The calendar year needs to be used by the CRA for personal income taxes. That's why we had to call the 2015 year only a pro-rated level; for instance, 10.5. For a 12 per cent effective tax rate for 2016, it would be 10.5 for 2015.

Thank you, hon. member.

The Speaker: The hon. member.

Mr. Nixon: Thank you, Mr. Speaker. Just real briefly, the hon. member earlier spoke with very apparent passion for the kids that he's working with, and that's very commendable. He's not the only member of this House that's dedicated his life to the poor and the vulnerable in our communities. I've spent 30 years with one of our largest nonprofits in the province that's dedicated to the homeless, seven years as the executive director of it. I can tell you that raising the minimum wage will not help one of those over a thousand homeless people that that agency works with a day. It won't. You know why? Because it's taking away jobs, that we need. For the kids that the hon. member discussed, taking away jobs from their parents does not help make the kids' lives better. It's that simple. Nobody on this side of the House is trying to hurt anybody. You're

going to cost Albertans jobs, which is going to hurt the most vulnerable of our population in this province.

Thank you very much, Mr. Speaker.

The Speaker: Are there any questions or comments?
The Leader of the Official Opposition.

Mr. Jean: Thank you, Mr. Speaker. I couldn't help but notice that there was a discussion earlier in relation to vulnerable Albertans. You know, there are 450,000 seniors in Alberta. There are going to be a million seniors by just over 2030. Seniors, of course, are one of our most vulnerable sets of citizens. In this particular case, I saw a joke recently, just today actually, that had two people come up to the counter of a coffee shop, and one person said to the other, "What could be wrong with a minimum wage of \$15?" Meanwhile the clerk said: "Here's your coffee. That'll be \$12. Thank you, sir." There's no question that with people's salaries going up, costs are going to go up. I owned a Quiznos franchise, and I can tell you that when I have to pay \$15 to \$25 for somebody to put sandwiches together, I have to charge more for subs, so the prices are going to go up.

My question to the member is: how will that affect seniors in Alberta? That's who I'm worried about, the most vulnerable. I think seniors on a fixed income are going to be the hardest hit because they don't work anymore. They've set aside money to take care of their future, and their future is now changing. Costs are going to go up, and the costs of things that they buy are going to go up. Could the member please answer that question?

Mr. Fraser: Well, Mr. Speaker, thank you to the Leader of the Official Opposition. You know, being a paramedic means you spend a lot of your time with the vulnerable, particularly seniors. Again, like I've said before, I've seen the best and the worst in this province regarding that. When you raise the minimum wage, you think about the store owner. He's going to raise the price of milk. He's going to raise the price of bread. He's going to raise the price of the essentials to cover those costs. But what we haven't done and what we haven't heard, because there isn't a detailed budget, is how we're going to give seniors and those folks on a fixed income today, based on how they've been saving – how are they going to be able to afford these things?

When that happens, what I can tell you is that at the end of the day, for all these other things that they say will be offset by raising the minimum wage, it is actually the opposite. When seniors feel they can't afford things, they do get depressed. When they get depressed, they call the ambulance. When the ambulance has to take them, we have to deal with them, whether it's a mental health issue or whether it's an actual emergency. Oftentimes they wind up in the emergency department. It's not an actual emergency, but somebody needs care. At the end of the day, Mr. Speaker, it just costs more money.

The Speaker: The hon. Member for Little Bow.

Mr. Schneider: Thank you, Mr. Speaker. I rise to speak against Bill 2, An Act to Restore Fairness to Public Revenue. There is nothing fair in raising taxes. The individuals and businesses in this province that are getting this rather large increase in tax are about to be hit by a high inside pitch: unexpected, hard to see, and painful.

Mr. Speaker, it was the poor management of the public purse by the former government and the inability of this government to address the inherent spending problems throughout the public sector that will result in job creators being punished. Higher business taxes can have harmful effects on the economy.

University of Calgary School of Public Policy economist Jack Mintz stated that Alberta would lose 8,900 jobs for each one-point increase in the business tax rate. The findings of Dr. Mintz's study have been reviewed by Toronto economist Mike Moffatt and University of British Columbia economist Kevin Milligan. This study is not disputed. Another study of European companies, piloted by the University of Oxford, found that a dollar rise in corporate tax reduced the wage bill by 75 cents.

Businesses are not going to break into their profits to pay for an increase in taxes. What we can expect to see is an increase in prices of goods, a lowering of wages, and the laying off of workers. These are the front-line protections that businesses will have to explore before giving up profits. Punishing the job creators will only further delay Alberta's economic recovery from lower-than-forecast oil prices due to geopolitical events; Saudi Arabia has turned on the taps. Raising business taxes will increase government revenue but only in the short term. Long term it will deter investors when Alberta loses its advantage over other provinces. Combine that with an increase in minimum wage, and business profits will decline sharply.

These business tax increases have the potential to drive investment and jobs to other provinces. For example, Saskatchewan, right next door, is already making noises, asking business to come and invest in their province and inviting people to move over there for the Saskatchewan advantage.

But here's the one that really gets to the bone, Mr. Speaker. Alberta will now have a higher business tax rate than the province of Quebec. Yes, Quebec, Canada's bastion of all things left-wing, the fiscal basket case of debt and deficit, and the largest recipient of transfer payments, will now have a lower business tax than Alberta, at 11.9 per cent. I can already hear Premier Philippe Couillard crowing about Quebec's competitive advantage over Alberta. It's embarrassing. Alberta has lost its place of fiscal leadership in Confederation.

This is a 20 per cent tax increase all at once. No discussion about phasing in this tax. The government is more than willing to phase in a minimum wage over three years but not a tax increase that will be detrimental to jobs in Alberta. Alberta businesses like Earth's General Store, an organic food store right here in Edmonton; Poppy Barley, a shoe store; Calder Bateman; and Yardstick Software, all here in Edmonton, are facing the issue of having to find 20 per cent somewhere. If their profits cannot handle the increases, lower cost and poorer quality inputs may have to be what's used, which could potentially ruin the businesses' reputations in the long run. Potentially, staff salaries would have to be cut or positions eliminated or hours of workers cut back or, at the worst, businesses will just have to close. Your favourite corner pub will be affected in exactly the same way. How much will you have to pay for your favourite pint of beer?

The fastest way to close these fine Alberta businesses down is to raise taxes. Higher taxes will mean fewer staff in the service sector. Fewer staff means poorer customer service. If people are travelling from all over the world to come to a town in my constituency of Little Bow to engage in all things *Star Trek*, they are not going to come back if they get poor customer service. Events in my constituency like Vul-Con and Spock Days will be negatively affected by higher taxes and personal taxes.

Mr. Speaker, I implore the members opposite to please vote down this unfair tax increase at this time of economic readjustment in Alberta. Thank you.

The Speaker: Hon. members, are there any questions or comments? The Member for Strathmore-Brooks.

9:20

Mr. Fildebrandt: Thank you, Mr. Speaker. I'd like to thank my next door neighbour, the Member for Little Bow, for his comments today. There are a number of very interesting points that he hit on. He's speaking about the very direct impact that this is going to have upon his constituents. The Member for Calgary-South East spoke about the good intentions of every member in this House regardless of their ideological intentions or bent. We all want to help Albertans, but we come at some things from pretty different perspectives at times. But it's important that we stick to our principles when we're here and we stick to the facts.

The Member for Calgary-Greenway said a lot of things that I very much would agree with other than some pretty strange factual errors such as us cutting \$5 billion from the budget. Now, as a fire-breathing fiscal conservative I might fantasize about doing so in my wildest dreams, but that was nowhere close to the Wildrose's balanced budget program. In fact, we were proposing to cut as much from the budget, \$2.5 billion, as his own party had been proposing to cut from the budget until one week before it tabled that budget in this House, fatefully.

I find it strange, as much as I agree with many of the arguments coming from the third party, I find it mind-bending that a party that introduced 59 taxes on Albertans, targeted primarily at the middle class, to raise a tax burden on the average household in this province by two and a half thousand dollars a year can now position itself as a champion of taxpayers.

Mr. Speaker, Margaret Thatcher called it popular capitalism. A defence of capitalism requires a broad buy-in by all people. A defence of capitalism cannot be focused only on high-income earners or large businesses. It must benefit all Albertans, all people. That is why the Wildrose has more than twice as many seats in this Legislature as the previous government.

I was wondering if the member would like to comment about the remaining taxes that have not been withdrawn by the current government, taxes imposed by the previous government like the one that affects many members of this Legislature very personally and dearly, the beer tax.

Mr. Schneider: What do you want to know about the beer tax?

Mr. Fildebrandt: The government's repeal.

Mr. Schneider: Well, all I can say, hon. member, is to just reiterate what I said in my speech. This is a clear 20 per cent increase in a tax for corporations, small businesses that hire the people that go out and shop and spend money and keep the economy rolling around. If things move up by 20 per cent, Mr. Speaker, your beer downtown isn't going to be near as tasty, is it?

The Speaker: Any other questions or comments? The hon. Member for Airdrie.

Mrs. Pitt: Thank you, Mr. Speaker. What an interesting conversation tonight. It's great that we all love Alberta so very, very much, and I think it's time to recognize that there is middle ground here. For the longest time this province was proud to hold a competitive economic advantage in relation to the rest of Canada. The late Premier Peter Lougheed famously dubbed it the Alberta advantage. Sadly, the days of the Alberta advantage are numbered thanks to the last decade of PC mismanagement and the NDP economic reforms like Bill 2.

For decades businesses big and small would look to Alberta as the land of opportunity, the land of low taxes and economic freedom. This government, however, is set to implement the largest

business tax increase in recent Alberta history. For years families from across Canada would move to Alberta for lower taxes and plentiful jobs. Now those, too, will become a thing of the past. It's already started, with the 50 per cent income tax hike for high earners and a 50 per cent hike in the minimum wage. Think twice, please. Lastly, the oil industry, Alberta's economic powerhouse, is set to face turbulent times with a royalty review and a carbon price review levied over their heads. In short, these provisions included in Bill 2 are set to strip Alberta of the advantage it has enjoyed for decades.

I'd like to take the next few minutes to briefly explain why. To begin, a staggering tax hike of 20 per cent on businesses across this province will guarantee two things: one, lower wages; two, higher prices on everything, from apples to zucchinis. An apple a day keeps the doctor away. We can't afford one every day. This will only hurt Alberta families. This will hurt your children. A tax hike on businesses, the job creators in this province, will only further weaken the already fragile Alberta job market. The proposed business tax hike will make Alberta a less competitive place for business to invest in. It's fact. Alberta will now become less competitive than our neighbours in British Columbia as well as other large provinces, Ontario and even Quebec. What will this do to our province? It will drive out jobs, growth, and prosperity.

Next, let's take a look at the personal income tax hike. The NDP platform promised that their proposed income tax increases would rake in \$1.1 billion in revenue. Now we are being told that only \$800 million will be raised. That's far, far less. Where will the NDP find their funds for their spending commitments, commitments that have already been proposed? The math simply does not add up. We wonder how many more tax hikes we will see before voters can get to the ballot box again.

Finally, I'd like to draw the attention of this Chamber to the government's overall spending forecast as proposed in the bill. This government is set to include almost \$700 million, unless it's \$600 million, in net new spending, and that's just for the minibudget, to keep the government running until a full budget can be announced. We still don't know when.

All of this is to say that one thing is clear. You cannot tax and spend your way to prosperity. This has never worked; it never will. Contrary to the belief of this government you cannot just raise taxes without addressing the core of this problem, shrinking the size of government.

I will speak against Bill 2.

The Speaker: Hon. members, are there any questions or comments? The chair recognizes the Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Mr. Speaker. I rise before the House today because the Alberta advantage is under threat, and probably for the first time since the Alberta advantage was created, it is under threat from within our province, not from outside of our province, and that is a shame. Bill 2 compromises a very delicate balance between revenue and expenditure that Alberta has to maintain in order to ensure that our advantage is sustained. Let's be really clear about something. We're in a global marketplace, and we are also in a national marketplace. There are other provinces that are looking at Alberta right now for the first time since the Alberta advantage was created. They are looking at this province, and they are seeing our companies as some kind of golden prize that they can take from us. Never before have we had a government put that at risk.

This revenue stream, that is the backbone of all of our social programs, depends on and is maintained by industries, by small and large businesses and their desire to build the Alberta economy. Now, business people are attracted to a climate that fosters

entrepreneurship. The Alberta advantage, of all the things that it was, was a climate. It was a regulatory climate, a taxation climate, and an economic climate that fostered entrepreneurship, so people like me, like others in this room that have started businesses looked at the climate and said: this is the place where I can start a business and prosper. Some of us succeed, and some fail, and we keep trying, but up until now Alberta was a place worth risking that investment.

9:30

If this bill passes, we are going down a slippery slope where the investors, small and large, are going to look at this economic climate, this regulatory climate, this taxation climate, and they are going to say: Saskatoon is looking pretty good right now. Now, I don't want to be too disparaging against Saskatoon because I'm an immigrant. I emigrated from Saskatchewan in 1961, so I'm a foreigner but an Albertan today.

Just on that note, my family moved us from Saskatchewan to British Columbia. Then an NDP government got elected in British Columbia. I have a confession to make, Mr. Speaker, before this House. You'll have to forgive me. I did vote NDP that year. Of course, it begs the question: well, how did that work out for you? Two years later I was without a job, could not find a job, and I moved to Alberta. Thank God I stayed, except for a few short years overseas where the taxation rate was – get this – 45 per cent. It was 45 per cent overseas. I came home again only then to – well, we'll see how this goes.

Entrepreneurs brought their ideas to this province historically because of the Alberta advantage. They built their businesses here because of the taxation regime that we had. They kept their businesses here because in return for their capital and their ingenuity Alberta has provided them with a very fair taxation framework, one that was the best in our country, as we all know.

These revenue streams that came into the Alberta government permitted this province to build roads, hospitals, and schools for our children. Our per capita funding of services like health care and education was higher than anywhere else in Canada. Why? Because entrepreneurs had an environment here where they could prosper in their businesses. Revenue, as you have heard probably more than once, is not Alberta's problem, but spending is. Let's not misconstrue the poor fiscal management of the third party in the past decade as a flaw in the Alberta advantage. That wasn't the problem at all.

Now, this advantage permits good public services alongside of low taxes. The members opposite seem to think that as long as you have good public services, you can tax at any old rate you might want to, that people will live here for the public services. This is really a dangerous, slippery slope to be going down. There has to be a full-meal deal to keep businesses in this province. We have to have good public services, which are funded by taxes which are paid by profitable companies, but we need those companies here. We need those businesses here, and they will stay as long as we have a favourable tax regime for them.

The combination that we have had has provided a great life, with rising incomes and reasonable public services. However, this economic policy right here is sending us down the road to finish off what is left of the Alberta advantage, and that is tragic. We're going to push away businesses that contribute to our revenue stream by creating an unfavorable economic climate. Worse yet, we are going to push away highly skilled workers that are instrumental to this province's intellectual capital, individuals who are a critical part of this province's knowledge economy.

Now, Canada offers political stability, natural resources, and a highly skilled labour force. We attract investment into this province specifically by maintaining a comparable tax advantage. As we

have heard, Albertans are wary of the weakened position, competitively, that Bill 2 puts us in compared to our neighbours to the east and to the west. It is this combination of things that I believe worries me most of all. We have a cumulative effect in just the first few days of this Legislature. We have an NDP government that is actually gambling that the cumulative effect of a 20 per cent rise in the corporate tax, a 50 per cent rise in the minimum wage, a 50 per cent rise in the top marginal personal income tax, and a royalty review will somehow magically not bother anybody, that it's not going to affect jobs, that it's not going to affect prosperity.

For goodness' sake, Mr. Speaker, this is a cumulative package that is just hitting our province in a way that our province cannot stand to be hit at this point in time. This is not a risk that we should be taking. Moreover, in my opinion, this is not a risk that that government has a mandate to impose upon Albertans. This is not what they were elected to do.

As we've already heard, there are economists, three of them, that have calculated that we will lose 8,900 jobs for every one-point increase in the business tax rate. In my town of Sylvan Lake we already are seeing the for-sale signs going up all over town. We have a population in Sylvan Lake the average age of which is 35. This particular demographic are the young moms and dads with little children. They are oil field workers. They are young families, and they are being hit hard. We have a number of drilling companies who have land in the industrial park in Sylvan Lake, and those yards are chock full of drilling rigs. There is nothing moving. Those young people are out of work because these companies are holding back. They're holding back, Mr. Speaker, because they are very worried about a government that is taking away the Alberta advantage, and they are not willing to put billions of dollars of their shareholders' money at risk at this time in this province with this government's actions. In my opinion, this is irresponsible governance. This is not what Albertans asked for.

The reason why the third party is no longer in government is because Albertans determined that that was irresponsible governance, and we're not seeing any much better government now. Orange is, you know, the old blue.

Wildrose is concerned for everyday Albertans, responsible government, responsible fiscal policies, creating a climate that fosters entrepreneurship, that keeps businesses here, that provides Albertans with a quality of life that we all enjoy. This is what Wildrose was elected for, this is what we will stand for, and – I know I speak for my colleagues – this is what we will fight for.

Thank you, Mr. Speaker.

The Speaker: Thank you, hon. member.
Are there any questions or comments?

Mr. Strankman: Well, yes, Mr. Speaker. If I might, I'd like to ask my hon. colleague from Innisfail-Sylvan Lake why it took him so long to get to Alberta.

An Hon. Member: Is that our fault, too?

An Hon. Member: Absolutely.

The Speaker: Are there any other questions or comments?

The chair recognizes the Member for Battle River-Wainwright.

9:40

Mr. Taylor: Thank you, Mr. Speaker, for giving me this opportunity to speak in opposition to Bill 2. You know, I find it really quite interesting that the government of Saskatchewan had a 17 per cent business tax, the highest in the country. They reduced it to 12 per cent, and business picked up. This NDP government is

looking to raise taxes, and expects – what? – business to pick up? I don't know. Now, the NDP government has floated the idea that their business tax be reduced from 12 per cent to 10 per cent in Saskatchewan in order to stimulate more development, more jobs, and higher earning jobs. Consequently, a by-product of that reduction would be more income generated from personal taxes.

In 2001 the PCs under Ralph Klein slashed the income tax from 15.5 per cent to 13.5 per cent and then further reduced it to 10 per cent in 2006. That, I believe, was an Alberta advantage. It seems that the NDP here in Alberta want to destroy that advantage we have, while their comrades in Saskatchewan are waking up to that reality. Business stakeholders have been calling me, e-mailing, phoning me, just telling me, basically, that these new taxes are going to hurt the bottom line.

You know, I find it really ironic that Bill 2 is supposed to be an act to restore fairness to public revenue. It's not really about fairness if jobs are lost, is it? What did the tax increases that B.C. just recently put in do for their economy? Well, private businesses took a dive in the province, dropping 3 per cent since 2012 while the rest of Canada saw an increase of 1.5 per cent. Sources project that without investment B.C. won't grow as much. Its per capita GDP for 2014 is below the national average in contrast to two and a half decades ago.

What we understand of Mintz's study and the two other people that are backing it up is that we really need to focus on what's good for the Alberta economy. Albertans now in high-paying jobs are going to leave this province in search of locations that are more favourable to work and grow a business in.

Here in Alberta we used to attract others looking for the Alberta advantage. Unfortunately, that's not what's happening now. Over and over again I'm hearing from small-business owners that we do not need a minimum-wage hike. They know that this will affect their bottom line. They know that they will have to either increase prices, lay off workers, or ultimately come to the conclusion of shutting their doors altogether. The combination of a minimum-wage hike, new business and personal taxes, and a royalty review – let's not call it a royalty review because I don't believe that's what it is. I believe it's a royalty hike that will stifle the oil sector. It will have a trickle-down effect, and in the end it will affect all businesses to one extent or another.

Sorry, folks, but this government's plan to get more money out of Alberta taxpayers' pockets is not going to do the rest of Alberta any favours, and when you pile on top of one another the wrong-headed economic policies of this government, we're even in more trouble.

For the sake of Albertans I urge you to reconsider tax hikes. Thank you.

The Speaker: Are there any questions or comments?

Hearing none, I would call upon the Member for Lacombe-Ponoka.

Mr. Orr: Thank you, Mr. Speaker. Truly these are important and difficult conversations, and somehow I wish we could get outside of the box and find creative and real solutions to them because I struggle with the fact that one policy always seems to injure the other, and there always seems to be a loser. Somehow I think that that doesn't necessarily need to be our reality.

Government clearly does need revenue. How much may be debatable. More importantly, government does need to fulfill its social contract. I think we all do care about those who struggle in our society, those who have less than others. Let me make it clear that from my point of view none of this is about not providing for the needs of people. My concern is that increased tax may, in fact,

even make it impossible to do that. I know that my constituents would struggle deeply with this bill. Raising taxes would go against principles for most of them, and part of that would relate, I guess, to the realities of economic theory, which I plan to move toward here as I speak.

Throughout my life I've both seen and personally had the benefits of lower taxes, as I think we all have. We've all lived in a regime in which there's been prosperity around us. Alberta has boomed because of low taxes. Lower taxes benefit the citizens who live at all levels of taxation, actually. Lower personal taxes encourage entrepreneurial growth, which does provide jobs for all levels of society, and lower business tax rates encourage more businesses to actually start up and stay in Alberta, and then they have the need to hire you, whatever job you might fit into.

I'd like to suggest that it's not just my word. I'd like to also read a little bit more in detail from a recommendation proposed in 2005 by the NDP government of Saskatchewan with regard to business taxes and how they viewed it. I will say that this comes in two stages. They went partway first of all and then more the second time.

Reading from their report.

We recommend that the general Corporation Income Tax . . . rate be reduced from 17 per cent to 12 per cent.

And I would quote three things from them that they said lowering the tax rate would result in. The first is:

A more neutral tax regime, removing an impediment to business expansion and investment caused by the significant difference between the small business tax rate and the general rate.

A second point would be:

A general [corporation income tax] rate that is competitive with western provinces and would significantly reduce the costs associated with capital investment in Saskatchewan.

Their third point:

A higher allocation of corporate profits to Saskatchewan for income tax purposes – an allocation that is more consistent with economic activity, resulting in higher provincial revenues.

Here's my point. Raising taxes does not necessarily equate to raising the needed revenue for government and, conversely, lowering taxes doesn't necessarily go the other way either. Sometimes it's counterintuitive. There is an inverse relationship.

I want to continue to quote from the Saskatchewan report.

When the recommended [corporation income tax] rate reduction is combined with the recommended phase-out of the general [corporation capital tax] rate, a significant reduction would occur in the tax on new investment. The Committee believes that these reforms would increase the economic opportunities in Saskatchewan for its residents – and investment means jobs.

There is an inverse relationship. It's counterintuitive. Just because taxes are raised does not mean that revenue to the government will be raised.

Now here's my favourite part of the Saskatchewan report.

The Committee further recommends that, as fiscal circumstances permit, the general [corporation income tax] rate be reduced to ten per cent – to match the [corporation income tax] rate applied to manufacturing and processing . . . activities.

Let me recap a little bit. The Saskatchewan committee resolved that, first of all, lower tax rates would actually encourage business expansion and investment. That expansion and investment means more tax revenue. If these businesses did not expand, there would be less revenue to generate. The more a business expands, the more jobs it creates. The lower tax rate creates jobs.

9:50

The second thing that they said, as I summarize, is that a more profitable a province is, the more business profits a province earns,

which leads to more revenue. A lower tax rate encourages business creation, which means more taxable revenue, so – get this – lower taxes create more revenue. That's what this Saskatchewan NDP government committee resolved.

Thirdly, they are saying that lower taxes mean less tax on new investment, and new investment, of course, means more economic opportunity, more jobs. There's a pattern emerging here.

I'd like to suggest also a little bit of economic theory. Arthur Laffer is an economist who wrote in the 1979 era, fairly famous for what's called the Laffer curve. In it he equates taxes or the rate of taxation with the resultant rate of revenue that governments can collect. He says that there are two results that can happen. The first one is arithmetic. In the arithmetic case a tax increase in the simple short-term does actually seem to raise taxes a little bit, but then he says that in the long-term the revenue will in fact stagnate and decrease rather than increase.

The second effect that he says you will observe is what he calls the economic effect. The economic effect is actually a long-term result. Lower taxes, whether business or personal, actually increase the overall tax base over time because money in the hands of the people, in the hands of the taxpayers, causes them to spend it. They spend it on businesses, businesses are encouraged to grow and invest. What he says is that pretty soon the increased revenue outruns the lost dollars of the tax cut. The larger the tax base, the larger the revenue.

It's certainly not clear in economic theory today, the more you read, that raising taxes will increase government net revenues. I'd like to use an example, actually, from Canada of that same fact this evening. A study done by the School of Public Policy had this to say.

[Federal] corporate tax rate reductions of more than 30 per cent (since 2000) . . .

Now, that's just a combination of all the different kinds of taxes: excise taxes, income taxes, business taxes.

. . . have, contrary to the critics' cries, failed to make an appreciable dent in tax revenues thanks to [other sources of revenue growth].

The comparison is obvious, but I want to point it out just to make it clear that not only do lower tax rates at a provincial level create more revenue, but lower tax rates on the federal level created more revenue. That's because, as I've said, businesses, whether large, small, or medium, look for a country and a province where they can make the most profit.

We are in a competitive environment. Businesses will pick up and move to another province. I am almost embarrassed to have to admit that my oldest son is one of those. For generations we have cried in Canada about the brain drain to the U.S. My oldest son is an academic. He has a PhD from Stanford University, and he says: dad, I'd love to come home and work in Canada, but the tax rate here in the U.S. is so much better; I'm going to stay down here. The reality is that the brain drain of Canada into the U.S. in part is a function of taxation. By providing a lower business tax rate, we can attract more business to come to Alberta, which means more general revenues for the province, more jobs. I realize there are ways that we do need to care for the people who are struggling and don't have their income, but I don't think that killing business or creating impediments to business by creating environments that cause people to actually lose their jobs is going to do that.

You know what? I think I've made my point. Thank you, Mr. Speaker. I'll leave it at that.

The Speaker: Hon. members, are there any questions or comments?

The chair would recognize the Member for Calgary-Fish Creek.

Mr. Gotfried: Thank you, Mr. Speaker. I think many members in this House may agree that timing is everything, and certainly our caucus has felt the pain of ignoring that particular instance. But timing is everything in Bill 2, and I think that we need to look at the unintended consequences that seem to not be being adhered to here.

In the last week or so I've talked to three different individuals in the oil and gas sector, one a mid-sized oil and gas company. Their comment was: this government is killing our industry. The second instance from a local gas producing company that had two opportunities for investment of approximately \$400 million, one in Alberta and one in California: they've chosen the one in California. A third company, a large foreign-owned company with \$200 million to \$300 million in investment capital looking to invest in their sector: they've chosen to invest in Saskatchewan, B.C., and the United States. Mr. Speaker, these are undermining the Alberta advantage, and Bill 2 is going to further undermine that.

I tend to try and look at things in a fairly simplistic way. It helps me to form my thoughts around it. I look at the Alberta advantage, that many of us have grown to know and love over the years, as a combination of three things, some of which have been challenged recently. Certainly, one of those is robust job creation. We can cross that off the list with the policies of this government. Relatively low taxes is number two. We can cross that off the list with this bill. Number three, which has been challenged more recently over the last decade or so, is relatively attractive housing affordability.

As I've mentioned, with my background in the housing industry I've seen this seriously undermined in this province over the last 10 years. It used to be that if you moved – you could move here from almost anywhere in the country. If you came from Toronto or Vancouver, it was like winning a lottery in terms of the ability to purchase an affordable house. I used to say that we acted more like a large Saskatoon than a small Toronto or Vancouver. That has been undermined more recently by new urban land supply ideologues who are intent on further undermining housing affordability. I further am concerned that this government may also pander to that ideology.

It seems to me that this government in their policies is undermining number one and number two very seriously, and they may actually have the unintended consequence of achieving number three. Mr. Speaker, the decimation of our economy may result in a further bloodbath in the residential housing sector in undermining the real estate market. These unintended consequences of killing the Alberta advantage through the decimation of the robust job creation that we've become used to, the in-migration that results from that, the relatively low taxes that we've enjoyed as a hallmark of the Alberta advantage: I'm concerned that the unintended consequences that we will see from these policies are now the hallmark of this government, which appears to be intent on unintended consequences.

Thank you.

The Speaker: Hon. members, any questions or comments?

The chair recognizes the Member for Grande Prairie-Smoky.

Mr. Loewen: Thank you, Mr. Speaker. We are at this time discussing the merits or lack thereof of Bill 2. We talked yesterday about Bill 201 regarding savings. There seemed to be unanimous support for savings, just a difference of opinion on when and under what conditions. There was also agreement on the benefit of compounding interest when saving money. This idea of compounding was not lost on myself and others. The problem is that we are seeing the government creating a compounding detriment to the economy of our great province.

Presently our economy is slowing. The largest part of our economy is taking a hit with low oil prices. Jobs are being lost, businesses are suffering, and families are suffering, too. The world price of oil is not under the control of the Alberta government, but the price we get for our oil is influenced by our access to markets and our access to multiple markets.

10:00

I know the current government may not buy into this idea, but competition for a product you sell allows for a stronger return. I think Albertans deserve a higher return for their resource. While this government feels that increasing royalties is the way to go, we believe Albertans could benefit from higher world prices. This could increase interest in business investing in Alberta rather than relying on a detrimental royalty scheme that has failed before.

The royalty review creates instability. Businesses in our energy industry have no idea when or how much royalty changes will affect them. That creates instability. It wasn't that long ago that we saw the effects of the previous government's royalty review. In the end, it cost Albertans. This government talks about stability but only when it suits them for political rhetoric. We need true and honest economic stability.

This government has brought forward a minibudget. It's maxi in dollar amounts and mini in details. They have used the PC's election-killing budget and added more ambiguous spending. They then tell us that Albertans support this. Huh? I don't get it, and I don't think Albertans get it either.

That brings us to where we are now. Our current government is considering pushing through measures to bring in higher taxes on Alberta families and businesses. So let's get this straight. We have a slumping economy. We have a royalty review creating instability. We have a minibudget with little information. We have rough estimates in that budget in the hundreds of millions. We have no idea of projected revenue. We have no idea of deficit numbers. We have lots of uncertainties except higher taxes.

Let's be clear. Albertans did not give the government a blank cheque. The NDP feels that Alberta residents and businesses need to experience a raise in taxes. Am I alone in thinking that something is wrong here? Is there anyone else that is concerned about this situation? I think Albertans are concerned. I think they're very concerned. As much as the ideology that drives this government makes them feel warm and fuzzy, it makes Albertans queasy and uncomfortable.

Now, it's a given that this government wants to raise taxes on Alberta families and businesses. It doesn't matter that they don't know how much these taxes will bring in in revenue. Their own platform promised that the business tax would bring in \$800 million. Now they say that it's only \$300 million. Who is going to make up for that extra \$500 million shortfall?

They talk about the \$5 billion deficit. How will they balance it? How? How much more in taxes will you have to raise? You can't tax your way to prosperity, but they're going to give it a try. This government has no idea how much they need. They don't even know where it's going to be spent. But they just can't wait to raise those taxes, with no care for the consequences. For example, a tax hike of 20 per cent on business doesn't just affect business; it gets passed on in higher prices and lower wages.

The government has stated over and over that they are new and need to get up to speed on topics. They want consultation. They want fulsome discussion. If I had a dollar for every time they used those key words, we wouldn't have a deficit. But when it comes right down to it, they're no different than the previous government. They just forge blindly ahead with their own ideological agenda.

This bill needs to be sent to committee to make sure that we get it right the first time. Competitive tax rates attract investment. Investment creates jobs. Believe it or not, jobs create tax revenue. This government wants to kill the goose that lays the golden eggs. That will only increase poverty.

Alberta used to be the leader in fiscal responsibility. We bragged about the Alberta advantage. Over the past eight years or so we have become the laughingstock of Canada and probably the world. All the revenue we take in, record revenues year after year, and massive deficit after massive deficit: the Alberta advantage is now a dimming memory of better times. Alberta already runs the most expensive government in all of Canada. Alberta already collects the most income and business taxes per capita in Canada. Let's work on the foundation here. We need government to be more efficient, not default to ill-conceived tax hikes.

There are solutions to our troubles. The government just needs to be willing to look beyond tax and tax again. It cannot be overstated enough. We don't have a revenue problem in Alberta; we have a spending problem. With a government that is a hundred per cent about new spending and zero per cent about reducing waste, it looks like it will be a long four years for those of us who care about balanced budgets.

Thank you.

The Speaker: Are there any questions or comments?

I would recognize the Member for Bonnyville-Cold Lake.

Mr. Cyr: Thank you, Mr. Speaker, for giving me this opportunity to rise and give my thoughts on this bill. The government across has put forward a bill that will affect every Albertan who makes more than \$125,000 a year. They want to get rid of the flat tax by adding tax brackets from 12 to 15 per cent on income over \$125,000. They are telling us that due to Alberta having a massive revenue problem, we need to increase taxes for 7 per cent of the population and more than that if you live in a resource town with high costs of living like Bonnyville and Cold Lake. Why are they not willing to focus on the real problem? That problem is spending.

Mr. Speaker, I would like to give you an approximate number of how many Albertans, that 7 per cent, will be affected. As of October 2014 our population was 4.146 million people. Seven per cent of 4.146 million is about 290,000 people, 290,000 Albertans whose taxes will be affected. One of the things that I love about Alberta is that people don't look at your name, they don't look at your family, they don't look at your colour, they don't look at your sex, they don't look at your gender, they don't look at your sexual orientation, and they don't look at your religion. They ask if you have a good idea, if you will work, and if you're a good neighbour. Hiking taxes and creating divisions within Alberta go directly against our spirit.

We hear a lot about how hard it is to keep enough doctors in this province, especially in our rural communities. I wonder how hiking taxes by 50 per cent on most of our doctors will help them. These are key people that everyone in society deals with on a day-to-day basis and who we seek out for important services, key Albertans that we respect and depend on who are also in that 7 per cent. If they don't see Alberta as attractive, they won't stay. I have seen many doctors in Alberta work long, hard hours on services that you and I benefit from and sacrifice time from their families, friends, and interests to help their patients.

Most of the professionals in this tax bracket have invested a great deal in their education. We don't want to create a tax system that drives these talented people out of our province. What I can eventually see happening here is that they may be attracted to other job markets that will offer them the advantage and remuneration

they deserve. We need to do more than just attract them. We need to give them reasons to stay in Alberta. What attracted these professionals and businesspeople here before was the Alberta advantage. That's what was going to keep them here. That's what's going to keep them in Alberta.

Mr. Speaker, the government across is now going to implement a tax increase to businesses, from 10 per cent to 12 per cent, which is in reality a whopping 20 per cent increase to what businesses are handing over to the government. They are raising taxes on 7 per cent of Alberta's population, their personal taxes, to a resounding 50 per cent on the highest marginal tax bracket. They are raising our minimum wage by 50 per cent.

Now, of course, the Wildrose caucus and I are of the opinion that no taxes should be increased, and the government should instead work to be more frivolous . . .

10:10

An Hon. Member: Less frivolous.

Mr. Cyr: Thank you.

. . . less frivolous and less wasteful. [interjections] They are listening. Yeah. However, even the PCs' budget earlier this spring, which I obviously didn't agree with, was a better budget than this one that is being presented. The government across is now going to inflict upon us a massive impact all at once. At least the PC budget was going to be in phases and not unleashed for our economy to bear the brunt at a time when people are losing their jobs and being cautious with their spending.

These are radical reforms to our economy, and the government should take some time to ensure that they are not bringing down a calamity in this time of slowdown. If we don't keep the Alberta advantage here, we're going to see key Albertans moving to other jurisdictions, key people who sustain our health care system, who sustain our business sector and many other services that we receive on a daily basis. We are going to see a lot of people bearing a burden they should never have had to bear, especially in a province like Alberta.

Thank you, Mr. Speaker.

The Speaker: Hon. members, are there any questions or comments?

The chair recognizes the Member for Drumheller-Stettler.

Mr. Strankman: Thank you, Mr. Speaker. I rise and would like to speak against Bill 2. My notes say: Bill 2, the Alberta disadvantage. I don't know where that came from.

It has long been a source of pride amongst Albertans, Mr. Speaker, that the phrase "the Alberta advantage" was synonymous with growth, prosperity, and economic potential. People from all over Canada and, indeed, the world flocked to Alberta in hopes of realizing this advantage. They found jobs in not only the oil fields but restaurants, hotels, and the retail sector, anything associated with our growth. If you were willing to work hard, the possibilities seemed endless. We were the envy of Canada. The Alberta advantage was partly economic, part swagger. Sadly, that swagger has disappeared, and due to poor governmental policies of the past and economically shaky ones of the present we are at a disadvantage.

Mr. Speaker, one of the main advantages of the government in the neighbouring province of Saskatchewan when it was governed by the NDP was the export of its citizens. They came to Alberta. They were the pride of Alberta, and they are still the pride of Alberta's workforce to this day.

We were the benchmark for austerity in Canada. But, sadly, we have dropped to the bottom of the pack, now spending \$8 billion more than our neighbours in B.C. That was generated in the Klein

years, Mr. Speaker. The government got lax, they got complacent, and they spent without thought. We had that prosperity so that when Alberta collected the most business taxes per capita across Canada, it wasn't harmful to the economy because it reflected more investment and productivity in Alberta.

Mr. Speaker, the Canadian Federation of Independent Business had an interesting comment. They said that small business is big business.

Government Bills and Orders Third Reading

Bill 3 Appropriation (Interim Supply) Act, 2015 (No. 2)

The Speaker: Members of the Legislature, I hesitate to interrupt the hon. member, but in accordance with Standing Order 64(5) the chair is required to put the question to the House on the appropriation bill on the Order Paper for third reading.

[The voice vote indicated that the motion for third reading carried]

[Several members rose calling for a division. The division bell was rung at 10:15 p.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Anderson, S.	Goehring	Payne
Babcock	Gray	Piquette
Bilous	Hinkley	Renaud
Carlier	Jabbour	Rosendahl
Carson	Kleinsteuber	Sabir
Ceci	Littlewood	Schmidt
Connolly	Loyola	Schreiner
Coolahan	Luff	Shepherd
Cortes-Vargas	Malkinson	Sigurdson
Dach	Mason	Sucha
Dang	McCuaig-Boyd	Swann
Drever	McKitrick	Sweet
Eggen	McLean	Turner
Feehan	Miller	Westhead
Fitzpatrick	Miranda	Woollard
Ganley	Nielsen	

Against the motion:

Aheer	Gotfried	Pitt
Anderson, W.	Hanson	Schneider
Bhullar	Hunter	Smith
Cooper	Jean	Starke
Cyr	Loewen	Strankman
Drysdale	MacIntyre	Taylor
Ellis	Nixon	van Dijken
Fildebrandt	Orr	Yao
Fraser		

Totals: For – 47 Against – 25

[Motion carried; Bill 3 read a third time]

Government Bills and Orders Second Reading

Bill 2 An Act to Restore Fairness to Public Revenue (continued)

[Debate adjourned June 23: Mr. Strankman speaking]

The Speaker: The hon. Member for Drumheller-Stettler.

Mr. Strankman: Thank you, again, Mr. Speaker. I'll take up where I left off if it's less painful for you.

The government got lax, they got complacent, and they spent without thought. We had that prosperity so that when Alberta collected the most business taxes per capita across Canada, it wasn't harmful to the economy because it reflected more investment and productivity in Alberta.

10:30

Mr. Speaker, the Canadian Federation of Independent Business stated that small business is big business. Unfortunately, the success of dubious policies by our previous government combined with the change from the socialist government in Saskatchewan to the current one under Premier Wall has stolen some of our thunder, so much so that Premier Wall now jokes about the Saskatchewan advantage. He was using that phrase even before the NDP government here took over and brought us back to the middle of the pack or worse in so many ways.

I am nervous that he could be onto something, Mr. Speaker. In a recent editorial in the *Calgary Herald* it was quoted by Mark Milke:

Over time, to recap: The new NDP government will raise business income tax by 20 per cent (to 12 per cent from 10 per cent), hike the minimum wage by almost 50 per cent [from \$10 to \$15], add multiple new provincial personal income tax brackets while increasing the top bracket by 50 per cent, and may hike resource royalties after its promised review.

All that means is that there is a great opportunity to create jobs and prosperity in Saskatchewan. I also lived within six miles of the fourth meridian, sometimes known as the Alberta-Saskatchewan border, and growing up I specifically saw and recognized the disparity in visiting with my cousins from Saskatoon and various areas.

For those who would think economic success and employment are accidental and inevitable creations, the mere result of natural resources in or above ground, the next several years in Alberta will be a useful case study. Maybe change is good – and I adopt change, Mr. Speaker – but given the direction Alberta's new government has chosen to take, it's dubious at best. Facing low world oil prices, this government is doubling down on bad news in Alberta.

Raising business taxes: a hike of 20 per cent for businesses will not just affect them, it will mean higher prices and therefore lower wages. This business tax increase will now make Alberta a less attractive place to invest than Quebec, Ontario, British Columbia, and only tied with other provinces.

Raising personal income tax: a 50 per cent hike in income tax for higher earners. The top 10 per cent of earners in Alberta already pay 50 per cent of the taxes. Alberta already collected the most business taxes per capita across Canada because it invited more investment and productivity in Alberta.

Minimum wage increase: a 50 per cent hike in the minimum wage with no facts to back up this radical election promise despite assurances that there is study after study that it will somehow create jobs. It's a mystery to me, Mr. Speaker.

Royalty increases: recall the disastrous effect this had when combined with the 2009 downturn.

In my younger years I had a chance, with my farming career and my licence as an aviation pilot, to travel many times into Calgary in the heyday of Calgary prior to the invocation of the national energy review. It was very difficult, if not impossible, to obtain clearance on the control tower frequency in Calgary with the activity that was going on with the aircraft at that time. Mr. Speaker, after the national energy policy was invoked, there was absolutely

no problem. When you switched to tower frequency, it was dead air. There was no problem getting on the frequency.

Mr. Speaker, Alberta already collects the most business taxes per capita across Canada, even with the lowest rate, because it invited more investment and productivity in Alberta. This isn't about the big faceless corporations that the left loves to portray as a bad guy. It's about all kinds of everyday businesses. The Alberta advantage applies to everyone. It applies even to the agriculture sector, upon which Alberta was primarily founded and which helps diversify the economy. It certainly applies to those in construction and the trades, people who chose to build a better Alberta for all Albertans, which is why this government set upon taking more from those that work hard to build a better life for themselves. Where is the Alberta advantage in that policy? Why would a government decide to single out people who happen to be, through their own volition, more successful than others?

When the government takes more money from the pockets of Albertans, that doesn't mean that they are redistributing the pie. It probably means that they are shrinking it. I profoundly believe that wealth is not limited. Wealth is a creation around the world. The northern and southern hemispheres, that I have travelled into, have experience with different government models, and therefore the missteps that these governments have endorsed generally relate to their global success or not success, positive or negative. The MLAs across the aisle need to realize they are in the business of government, not the business of Robin Hood.

Thank you, Mr. Speaker. I yield.

The Speaker: Thank you, hon. Member for Drumheller-Stettler.

Mr. Fildebrandt: What's the time remaining, Mr. Speaker?

The Speaker: You've got five minutes.

Mr. Fildebrandt: Okay. Thank you, Mr. Speaker.

The Speaker: Excuse me. I want to make sure that you're rising on a question or an observation for this speaker?

Mr. Fildebrandt: A question for the Member for Drumheller-Stettler.

The Speaker: Thank you.

Mr. Fildebrandt: Thank you, Mr. Speaker. I thank my friend for his comments. As my neighbour to the north, our ridings have a lot in common. Around my constituency there are hundreds of flags of Newfoundland, Nova Scotia, and Saskatchewan, economic refugees from other parts of this country, people who have come here for opportunity. People did not leave the beautiful shores of Newfoundland or Nova Scotia to come here for the weather, as I've said. They've come here for opportunity. People have come over the border from Saskatchewan not for similar scenery but have come here for reasons of economics.

Lloydminster stands, I believe, as a moderated example of the great economic experiments of the 20th century. We could take the exact same peoples, the exact same languages, same cultures, people who eat the same food, but put them in two systems of government, two systems of economics. Now, it is a much more moderate example than East and West Berlin or North and South Korea – they're not anywhere on par – but it is an example of people who are the same, families living on different sides of the border, so we can see the way they react to different economic incentives.

Would the Member for Drumheller-Stettler care to talk about his experience with people from Saskatchewan, Nova Scotia, and

Newfoundland in his constituency and the likelihood of them staying in the event of us following the policies of those provinces?

The Speaker: The hon. member.

Mr. Strankman: Thank you, Mr. Speaker. Yes, I would. It's a great honour to do that. Through the election cycle I had a chance to meet a young couple who, through negotiation with one of my constituency workers, happened to put an election sign on their property. I went in to thank them for that support. They didn't know who I was, but this young couple with two kids, two and four, were from the greater Toronto area, the Golden Triangle, I understand it's called. They were pleased and proud to be in Alberta. The reason for that? They came here for a job. They came here for jobs, and they are happy to raise a family in a lower taxed environment.

To the differential of the environments created, I'd like to relate to some articles by an organization called the prairie centre wherein they talked about the formation of two provinces in 1905, I believe was the timing of it. One was called Saskatchewan, and one was called Alberta. Both formed at the same time. In the 1930s, '35, I understand that there were some 943,000 people in Saskatchewan. In Regina there was a General Motors truck plant, there were the headquarters of Esso Petroleum. In fact, my wife's uncle worked for Esso Petroleum, and they were exploring a lot of oil, Mr. Speaker, out in around, I believe, your home area of Weyburn and Estevan, now known, ladies and gentlemen, as the Bakken reservoir.

10:40

This Bakken reservoir was difficult to relate to with the technology that they had at that time because, from what I understand it to be, it was what they called a tight formation, barely accessible by vertical drilling. But in a whole other era, Mr. Speaker, on that subject, horizontal drilling and the production thereof caused great wealth creation in what's now known as the Bakken reservoir, both in southeastern Saskatchewan, your home area, and also in Minot, North Dakota.

Mr. Speaker, in the 1940s, though, there was an illustrious gentleman that came to power in Saskatchewan, and his name happened to be Tommy Douglas. If anybody happened to see the movie from the National Film Board – it's called keeper of the flame – it shows wagon cavalcades leaving the province of Saskatchewan, sometimes in the dead of night, because they believed that the nationalization of the industry in Saskatchewan was going to take away their royalties. Now, that didn't happen specifically, but at that time . . .

The Speaker: The chair recognizes the hon. Minister of Municipal Affairs.

Mr. Bilous: Thank you very much, Mr. Speaker. I rise to request unanimous consent of the House to shorten the bells to one minute, please.

[Unanimous consent denied]

The Speaker: The next speaker is the hon. Member for Fort McMurray-Wood Buffalo.

Mr. Yao: Thank you, Mr. Speaker. I'm happy to rise to speak to Bill 2, An Act to Restore Fairness to Public Revenue, in second reading. This is the title of this piece of legislation, but I have to be honest. Fairness to public revenue is not how I'd describe what this government is doing today. With this legislation the government is moving quickly to raise taxes on Alberta businesses from 10 to 12

per cent, a 20 per cent increase. Alberta will no longer be able to claim that we are the lowest taxed province in this country.

This low-tax business climate has attracted businesses. Families have moved to our beautiful Alberta to raise a family, take a risk and build a business. The sort of people this reckless tax rate targets are the people that built this province. The local dry cleaner that employs your kids during the summer, the local diner where you go for lunch on Sundays, the gas station where you worked to pay your way through school: these are the people that you are targeting. There is nothing fair about that.

The Premier and members of the NDP caucus have been fond of claiming that an increase to the taxes that businesses pay is fair, that it is just. Their argument depends on a skewed image of the ultra-rich corporations abusing the hard-working residents of Alberta and profiting dishonestly from their labour. We cannot pretend that there is no relationship between the health of Alberta's businesses and the health of Alberta's residents. Alberta has a proud history as a leader in attracting business investment. Between 2004 and 2013 \$1.6 trillion was invested in Canada.

Mrs. Pitt: How much?

Mr. Yao: One point six trillion dollars.

My goodness. You know what Alberta's share of that was? It was 33 per cent. We can do math. During the same period Alberta led the country in job creation, adding over 400,000 jobs. These are incredible figures. A population with roughly 10 per cent of Canada's population attracted over 30 per cent of its investment. This has not been accidental good fortune. The Alberta advantage is something that the people of Alberta have demanded and fought to maintain.

We didn't want a PST. We did want a flat-tax system. We wanted the lowest business tax rate in the country. Because we had these things, we also had the highest level of investment in our province. We had the lowest unemployment rates. But it doesn't look like the Alberta advantage is going to be sticking around.

The other thing that this bill proposes is raising the income tax on higher income earners. [interjections] You like that. I do not. I do not support increasing taxes for either individuals or businesses. I just can't support this. We've been talking for years about the gross misuse of tax dollars. Why is this government not looking at savings before you raise taxes? Are you expecting wild cost overruns long before taxes are raised? It would seem prudent to foresee where money can be saved. This isn't good fiscal management, Mr. Speaker.

According to Stats Canada Fort McMurray has 40 per cent of income earners over \$100,000 versus 10 per cent across Alberta. With four times as many higher income earners this will affect four times as many people in my community. So when the Premier talks about this affecting 7 per cent, it's closer to 30 per cent in my community. And that's not even the whole story because the cost of living really is that much higher in Fort McMurray.

A hundred and twenty-five thousand dollars: that's a lot of money. What are new MLAs doing with that kind of money? Buying a new car? A down payment on a nice pad on 17th Street or Jasper? Because of this bill the people of Fort McMurray will be hit harder than everyone else. Fort McMurray is the land of opportunity, the land of milk and honey, yet in Fort McMurray people can barely make ends meet with that kind of money. If we were to do a show based on the lifestyles of the MLAs of Alberta, the Member for Fort McMurray-Wood Buffalo would show off his manufactured home, a home that's worth \$500,000. In layman's terms that's a trailer. I live in a trailer park, and that trailer is worth half a million dollars. What can half a million get you in Edmonton?

What can that get you in Calgary? I'll bet all of the city mice in the House that I can afford two trailers with that in your cities or one ridiculously nice house.

The people of Fort McMurray work very hard. We work long hours. We do tough work in a harsh climate. These people are your pioneers. They are very similar to all of your ancestors – your parents, your grandparents, and your great-grandparents – the ones who came over to Canada, who were willing to leave their homes, the comfort of their homes, of their communities to make a better life. They were willing to go up to the Great White North to get ahead. And these aren't just oil sands workers. These are people who work in the service and support industries, people who come from across Canada hoping to get ahead. They hope that if they can get up to Fort McMurray and if they work two, three jobs, they will get ahead. These are people in the service industry: your waiters, your dishwashers, your cooks. You'll hurt everyone with this taxation plan.

Under the PC plan everyone in Alberta would've been paying 2,500 bucks more. Everyone in Fort McMurray would have been paying \$2,000 on top of that. You've ensured that McMurrayites are still going to pay thousands more. You'll hurt everyone with this taxation plan. If the NDP plan is to simply decimate this beautiful city of Fort McMurray just because of those cursed oil sands, you're on track.

Albertans are hard-working. They take risks, protect their families, and lend a hand whenever possible. This bill undermines the Alberta spirit. This bill says: go elsewhere to start a business; it's not worth it to take the risk. Now the answer to every question is bigger government.

The Wildrose will bring back the Alberta advantage. We're here to stand up for our families, for the people that employ us, for the people that have an idea and take a risk. We want that place to be Alberta.

The Speaker: Are there any questions or comments, hon. members? I recognize the Official Opposition House Leader.

Mr. Cooper: Thank you, Mr. Speaker. It's a pleasure to rise this evening and address Bill 2. We've heard for weeks that the new government is not yet ready to release their budget. They're not ready to tell Albertans how they're going to spend the billions of dollars that are now in their control. They've released no details about how they're going to save money, but here we are today. They're ready to ask Albertans for more money.

10:50

There are no reasons that the NDP have given for why exactly they need all these additional resources. In reality, it would appear that they're just playing politics. They don't even know exactly how much money this is going to bring in, or if they do, they're certainly not saying. They certainly don't know how many jobs are going to be lost because of these tax hikes, but here we are, charging ahead anyway. They don't even know what the long-term impacts of this tax hike will be, but it's full steam ahead. Let's pray that we're not headed over a cliff.

Now, we should be spending this summer meeting with our constituents and having conversations with them about the future of Alberta, but wouldn't it be great – wouldn't it be great – if we could be spending this summer not just chatting about the future of Alberta but consulting about these tax hikes?

That's why it's my pleasure to propose an amendment this evening.

The Speaker: I'd ask that the hon. member pause for a moment while the pages distribute the proposed amendment. While the

amendment is being distributed, the chair would like to alert members to the procedures governing amendments. Is this the appropriate time for me to read the amendment?

The proposed amendment by Mr. Cooper to move that Bill 2, An Act to Restore Fairness to Public Revenue be not now read a second time but that the subject matter of the bill be referred to the Standing Committee on Alberta's Economic Future in accordance with Standing Order 74.2.

The amendment is subject to debate. Once all members who wish to speak to the amendment have spoken, the chair will call the question on the amendment. If the vote is carried, the bill stands referred to the committee. If the vote is defeated, the Assembly returns to the debate at second reading. Is the bill distributed?

I will now recognize the member to move the amendment.

Mr. Cooper: Thank you, Mr. Speaker. As mentioned, the amendment for Bill 2 would read:

An Act to Restore Fairness to Public Revenue be not now read a second time but that the subject matter of the bill be referred to the Standing Committee on Alberta's Economic Future in accordance with Standing Order 74.2.

I think we have a great opportunity to send this bill to committee. It's exactly why I've proposed the amendment today. I hope it's something that all sides of the House can agree on. We should consult with Albertans. We should get the facts straight. We should meet with stakeholders. And when that's done, and only when that's done, then we should proceed. When Albertans elected a new government, they expressed a desire for change, not just a change in the colour of the government website from blue to orange, but substantial change.

Now, there's an inspiring politician that I know many Albertans have hope for. In fact, I have hope for them as well. I'd just like to quote them at some length, but just for a little while.

I know that a select group there in cabinet have convinced themselves that this is all okely-dokely, but I would suspect that a vast number of the Conservative caucus itself are not fully briefed on what this means. Either way, the fact of the matter is that most of the people who are impacted by this piece of legislation have not had an opportunity to really fully consider the implications of these changes, nor have they been given the opportunity to really fully communicate to this government, which is accountable to them by way of that trite, old, little institution we call democracy, to listen to what they have to say about this.

The Speaker: Hon. member, we have a point of order that was called.

Mrs. Pitt: The hon. Finance minister is not in the right chair.

The Speaker: I'm glad you pointed that out because I noticed that on this side of the House there were a couple of people that moved before as well. Thank you for pointing that out.

Mrs. Pitt: You're very welcome.

The Speaker: Please proceed.

Mr. Cooper:

Because this has such an incredibly far-reaching set of consequences to the lives of so many Albertans, I would suggest that this not be a bill that we ram through at, you know, 4 o'clock in the morning as this government is scrambling to get out of the Legislature so they can run off and slap a whole bunch of ineffective bandages over this broken political vehicle.

The fact of the matter is that what we should be doing is actually putting on our good-governance hat and putting out a

very clear, open, transparent process for everyone to participate in discussing what the consequences of this bill are, what the objectives of this bill are, the competing expert assumptions, the competing characterizations of what different components of this bill mean.

I continue, Mr. Speaker.

All that information should be fully canvassed and fully discussed by having this matter referred to the standing committee. Then, hopefully, that committee would move to have public hearings on it and secure independent expert [advice]. By doing that, we could ensure that we actually acted in the interest of those people who voted for us and got the best deal for those people, all people, not just those people but also the taxpayers that the Finance minister claims to be standing up for – frankly, I think that's a bit disingenuous – and let everybody in on the conversation. That is what we could do by accepting this amendment.

Of course, the reason for it is because there are just so many things that are wrong with this bill, Mr. Speaker.

Mr. Speaker, thank you for your indulgence. By the way, those wise, astute, forward-looking, consultative words were the words of our current Premier. Yep, this Premier. The Premier, the one leading the new government, believes in consultation. She also believes in getting the facts lined up before proceeding. That's exactly why this bill should be referred to committee. It's what the Premier would want, I'm sure. Surely, her caucus would agree.

The question is: don't you want to talk to your constituents? Don't you want to make sure that we're making the right decision, not just based on a campaign promise but what's actually the best for Alberta moving forward? Surely you don't want to play politics with the jobs of hard-working Albertans. Surely you're not just raising taxes without getting all of the facts lined up. That would never happen. Under a new government with a new way of doing things, we wouldn't be rushing such critical legislation that is important to Alberta's future. That's why the committee should spend the summer holding hearings and conducting consultations with the public.

11:00

We have heard this government speak at length about the importance of getting the budget right. In fact, they're going to delay the budget from May to June to July to August to September to October, six months, to get it right. Here today we see the government giving businesses and Albertan families six days to get it right. Surely, we could spend a brief summer consulting with Albertans. The committee should spend the summer holding hearings before going ahead. That's exactly how this decision should be made. We should be, you should be one hundred per cent certain that we're doing the right thing, and Albertans should have the ability to provide feedback that that is, in fact, the path forward. We should have the facts to back it up. We shouldn't be conducting economic experiments that threaten the jobs of hard-working Albertan families. That's the old way of doing things.

With that, Mr. Speaker, I would like to begin my closing remarks by quoting another esteemed colleague in this House of mine. I might even say a friend of mine. Well, he was until just moments ago. We agree on a few things every now and again. He recently said:

Once again we're in a position where – should this bill get referred to committee in Committee of the Whole, I do see that as a positive step. But I do need to voice my frustration with the fact that once again it's another example of the government putting forward poor legislation then being stopped in its tracks by the public, by opposition parties and forced to go back to the table. If it was done with adequate consultation in the first place, then we wouldn't have to be here and constantly going in circles.

Very smart. The new Minister of Municipal Affairs: he understood, when he was fulfilling the important role of opposition, the critical step of consultation with Albertans, and somehow, since the 5th of May, it seems that he has forgotten all about that critical step of consulting with Albertans. Now, he's a good guy, and I like him. Like I said, we agree on things from time to time, and I hope that this can be one of those times.

We need to have public consultation. We need to get the facts straight. It's not that hard. We can do it. In fact, very rarely has this place taken into full consideration an amendment like this to refer to committee. We have the opportunity to do things differently in the 29th Legislature. We have the opportunity to have Albertans actively engaged in the process of providing input into legislation.

As you know, the Wildrose is here to help. Here's an opportunity where we can be better together. We have proposed a number of recommendations that would make this Assembly work better. One of them is using standing committees for exactly what they were designed to do, and that is reviewing important pieces of legislation that affect Alberta's future. That's exactly why this bill should go to committee for public consultation so that we can get it right.

The Speaker: The hon. Government House Leader.

Mr. Mason: Thank you very much, Mr. Speaker, and I'd like to just briefly speak to the referral motion that's been moved by my esteemed colleague, the House leader of the Wildrose, not that I would want to generate any discord over there by talking about your potential ambitions, hon. member. He's made a very persuasive case. I listened with interest to the words of my Premier, whom he quoted at length about the importance of consultation. I have to say that I'm persuaded that consultation is, in fact, important in something like this.

I will point out, however, that we have just been through one of the most extensive, far-reaching consultation processes on just this point that is possible within the realm of politics in our province. That was the late election that we just had. In this election the question of taxes was a major issue.

Each of the three main parties took quite different positions. It began with a Progressive Conservative Party, then the government, that brought forward a budget which included tax increases for, essentially, middle-class people, and this was the so-called tax to pay for the health care levy, which was something that they put forward as their view. The Wildrose, on the other hand, put forward the position that there should be no tax increases whatsoever and – more power to them, Mr. Speaker – that the very large deficit that was projected by the government should be eliminated and all of this should be made up by reductions in spending by the government on a massive scale. That was the position that the Wildrose Party took in the election, and they campaigned vigorously on it. They talked to hundreds of thousands of Albertans about their position. We talked about the importance of making everyone pay their fair share.

We talked about a small corporate income tax. We were very clear in our platform about what it was that we were going to do. We also talked about eliminating the flat tax and reintroducing, like every other province in Canada, a progressive income tax. The results were very clear, Mr. Speaker, in terms of that consultation. That was a far more extensive consultation than any committee could possibly do operating over the summer.

The results are clear. The Wildrose Party received 360,511 votes, or 24.2 per cent of the vote. The Progressive Conservative Party received a rather larger popular vote of 413,610, which gave them 27.8 per cent of the vote. The NDP received 604,518 votes, or 40.6 per cent of the vote. So with respect to the hon. member's motion I

would suggest that the consultation has just occurred. It was far more extensive than any committee of this Legislature, and it does not need to be repeated in order for us to know the will of the public on this matter. As I've said, the question of taxes was one of the fundamental issues . . . [interjection] I think the hon. member opposite, Mr. Speaker, needs to control her temper because she is interfering with my right to speak in this House.

Mr. Speaker, the consultation has happened. The results are in. This motion is unnecessary, and I would urge all hon. members to vote against it. Thank you.

11:10

The Speaker: The hon. Member for Vermilion-Lloydminster.

Dr. Starke: Thank you, Mr. Speaker. With the greatest of respect to my esteemed colleague across the way, whom I enjoyed listening to for the last three years, when he sat over in this quadrant of the House – I continue to enjoy him now. Nonetheless, despite the fact that our positions are reversed, I still totally disagree with him.

Mr. Speaker, I said this earlier when I spoke to Bill 2. I think that it would be a grievous error on the part of any member of this Legislature but certainly on the part of members of the government to make the analysis, based on the election result, that you have carte blanche to do whatever you like. I'm actually, quite frankly, a little bit surprised that an astute political observer, a veteran of the political wars such as the hon. Government House Leader would leap to the conclusion that he has made.

In point of fact, the consultation that has just occurred, the general election, occurred on a wide variety of subjects. To suggest that there was an endorsement of the taxation policies of the NDP, to go ahead with what they proposed as part of a very large platform – and it was only one part of that – that that somehow now gives them the authority to go ahead, I think, is certainly stretching matters. I'm, quite frankly, surprised that he would make that conclusion, because, certainly, when the hon. member was sitting over in this quadrant he regularly called for additional consultation and he regularly called for the referral of motions to committee.

I've said before that sometimes things can change, and I will tell you that my perspective has changed a little bit as well. I will speak from the point of view of someone who has been involved in a sitting government for somewhat longer than my hon. friend across the way, and whether he chooses to accept this or not, I'm going to offer a little bit of advice. Rushing through legislation is a mistake, and we can trot out a few examples of some mistakes that our government made rushing through legislation. Quite frankly, we had suggestions from this side of the House, some from your party, some from the party next to me, and that is that motions and/or certain bills should be referred to committee and use of the committee structure is a good idea in certain instances. This is one of those instances.

At this point I'm going to more address the members of the government caucus who are private members, who are not members of Executive Council, because they will vote in lockstep, and that is just part of being in Executive Council. But for those of you who are not in Executive Council, this is something you can vote freely on, and you should think about your vote because, indeed, you can make a statement that legislation should not be rushed through without due process and due consideration. This is an opportunity to take that due consideration. The hon. Member for Drumheller-Stettler will recall that, in fact, a certain member of the government last time voted with the opposition on one of these types of motions because he felt that this was a good idea.

So I'd encourage members of the government caucus to have the courage and have the foresight to listen to your conscience on this

issue. If you're not comfortable with this decision, if you're not comfortable that the consultation that the hon. Government House Leader describes has indeed been fully the consultation that gives you the right to go ahead with these measures, I would encourage you to refer this matter to a committee for further study. This is a prudent measure because the measures that you're considering under Bill 2, the tax increases that you're considering, are significant and they will have consequences. My other colleagues have pointed that out very eloquently. The Member for Calgary-Greenway, the Member for Calgary-South East, the Member for Calgary-Fish Creek have all cautioned this Assembly against taking this move this quickly.

I think that the committee structure is one that can and should be used in this instance, and it's why the committees are there. I would encourage all members of the Legislature to give this very careful consideration, and I would certainly encourage all members to support this motion for referral.

Thank you, Mr. Speaker.

The Speaker: Please proceed, Member for Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Mr. Speaker. A lot of members have said and quoted from members past some pretty wise advice. I know that the Government House Leader has served this institution, served Alberta for a very long time in a very lonesome quadrant of the House, and he is justly rewarded for sticking to his guns and being where he is today. He lost many elections, however, before he won, yet none of those elections . . .

Mr. Mason: That's not true.

Mr. Fildebrandt: Well, not lost. He went through many elections and was elected to this House as a representative for his constituency without his party winning first, second, third place, and at no time – he was elected as an MLA to represent his constituency despite the vast majority of the province not voting for his party. His party overall lost election after election after election, yet at no time did he ever state that the government had carte blanche to do anything it wanted. At no time did he ever state that Albertans did not need to be consulted on individual pieces of legislation.

The government has a broad mandate to implement its platform, and we'll do our best to interrupt that from time to time, but they do not have a mandate to push through pieces of legislation without consultation, without expert advice. By referring it to an expert committee, they can still ignore the advice of that committee, they can ignore the voices of Albertans who come and speak against the legislation, or they can accept the voices of Albertans who will surely speak for the legislation.

I don't believe that this government has a mandate for its policies. Its mandate came from a desire of Albertans to throw out the previous government. It had remarkably little to do with policy. Mr. Speaker, I know of many Albertans who heard the opposite of what the former Premier said. When the former Premier told Albertans that only the Progressive Conservatives could beat the NDP, a lot of people heard the opposite side of that equation. People who did not in any way, shape, or form accept the NDP agenda or platform voted for the NDP to throw the old government out, a sentiment that I can sympathize with. They did not vote for the NDP's policies. Those are many Albertans, and I think that those Albertans would be poorly served if the government took that vote as carte blanche to implement their platform without any consultation whatsoever.

The government has informed this House that they need about six months to craft a budget, but they feel that they can implement these tax hikes, a key element of the budget, in a mere six days.

They have told us time and time again that they cannot even give us rudimentary information on how much they will be spending, how much they will be collecting, what kind of deficit they'll be running, what the debt will be, what the net financial assets will be, information that I could even get vaguely from Doug Horner. They cannot give us any of this information, and they say that they need six months to craft a budget because they need to consult, because the budget is a huge process requiring consultation. By going ahead on the revenue side of things right now, they are telling Albertans that half of the budget can be decided in six days, but the other half requires six months.

Can you implement a 20 per cent increase to business taxes without any consultation from businesses? Can you implement a 20 per cent increase on businesses without any warning? They talk about the need for preparing a budget not on the back of a napkin. By changing the financial plans of every single business in this province, in a matter of six days they are forcing every single business in this province to rewrite their own budgets on the back of a napkin.

11:20

What about the people whose taxes you are raising? We should not forget that those who earn more than \$125,000 are people. They are Albertans, and they worked hard for that money. The Wildrose and Albertans do not believe in the politics of envy and the politics of jealousy. Because this government cannot rein in their spending, those Albertans are made to pay for the previous government's mistakes and the new government's mistakes to be made. It's almost like telling them to look in the mirror.

Albertans, including high-income Albertans, are generous people. In fact, Albertans are the most generous people in Canada by a country mile. The average Canadian tax filer donates \$1,411 a year to charity, Mr. Speaker. The average Albertan donates \$2,289. That is a huge difference between what the average Canadian income tax filer gives to charity and what the average Albertan gives to charity. Albertans give back to their communities. Efforts to portray successful people as greedy banksters is disgraceful. People in this province have worked hard for their money, and they give back to their communities. Albertans should not have to pay for the mistakes of the previous government with their hard-earned money.

This bill needs to go to a committee so that we can hear from Albertans. We need to hear from experts on the issue. The government can choose to ignore that advice, or it can choose to heed that advice, but it should at least hear that advice. Albertans are willing, just as we are willing, to help the government make a wise decision. Experts could be brought to the committee to advise the government so that you can make an informed decision.

This bill is rushed. I know that the members across support the principle of the bill, as is absolutely your right, just as we on this side of the House oppose the principle of the bill. But if you want to do justice to the people who elected you, you should not rush a bill even if you believe it to be a good bill in its intent. This bill needs research. It needs homework. We have not provided one shred of evidence that it is actually beneficial to Albertans. All the government has told us is that they voted for you. That fact is obvious since you sit across from me.

Whether or not Albertans voted for you, it's still your duty to do your due diligence as private members. It is your duty to show Albertans that you know what the effects of your actions will be. You need to look before you jump. It is still your duty to do research on this topic and not just throw tax hikes at the deficit and hope that it goes away.

Every piece of research I have read since this government suggested this tax hike has said that higher taxes will discourage

growth that creates prosperity, jobs, and the benefits of a prosperous society. Even the research done by your own NDP fellows in Saskatchewan says that lower taxes will benefit the economy and government revenues, and to not one single conservative's surprise, when the Saskatchewan government lowered their taxes, their economy boomed.

This bill will only improve if we have a chance to consider it more thoroughly in committee. These taxes will not fix excessive spending seen in the government's minibudget. These personal taxes on hard-working Albertans will not solve the government's spending problems. This minibudget presented on the back of a napkin to the House contained not one single detail, not one single cut to spending.

The tax increases presented in Bill 2 do not cover the deficit projected by previous governments. With spending projected to be higher under this government than the last, the taxes do not cover even the spending, and we have to ask: will we see even more tax hikes beyond this in the future? I know that this bill was rushed through and not fully researched because it is forgetting a campaign promise made by the NDP in 2012. The Premier herself campaigned on lowering the small-business tax rate. This motion opens up a way for the Premier to help small businesses the way she said she wanted to. There is no shame in admitting that a platform was forgotten.

We're here to help the Premier remember her promises to cut spending and taxes. We are here to help this government help Albertans, and we are here to help the government help small business. The government can help small businesses by cutting the small-business tax rate by the Premier's proposed one-third. This would help small businesses deal with other rushed policies implemented by the NDP, a 50 per cent increase to the minimum wage that they will have to shell out from their profit margins. This tax cut will help save jobs that the minimum wage hike would take away from Albertans.

Mr. Speaker, we must do our due diligence. We need to be responsible with taxpayers' money in how we spend it and in how we collect it. We should not frivolously pass laws.

I will close by citing a statesman from the 19th century who, I believe, probably had a moment just like this when he said it. Chancellor Bismarck said that making laws is like making sausages: you don't want to see how it gets done. Let's not make sausages.

The Speaker: The hon. Member for Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Thank you, Mr. Speaker. As I said before, I will always rise in this House to defend Alberta's hard-working families, and I will fight against increasing the size and scope of government. However, I am in favour of the motion that has been brought forward by my good friend and neighbour from Olds-Didsbury-Three Hills. We should not be experimenting with economic and taxation changes. There should be proper consultation, and this government should not be rushing through changes.

For the last two weeks we've heard from the Premier and her ministers that now is not the time to bring forward a budget. They say that they need time to consult. They need time to figure things out, and they need time to work out the details. That's what they say. So how is it exactly that they can bring forward a massive hike in taxes on hard-working Alberta families but they can't tell us where they are actually going to spend the money? Is there even a need for a massive tax hike? We don't think so. The NDP haven't made a case for why the money is needed. The NDP hasn't even told us what's going to happen. So far all we've seen is an NDP

government that is playing politics with the future of hard-working Alberta families. It's disgusting that this government is playing politics with the future of Alberta families, and I say, Mr. Speaker, that they should be ashamed.

We should spend the summer consulting with Albertans, speaking with small-business owners and taxpayers, and spending the time needed to study the actual implications of hiking taxes on hard-working Alberta families.

That's why I'm in support of the motion from my hon. colleague from Olds-Didsbury-Three Hills. I think that there are many other members of this House that should also be in favour of spending the summer studying the impact of these high taxes.

One particular member is my good friend, well, my friend, the Minister of Municipal Affairs. He has said:

For a government that loves to talk about the word "consultation" and how they speak with folks, their actions don't seem to live up to their words. Although I could stand here and give numerous examples where consultation never took place even though it was asserted, I won't do that.

Once again, that's the Minister of Municipal Affairs. He said it so well that I couldn't have said it better myself. Naturally, I look forward to him voting in favour of this motion. This is a regressive and harmful experiment with Alberta's jobs and the future prosperity of our province and is nothing more than a direct attack on the Alberta advantage.

11:30

We think that this government, just like the old government, needs to get spending under control. They need, Mr. Speaker, to take a look at the books, find efficiencies where efficiencies can be found, cut the waste when there's waste to be cut. That's why Wildrose has long advocated for finding efficiencies and cutting waste. We believe Albertans are taxed enough. The people in my riding of Rimbey-Rocky Mountain House-Sundre believe Albertans are taxed enough. Hard-working Alberta families are the lifeblood of our communities and our province. We should not be taking more from them to fund the pet projects of the new NDP government, particularly ideological projects.

We now have a government that wants to chase people away from our province, Mr. Speaker, to encourage families to move away and work in more competitive jurisdictions. We do not believe in higher taxes now or in the future. We are here to fight for hard-working Alberta families. We are here fighting for our constituents, that rely on the Alberta advantage. We are fighting for keeping Alberta a great place to live and work and raise a family. We're going to keep doing just that. I will wholeheartedly and without reservation vote against this bill every step of the way, but I will vote in favour of this motion put forward by the hon. Member for Olds-Didsbury-Three Hills. But I will never give up the fight against the regressive tax hikes of this NDP government, and I will never stop saying: shame on you.

Thank you, Mr. Speaker.

The Speaker: Hon. members, just a word of observation. I've received a few notes about comments across the House. In a preventive mindset as we go forward into the late hours of the night on this wonderful adventure, can I ask that you please be doubly conscious of remarks or feelings or opinions that you might have of the others – these are notes; they're not verbal comments – in a preventive way? Thank you for that.

The Member for Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Thank you, Mr. Speaker. I am pleased to rise and support the motion brought forward by the Member for Olds-Didsbury-Three Hills. The name of the bill says it all: An Act to

Restore Fairness to Public Revenue. Fair to whom? Will it be fair to the mom-and-pop businesses who hire high school students after school and on weekends, who now won't be able to afford to hire them? Will it be fair to companies in the oil and gas supply industry, who are dependent on the large producers for their work, the welders, pipefitters, mechanics who have started their own companies and now face reductions in charge-out rates and who still have to pay higher taxes? They will be losing out twice, once from reduced income and secondly from increased taxes on all of that income. Will it be fair to the people who would like to expand their business but decide not to due to increased taxes and uncertain revenues?

Is it fair to the people who used to work for the Lufkin service in Drayton Valley, Alberta? I say used to because they were all laid off in the last few weeks – all of them – 15 families from one community. Why? Because their parent company no longer saw the Alberta advantage. Their operation was no longer a profitable branch due in part to the reduction in charge-out rates demanded by the major oil companies. I found this out from a friend tonight as I was walking out of the Legislature for the supper break. He called me looking for advice, and I couldn't give him any. This is just one example. Every call I make to people I work with in the oil patch of northeastern Alberta carries the same message: cutbacks, pay cuts, and layoffs. That's what our future is.

Mr. Speaker, who is this bill fair to? The NDP government intends to make life much more expensive here in Alberta and to make our province a much less attractive place in which to do business. This government will raise business tax by 20 per cent and add new provincial personal income tax brackets while increasing the top bracket by 50 per cent. Now they are talking about a royalty review, which may well end in an increase in resource royalties. Where is it going to stop?

Looking at business alone, when Alberta raises its general provincial corporate tax rate to 12 per cent, that puts Alberta's business tax higher than B.C., higher than Quebec, and on par with Saskatchewan on the general rate of 12 per cent but higher than Saskatchewan's manufacturing and processing corporate tax rate of 10 per cent. This approach to fiscal management is from the NDP playbook. It has failed in other provinces, and it will fail here.

Mr. Speaker, this bill is poorly thought out, poorly planned, and based on faulty economic ideas of debt servicing and fiscal management. Increasing taxes is going to destroy our economy; indeed, even the threat of increased taxes is enough to start stories of business closures. We just talked about one in Drayton Valley.

We need to take our time with this bill. We need to ensure that we have input from the community and the best economic advisers before we do anything so ill advised as pushing through this legislation. The government will not even have a budget out, yet they want to increase taxes as a sort of pre-emptive strike in their planning. Referring this bill to committee is the only responsible and reasonable course of action.

Thank you very much, Mr. Speaker.

The Speaker: The hon. Member for Grande Prairie-Smoky.

Mr. Loewen: Thank you, Mr. Speaker. I'm proud to rise in support of my colleague from the constituency of Olds-Didsbury-Three Hills and the referral amendment. This government has repeated over and over again that they need time: time to get up to speed, time to get proper consultation, and time to get it right. On this I am in full agreement. We need more time. This bill needs to go back for further consultation. Albertans need to know what the government is doing in a clear and open manner.

I've lived in Alberta my whole life. I've raised a family here, started a business, and seen my family thrive. I want other Albertans to have these types of opportunities in the future. They deserve a chance to experience some of the Alberta advantage. Alberta was not only the standard which other provinces strived to achieve; we were also the benchmark for fiscal responsibility in Canada. Sadly, we have dropped to the bottom of the pack now, spending \$8 billion more than our neighbours in B.C. Unfortunately, the governments of the past squandered most of that advantage, and we don't need this new one snuffing out what little remains.

Alberta already collected the most business taxes per capita in Canada because it invited more investment and productivity in Alberta. I'd ask the members across the aisle to listen closely and try to understand this. Alberta has been taking in more tax revenue per person, both corporate and personal, than any other province despite our so-called unfair taxation system. The system itself is a key to our prosperity.

The members that spoke on behalf of Bill 2 seem to think there is no downside to raising tax rates. I bet a lot of them think that profit is kind of a bad word. It means that workers could have been paid more or the government could have spent more. They don't realize that the low rates and pro-economy parties that have governed this province over the last 80 or 90 years are themselves a big part of why there are four times more people in Alberta than Saskatchewan. Saskatchewan has oil. Saskatchewan even has potash. But you know what else Saskatchewan had for many decades? CCF and NDP governments that took a combative approach with business and entrepreneurs and scared them and the jobs they create right over the border to us.

Raising business taxes 20 per cent will not just affect them; it will mean higher prices and lower wages. This business tax increase will now make Alberta a less attractive place to invest. How will this affect Alberta? How will it affect the business climate? Will employers be forced to scale back projects and thus employees in this uncertain economic climate that our government is creating? What reputable studies have been done to vet and evaluate this tax hike, especially in the context of minimum-wage hikes, royalty hikes, and everything else they are doing? You can't force through legislation simply because you feel that being elected gives you a blank cheque. Remember, more Albertans voted against your party than for.

11:40

This bill needs further discussion. Albertans need to know what the impact will be on them. Royalty reviews, minimum-wage increases, business tax increases, and personal tax increases on the top earners, who pay the majority of income tax: how does this government reconcile this heavy-handedness with the soft words they speak in this House when they need more time?

This government routinely talks about Albertans voting for change. So far, it has been hard to see any change. They used the same budget that the PCs ran on in the last election and lost, plus they've added more taxes. They've denied common-sense amendments to Bill 1 to keep unions and corporations out of politics. They restricted debate on the minibudget, that has max-spending. Change would include a willingness to work with opposition parties and consult Albertans. We've heard lots about change, a change in how government does business, but we've seen no change.

We keep offering to help, and they keep laughing. That doesn't give any sign to Albertans that there is any difference between this government and the last. We're serious. We want to help. Albertans would like to see a more transparent, consultative government, not

just hear about one. Please show Albertans by action that you are willing to work with others.

I urge all MLAs in this House to support this motion so that this bill can be properly considered. Thank you.

The Speaker: The hon. Member for Drumheller-Stettler.

Mr. Strankman: Thank you, Mr. Speaker. I don't have a prepared statement, but I think it goes without saying that a lot of the members of the Wildrose have already covered a lot of the meat of the subject here going forward, and I know comments like that may be somewhat offensive to the members opposite that may be more prone to vegetarian diets.

But it's certainly an important time. Having been in a previous sitting of this Chamber – the importance of proper debate on legislation is significant. The party that is now the third party in the legislature understands that, with the full vengeance of the voters that they received in the past election. The party now in front of us as the governing party has that to learn, and we'll see how that proceeds.

Mr. Speaker, I believe that it is important that we do take due diligence and time to fully examine the legislation in front of us. I therefore yield to you.

The Speaker: The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Mr. Speaker. I want to come at this issue – and I am in support of this, by the way, and I want to speak in support of this. But I want to talk to the issue of democratic institutions here. You know, one of the dominant issues during this last election, at least in Innisfail-Sylvan Lake, was the restoration of damaged democratic institutions. In my riding of Innisfail-Sylvan Lake in the 2012 election there was an overwhelming vote for a Wildrose MLA, and very shortly thereafter that MLA, without consulting the electorate, decided to cross the floor.

Some Hon. Members: Shame.

Mr. MacIntyre: It was a shame. And because of that action, not consulting either the constituency association for that matter or the electorate, that MLA, of course, suffered some disappointment in this last election because the voters still wanted a Wildrose MLA, thank God.

Now, part of the process of restoring damaged democratic institutions is to restore the institutions that are within this Legislature right here. I cannot believe that any honest member opposite believes that an election to remove an entrenched regime from power somehow equates to a blanket approval of everything orange. It just doesn't. I know deep down inside, Mr. Speaker, that they know this as well. I am sincerely concerned that now that the NDP have the reins of power, they're not using their position to strengthen this Legislature right here and its democratic institutions, something that I believe all Albertans voted for in this last election. That was why the change. Democracy had been severely hurt, and the people of Alberta said: we want you and us to fix that, to strengthen the democratic institutions that we have. Now, it seems to me that there is a growing attitude far too similar to the same attitude that voters just removed from government in this province.

Now, one of the pillars of our parliamentary democracy that suffered considerable damage in recent years was the Legislative Assembly and the organs within it such as standing committees. Their intent originally was to take time to reflect on bills, to gather evidence on the subject, hear from the public thoroughly on all the contents of the proposed bills, to hear from experts to give evidence for and against, then make appropriate amendments, and then bring

everything back here. That process has been in our tradition for a very long time, Mr. Speaker. It has been hurt severely.

I urge the members opposite to do everything they can to strengthen democracy rather than continue to damage it. By not accepting this motion, we are not strengthening democracy; we are instead continuing the legacy that just got voted out. So I encourage everyone in this House: please, support this.

Thank you.

The Speaker: The Member for Cardston-Taber-Warner.

Mr. Hunter: Thank you, Mr. Speaker. I rise in this House to show my support for this amendment and to talk about the reasons why I believe it's important to support it. We have heard about an election that just happened from the members opposite to us. They've talked about the importance of making sure that the peoples' voice was heard, that this body represents them. It's important for us to remember that important truth.

I've had the opportunity to speak to many people this past weekend about these bills that are going forward. The words that I've heard don't represent the idea of this being fair. In fact, often I would hear the words: "This isn't fair. How can they spend this kind of money so quickly and push it through so quickly? How can they implement these taxations so quickly without consultation and support from the people?" Often I heard many of these people say: is there anything we can do? I said to them that we just had an election and that was the opportunity to be able to say no to these things. I believe that the intent of the people was for change. I believe that that was the intent, and to state that the people gave them a carte blanche cheque to do with what they want – I do not hear that. I have not heard that yet in my riding.

11:50

So I believe that this is not fair. I believe that this approach of being able to ram this through quickly without proper consultation, without a proper economic impact study is something that is folly and that will not help Albertans and that will not help the credibility of this House. Albertans are looking for a change. They desperately want it. They have experienced years of feeling neglected, and they are looking for that democratic right to be instilled back in their hands again. They want it, and we have the ability to give it to them. But what we're doing here tonight in pushing this forward is destroying that confidence that we're trying to rebuild. In good conscience how can we sit back and say that this is okay? In good conscience how can we go back to our ridings and talk to people, look them in the eyes, and say that it's business as usual? We cannot do that. We should not do that. It's not right.

I've heard a couple of statements made tonight by members that have sat on this side of the House in the past. It's interesting how circumstances change a person's perspective. In fact, we've often heard the saying: power corrupts; absolute power corrupteth absolute. Are your values, is your belief in the way that you should actually run your house circumstantial? Does it change when your circumstances change? I don't think it should. I don't think Albertans believe it should. I believe that this is something that we need to seriously look at in an effort to regain the trust of Albertans. This is something that I hope the members opposite in the House will take a look at seriously and realize that we are trying to champion, all of us are trying to champion, democracy as it should be.

Thank you very much.

The Speaker: The hon. member for Barrhead.

Mr. van Dijken: Barrhead-Morinville-Westlock. Hey. Thank you, Mr. Speaker. I rise to speak in favour of the referral motion brought

forward by my caucus colleague. This referral motion is all about consultation, and this Bill 2 is of such major change to the tax structure of Alberta that we need to consult. Tax increases that will possibly have far-reaching effects on the Alberta economy, increases that will possibly have far-reaching effects on Alberta businesses, and increases that will possibly have far-reaching effects on Alberta families: I would submit that there has not been adequate consultation on this potentially destructive tax policy. I would suggest that we refer Bill 2 to committee.

Let us call in the experts, call in the senior officials from Alberta Finance and Treasury Board to hear their opinion of the implications of this tax bill at this time. I want to see Todd Hirsch from ATB Financial brought in for his opinion. I want to Gil McGowan from the Alberta Federation of Labour. I might not like what he says, but I'm a small "d" democrat and want to hear his opinions also. The committee could review the impacts of these changes in the broader context of lower oil prices, minimum wage hikes, in the context of a royalty review and climate levies. Given that the Premier indicated that the budget won't be introduced until October, we do have time to make consultations by committee happen, Mr. Speaker. Bill 2 will only be ameliorated if we have the chance to consider it more thoroughly in committee. Experts and ordinary Albertans can then testify to the consequences they see of making these changes to Alberta's tax laws.

I will also appeal to the members of the governing party that are not in cabinet. You have an opportunity with a voice of freedom to prove to Albertans that you are willing to seek proper consultation. My father always encouraged me to seek the advice of wise counsel before making any critical decisions. I believe at this time that this is a critical decision at a critical time in the Alberta environment, in the Alberta economy. It would be wise for the members of the governing party that are not in cabinet to take into consideration your opportunity to go into the constituency and let the people know that you were willing to take advice and counsel, that you were willing to take this seriously.

Thank you, Mr. Speaker.

The Speaker: My apologies, hon. member, for not identifying all of your constituency.

The Member for Fort McMurray-Wood Buffalo.

Mr. Yao: Thank you, Mr. Speaker. I'm rising this evening to speak in favour of the motion before the Assembly. I wholeheartedly support this motion. So far I'm able to piece together that we have Bill 2, a drastic increase in taxes, to pay for Bill 3, a seemingly ever-changing runaway budget. Maybe the challenge with all these numbers getting thrown around is that the NDP have no idea what sort of revenue Bill 2 will bring in. Maybe they've haven't properly costed Bill 3. Maybe it's both. Who can know? We can't be too sure because the NDP isn't telling us.

[The Deputy Speaker in the chair]

It seems like the runaway, unaccountable spending of the previous government is becoming part of this government. We, quite frankly, were hoping for more: more information, more details, more debate. We can debate all night long. We wanted to provide answers to our constituents. All we have are more questions for our constituents. I can't answer my constituents about what's going on here because we're getting no answers from the government.

12:00

This is Alberta, the place people come to do business, all sorts of business, big business. We do what we can to cultivate an

entrepreneurial spirit, to encourage people and businesses that this is a place where you can take a risk. This is a place where you can invest in a business, where you can raise your family, where you can be part of this community, but the NDP is ruining that. They haven't had time to get a proper budget together, but they have had time to dismantle the Alberta advantage, and we have barely had any time to ask them how.

But back to Bill 2, which is about raising revenues to pay for the increased spending in Bill 3. Alberta had a spending problem under the previous government. Alberta is spending even more, causing a larger spending problem under this current government. Businesses come to Alberta because of our tax advantages. Ten per cent: we were the best in the country. We had the lowest business tax rate and this, combined with other tax advantages, a streamlined regulatory system, and a government that didn't meddle in the marketplace, meant that Alberta had the advantage over every other province in the country. Alberta was number one, but the previous government killed that Alberta advantage.

Mr. Bhullar: We made it number one.

Mr. Yao: Not after 44 years, my friend. Not after 44 years.

Mr. Bhullar: Number one in the country.

Mr. Yao: Yeah. After Klein it just went down.

Mr. Bhullar: Record growth last year. Record growth.

Mr. Yao: Record corruption.

Now the NDP are putting the final nails in the coffin of an advantage that was already on its last legs. When we had the Alberta advantage, it meant that businesses did flock to Alberta. It meant more revenue in all streams. I can personally attest to the businesses that invested in Fort McMurray despite the high real estate prices, despite the cost it took to get employees to go there to work. They invested millions and billions of dollars, and now every one of them is looking away. They're looking at other provinces.

My friends that work in the oil companies, they have said straight up that their companies are working and looking in Saskatchewan. Why? Because when these are international companies, we're a dot on that little map, and they have a whole bunch of dots all over that map, and right now they just look at that little dot in Alberta, and they think to themselves: "Okay. They have a new government now, and this government is antibusiness. They're going to raise taxes." It's not good for their business. The wrong movements happen by the government, and they just stroke that little dot off, and they go on to the next business.

Mr. Nixon: Stroke it right off.

Mr. Yao: Yeah.

With the 20 per cent increase to business tax Alberta will no longer be the first choice for businesses. Businesses can choose from B.C., Ontario, Quebec even, if they want a lower tax rate. Quebec. Good Lord. Then, if they want to pay the same tax, they can choose from Manitoba, New Brunswick, Saskatchewan. They're all at 12 per cent. We get to compete with New Brunswick. What incentive do new businesses receive from Alberta? Not too much under this new government. There's a question whether they could ease in these changes by phasing in these taxes over a slow period or, better yet, recognize that when oil is down, it's not a good time to raise taxes on those companies.

Just as the government is doing with minimum wage, I just don't agree with this. The phasing-in approach is much better than the

shock and awe of a 50 per cent overnight increase. Business killer. That said, the 25 per cent increase they are musing about for this year is staggeringly reckless. Staggeringly. To help small businesses cope with the increase to taxes and minimum wage, a decrease to the small business rate could be one ray of economic hope in this dark cloud of antibusiness reforms being ushered in.

As an added bonus, recognize that Fort McMurray does have a high minimum wage, and you will see the same prices that we pay in Fort McMurray. You'll pay two bucks more for that Happy Meal. You know, it's just ridiculous. It really is. Fort McMurray. What else do you want to pay for? What do we pay? Oh, we pay for everything much higher. Much higher. Beer, oh my goodness. You look like a bunch of – no. I withdraw that. Liquor, you pay much more. We pay like 25 per cent more for our liquor up there. We pay 30 per cent more for our groceries. Thirty per cent more: can you imagine that? Your friends that work at Air Canada, can you imagine those guys trying to pay that high price on their current wages? That would be pretty tough for them, wouldn't it? Every time you fly to the United States, you'll be picking up food and smuggling it across.

Small business needs to be protected. Our whole economy needs protection when we see oil in a prolonged slump. Growing up in Fort McMurray, I'm used to the ups and downs. That is the way it is. We deal with it. We persevere. We get by. We save our money. We don't rely on the government to do handouts for us.

Mr. Nixon: You spend your kids' money, Tany?

Mr. Yao: Oh, good Lord, no. No. We don't take that up in Fort McMurray if we can.

But, anyways, back to the discussion here. They are making our slump worse. Only ideology would lead a government in a time of economic downturn to raise business taxes 20 per cent, personal taxes for high earners and minimum wage 50 per cent, royalties and carbon levies who knows how much. Y'all will be living in that same trailer park with me.

I am calling on this government to take a step back from this quintuplet of a whammy and take some time to get advice on what they are doing. Truly seek the advice because we have heard nothing about fiscal responsibility from you. Have you evaluated your ABCs? Slide over the books. We'll give you a hand. We'll tell you where to cut. All you have to do is slide those books over because we are here to help you. I don't want you living in a manufactured home for half a million bucks. Take some time to hear from the experts, to consider the effects of these drastic changes on the people of Alberta before passing this legislation.

Thank you.

The Deputy Speaker: Any questions or comments to the hon. member?

All right. The hon. Member for Airdrie.

Mrs. Pitt: Thank you, Madam Speaker. Welcome. Well, I believe that more time should be given to Bill 2. Bill 2 undermines the Alberta advantage. This has to be debated fully, not rushed through. Albertans need to know what this government is doing. I'm passionate about Alberta, like many of you. I chose to raise my family and start a business here. I want others to have those opportunities as well, the opportunities the late Premier Peter Lougheed famously dubbed the Alberta advantage. We need an open, honest debate on Bill 2. Albertans deserve to have their voices heard in their Legislature. I was elected to do that, as was everybody else here. It takes more time to get my kids ready in the morning than the time we're spending debating this bill. My children are skilled debaters.

12:10

What's worse is that this may mark the end of the Alberta advantage. Between their mismanagement and the recklessness of the NDP our families and their businesses are going to be drastically impacted. For decades Alberta has been a land of opportunity, a place you would come and start up business, raise a family, plant your roots. This government, however, is set to implement the largest business tax increase in recent Alberta history. It's unreal. Seems more like a late night bar thought than a well-thought-out bill. This bill needs further discussion. Families need to know what the impact will be on them. They need to know now. How is this bill fair if we railroad it through the Legislature?

What of our economic engine, the oil industry, Alberta's economic powerhouse, set to face turbulent times with the royalty review and carbon price review held over their heads? What can be done? What will the impact be on this important job provider? Will they be forced to lay people off? What sort of studies has the government done to evaluate this seemingly reckless tax hike? Seems like none. It's possible that an enormous amount of thought and work went into this bill. It's possible, but we really haven't had time to discuss it. A quick rush through, minimal debate: it all leads me to believe this is simply a campaign tactic. Unreal. Except this isn't quite a campaign anymore. One is coming.

Mr. Yao: Mulcair isn't pulling the strings, is he?

Mrs. Pitt: I don't know. I have no details.

The Deputy Speaker: Hon. members, let me remind you, through the chair, please.

Mrs. Pitt: My apologies, Madam Speaker.

You know what? Quite frankly, we should expect more honest, open discussion on the details of this bill. We need more time. I urge all MLAs here to support the motion so that this bill can be properly considered and it has the time it deserves, as we were elected to do, to serve Albertans and represent them here in this House.

Thank you.

The Deputy Speaker: I have confirmed that there is a five-minute question and comment period should you wish to take advantage of that.

Seeing none, I'll call on the Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Speaker. I'm rising this evening to speak in favour of the motion before the Assembly, brought forward by the Member for Olds-Didsbury-Three Hills. My family, my husband and I, in our 21 years of marriage have had many businesses together. We've employed many people over the years, and we've had many ups and downs with those businesses. But ultimately the incentives that are in Alberta were what drew us to create businesses, to create jobs, and to create a life for our family here in this great province.

Over those years in pursuing those businesses, Madam Speaker, we've learned a tremendous amount about how to pursue the dreams that happen here in Alberta, which means raising our children, you know, paying taxes towards a great education, and other things like that. That is what we're all talking about here, about the Alberta advantage, where our tax dollars go. This runaway, unaccountable spending and these reckless revenue increases are reminiscent of the previous government, and we're disheartened, I believe . . .

Mrs. Pitt: I thought it was a new government.

Mrs. Aheer: I know.

... to see this trend continue, when Albertans so clearly voted for change.

In the many years that I've been running businesses with my husband – my husband and I have a car wash. I think it's every couple of weeks that he's in the mud, slogging mud out of the sumps, to get it out of there, as a small-business owner working like crazy to make this business work in a province that actually allows us to have a business, to be successful. Nobody would ever complain about having those jobs, Madam Speaker, because we know that ultimately, at the end of the day, we are contributing to the fabric of this province, and we're very proud of that. It doesn't matter how dirty that job is, how much mud, how many hours in a day that we put into it. We work hard because we know that we're contributing to something bigger than ourselves. It actually has nothing to do necessarily with ourselves. It has to do with contributing to a province that takes care of its own, something I'm very proud of.

We need answers for the communities that we represent, and they have more questions about the repercussions of these tax increases. It's clear, Madam Speaker, that the government has put no thought into these tax hikes; otherwise, business owners like myself would have been asked. I don't recall ever having one single member come to my house to discuss this situation with me, especially being a small-business owner and especially with the amount that I personally and my family contribute into the fabric of this province.

The tax hikes in their platform: it feels like it's something that they feel they could get away with. I feel that that's probably not the truth, but it's an uncomfortable feeling as a person who contributes in this way. That's how we feel. That is the optics of this situation. It doesn't feel right. It's misleading, and it leads us to be mistrustful of the government at this time. We deserve full consideration of the effects, that this is combined with the missteps that we believe that they are taking.

[The Speaker in the chair]

Mr. Speaker, Alberta has long cultivated the entrepreneurial spirit. They are attracted, myself included – and I think I can speak for many people over on this side – to the climate that fosters entrepreneurship. Entrepreneurs bring their ideas, their capital, and they have kept their businesses here because in return for their capital and ingenuity Alberta provides them with a fair taxation framework. That is the way that it has worked for us, that we are able, again, to contribute to this amazing province, something everybody in here should be extremely proud of. Alberta is a place where you can take risks, start a business, and, to reiterate what all of my friends over here have been saying, raise your family and be a part of our community.

12:20

Businesses come to Alberta because of Alberta's low business tax rate, and at 10 per cent, to reiterate once again, it has been up until now the lowest in the country. That Alberta advantage is not something to be taken lightly, Mr. Speaker. That Alberta advantage is a combination of Albertans working together to create something that is uniquely different from the rest of this country. It is called an advantage not because of – I mean, it's a combination of taxes and many, many other things, but it's also an advantage because it is unique to this province, something that we should be, again, let me reiterate, so proud of. How are we going to explain to our children one day that we have given away their future to the whims of

something that has had no research and has no background and will not contribute to the future fabric of this province?

The Alberta advantage means good public services, low taxes, and a government that does not interfere excessively in the marketplace. The previous government eroded most of that Alberta advantage with their fiscal mismanagement, that led to the 2015 campaign budget that raised 59 taxes and fees. Now the NDP are guaranteeing the absolute destruction of an advantage that was already on its last legs.

We have an opportunity here, Mr. Speaker, to change that. Whatever it is that was campaigned on – we understand that there were many, many campaign promises that happened, but it takes a bigger person to look at the situation once you are in a position of power and understand that changes to the original ideology take courage. It takes a great deal of heart and compassion to understand that the changes that you make right now will affect the future of our great-grandchildren in this province, and that's not a legacy that I want to leave for mine.

Mr. Speaker, businesses flock to Alberta, contributing to our revenue stream. If those businesses stop coming to Alberta, it will mean less tax revenue generated in all streams: income, corporate, gas, sin taxes, you name it. The only thing that will increase is the need for government services to cope with chronic unemployment. Speaking as a businessperson, with this triple-edged sword of having to pay more taxes ... [interjections] It's a triple edge. I'm sorry, but there's no double here. It's got a point and two sides. There is the side of having to pay more business taxes, the side of having to increase minimum wage – that is two already – and then on top of that everything else is changing, too. We don't understand where our dollars are going to be going. We have no clarity. We have no understanding of that. None of us has any information to go back to our constituents with. Nothing.

There are alternatives that must be considered. If they are dead set, Mr. Speaker, on these increases, why isn't the government easing these changes by phasing in both business and personal taxes? Here's what I heard from one of our wonderful staffers. She came to me last night, and she said: they haven't had time to get a proper budget together, but they have had time to dismantle the Alberta advantage.

Thank you.

The Speaker: The Member for Drayton Valley-Devon.

Mr. Smith: Thank you, Mr. Speaker. I would speak to the amendment as presented today. I guess it is today. I know that as a newly elected MLA there are many things that I have to learn. I know that this places me in good company with most of the elected members of this House. I think that we are learning a lot today. We are learning a lot today about how government functions and how it works and even how long we can stay up at night.

Mr. Mason: Everyone in our caucus is younger than you.

Mr. Smith: Yes. Do they have their parents' permission to stay up?

There is much to learn and much to consider when deciding to raise personal and business taxes. I'm a fiscal conservative, and it's never made sense to me that you could tax your way to prosperity. I realize that across the House you believe that redistributing wealth through a system of progressive taxation speaks to equity and to fairness in our society, but does that happen if in the process you have driven people out of the province of Alberta to those provinces that have a more enticing tax regime?

Let me assure my colleagues that compassion and equity for those less fortunate are found on both sides of this House. It has been my experience in life that when taxes are low and people are

able to find work and create businesses, it generates the wealth that is necessary for those people to take care of themselves and to take care of those people that have trouble taking care of themselves. In Alberta we need an economy that creates the kind of people that are reflected in our motto as a province; we need people that are strong and free. That does not mean that we don't care for those who need help, but we will only be able to care for and take care of those who cannot take care of themselves if we have a province that is prosperous, where the taxes are low, where the citizens have the wealth to provide world-class health care, education, and seniors' care.

When I was campaigning in the past election, I would go up to the doors of my constituents' houses and apartments, condos, and I would ask my constituents two very simple questions. "Are you happy with the government?" The people at the door either laughed or they swore. I would then follow that question with a very simple second question. "Have you figured out an alternative to the party in power?" The answer I received almost all of the time in the last days of the election in my constituency was, "Well, I'm either going to vote for the Wildrose, or I'm going to vote for the NDP."

That told me that this past election was more about wanting change than about ideology, but I also think that it showed me how desperate the people of Alberta were. They were so desperate for change that they set aside their deeply held fiscal conservatism, that had directed them to support in the past political parties like the Social Credit or the Klein Progressive Conservatives, and they were willing to consider either the NDP, that they hoped would be moderate, or the Wildrose Party, who had a new leader and who thought that the PCs had killed the Wildrose.

Well, I'm not asking anyone here to set aside their deeply held values and beliefs. I think that an honest conclusion about this past election is that while it was a mandate for the NDP to govern, it was not a mandate to use their majority to push forward legislation without pause for reflection and debate and that they would support a move toward sending this bill to referral. We all understand how a majority government functions. We've all been elected. We've all got a good education. We understand how this thing works.

12:30

This bill is, supposedly, about fairness and about taxation fairness, and I would encourage the NDP to consider how fair it is when people lose jobs because of the tax regime that they are proposing. This is not fiction. It is fact. You've heard today that there were 15 families in my home town of Drayton Valley that lost their jobs, that lost their incomes. I know that when I started into this election, the economic times were telling us that in the first two weeks of the election we had 15 people that handed their houses back to the banks in Drayton Valley. That's not something that we can ignore.

People and business owners in Drayton Valley and in Devon and in Thorsby and in Warburg and in towns and cities across this province are phoning all of us. They're phoning me, and they're wondering how raising their taxes will allow their families and their businesses to thrive. I don't think that I'm unusual. I don't think that I'm any different from you folks. I think you're hearing these things, too.

Drayton Valley is a young community. We've only been around as an incorporated community since about 1955 and Devon for only a little bit longer. The towns in my constituency were built by hard-working people who were willing to pay taxes, but they are worried about a government that would raise their taxes when their businesses and their families and their jobs are threatened by a downturn in the economy. It is these people – these friends, these neighbours, my electorate – that would support this bill going to

referral. They would support a conversation by their elected representatives, by a committee that represents all parts of this Legislature that would be able to review the wisdom of the proposals that are found in this bill. This committee would be able to invite experts to testify on the wisdom of raising personal and business taxes during a downturn in the economy. This committee could invite large businesses to explain how these additional taxes are going to affect their bottom line and whether they are planning to lay off people or to move to another province with a lower tax regime.

Bring in the banks. Bring in the tax experts. Bring in the families. Mr. Speaker, we need to listen to the people of Alberta and then, in due course, follow their lead. I believe they will tell you to reconsider your plan to raise taxes, but you will never know this unless you are willing to support this amendment and send this bill to the Standing Committee on Alberta's Economic Future.

I therefore urge this House to support this amendment. Thank you, Mr. Speaker.

The Speaker: Are there any other members who would like to speak to the amendment? The hon. member.

Mr. Bhullar: Thank you very much, Mr. Speaker, and good morning. I would be remiss if I did not speak to this, really, because I remember being across the way and the hon. Government House Leader on many occasions making very impassioned pleas for us to consider.

Mr. Fraser: We should have listened.

Mr. Bhullar: "We should have listened," says the Member for Calgary-South East.

Mr. Speaker, this is such a significant decision. This is such a significant piece of legislation, something that is going to affect virtually every single Albertan. It has the opportunity to hinder their progress and their livelihood in a very short period of time. I've said this before, and I'll say it again. If the government can reconsider the Calgary cancer centre decision and say, "Hold on; this is complicated, and we need to assess our options," then they should surely be reconsidering this.

You know, I understand that they have a mandate. I respect them for that. There are many fine people across the way, but as fine people we have an obligation to ensure that ideological pursuits are not cause for us to be blinded from the realities of the day. The realities of the day, Mr. Speaker, are that our people are suffering. It is a very, very real fear for many Alberta families, for many great people in our province that they may be losing their jobs, that their companies may be picking up and moving elsewhere.

We have a series of very significant issues, and I say this with all sincerity right now. We have a series of very significant economic issues. One of them we cannot control. That is the price of oil. We cannot control that, but it has a very significant effect on us, on the government's revenues. You know, it usually takes about a year from the time that government revenues are affected for the broader population to be affected. We're starting to see it now very significantly, very seriously. You and I and this Legislative Assembly cannot affect the global price of oil. We could shut off the taps in Alberta and, realistically, it wouldn't have much of an impact on the global price of oil. That's something that we cannot control.

The other factor, Mr. Speaker, that we do have some impact over, number one, is our tax rates. That's what we're looking at here today. I agree with the members. We should refer this to the committee, allow the committee to do its great work. We have fine Members of the Legislative Assembly from all parties and

independent members who should get their feet wet, who should dive deep into the work of a committee and help provide the government with substantive feedback so that when they are ready to table their budget later this year, they will have had very significant feedback on the implications. I'm not saying: don't implement what they want. I'm speaking of the implications of the timing of their promises. I'm not saying: don't do it. I'm just saying: consider the timing. I come back again to, you know, if you're willing to do it on some infrastructure projects, why not this? It affects a heck of a lot more people. Taxes: that's something we control.

The next thing we control is the minimum wage. We can sit and have an ideological debate about a living wage and the minimum wage as it is today until all of us are red in the face, but the fact remains that if the cost of labour for a business goes up 50 per cent within a short period of time – say someone is being paid 10, 11 bucks right now and it goes up to \$15, for the sake of argument, the cost of labour goes up 50 per cent for a business or a nonprofit – that 50 per cent has to be made up somewhere. Nobody's going to come and stick a whole bunch of money in someone's pocket and say: "Here you go. This will cover that 50 per cent." They're going to make it up somewhere. So where are they going to make it up? They're going to make it up by charging more.

I've had countless conversations with many business folks. Actually, you know, I go to this one restaurant, Mr. Speaker, because they have the absolute best Caesar salad in Calgary. [interjection] Yeah, I eat salad once in a while.

Some Hon. Members: Where?

12:40

Mr. Bhullar: Chianti's on 32nd Avenue. The best Caesar salad in Calgary and it's cheap. I've been there. I believe it's actually in the Member for Calgary-Cross's constituency.

That Caesar salad, that's six bucks, is going to be 10 bucks. It's going to be \$10 if these changes are made overnight. I would ask the members opposite, then: what's next? Will you then be establishing new government programs to subsidize coffee, to subsidize Caesar salads? Is that what you will have to come to? A 50 per cent increase in the cost of labour will be likely matched with – I mean, that cost will be passed on to consumers. Somebody's got to pay, Mr. Speaker. Somebody has to. So that's the third piece, the third very critical factor that's affecting our economy today.

The fourth, Mr. Speaker, is a royalty review.

So you have four major factors that are affecting our economy today, one of which you have no control over. The other three the government of the day has all the control over, yet they seem to be a bit unwilling to consider the impacts of drastic action on the people. You know, I get it. You want to prove to your people that you're in here, that you're making change. But change isn't always a net outcome; change is also how you achieve something. You know, I've been lectured time and time again about how we did things. Now is the time to do something different.

I'll stand up, Mr. Speaker, and I'm very proud of some things we've accomplished, very proud. There are many things that – you know what? – I could have done without. But the fact remains that if I personally as a Member of the Legislative Assembly or as a cabinet minister at any point stood up and said that I was to do something, I tried my hardest to make sure it happened. You don't always win. It doesn't always happen, but if you don't try, it's not going to happen. There's no chance then.

Here I guess what's most concerning for me is the sheer fact that we have people across the way who continuously stood firm in their beliefs into the early hours of the morning repeatedly in this

Assembly, stood firm in their belief in doing things differently, arguing that we could do better, we should learn, we should consult, we should bring people together. Mr. Speaker, those same people now are trying to jam something through in the early hours of the morning. This is exactly what they said we were doing wrong. This is exactly what they said they opposed.

You know, the budget is one thing, Mr. Speaker, the tax hikes are one thing, but what is most concerning, what's absolutely the most concerning piece here is how quickly somebody changes when they get into those seats over there.

The Speaker: Hon. members, are there any other members of the Assembly who would like to speak to the amendment? [interjections] The hon. Member for Little Bow.

Mr. Schneider: There is no confusion here, is there, Mr. Speaker?

The Speaker: Not with me.

Mr. Schneider: Not between you and I, I don't think. Thank you, Mr. Speaker. A nonconfused Little Bow MLA rises to speak to the referral motion brought forth by my honourable colleague the Member for Olds-Didsbury-Three Hills. I think this is an excellent opportunity to summon the most learned experts, to determine the impact on Alberta of Bill 2 before we go to vote on something that could be harmful to this province. Experts in finance, economics, business, and labour all need to be brought forth as witnesses to testify in order to provide another side of how raising business taxes, income taxes, royalties, the minimum wage, and the carbon levy will compound the low oil environment and kill jobs for Alberta families. Yes, every Albertan, even the Canadian Taxpayers Federation and the Alberta Federation of Labour, should have their chance to speak to Bill 2, directly to the decision-makers.

With this consideration in more detail, this bill can only be improved if we send it to committee. Major changes to tax laws, as proposed in Bill 2, should not be done without significant public consultation. Yes, you will hear the argument that the election was the consultation, but that was just a rushed job and not just about taxes, Mr. Speaker. The government, the Executive Council, will say that it did a consultation, but that was an internal and not necessarily transparent consultation. We do not know whom the Executive Council consulted.

It's time, Mr. Speaker, for the Legislature to hold public consultations on Bill 2. This stage in the development of legislation has been sorely lacking and rushed in recent years. The result has been bills passed, laws enacted, only to have to change them within months for mistakes that such a consultation would have caught.

Let us support this referral motion and bring in the experts and the general public for their opinions. Thank you, Mr. Speaker.

The Speaker: Are there any other members who would like to speak to the proposed amendment?

Mr. Mason: Mr. Speaker, I would seek unanimous consent to shorten the interval for the bells for the rest of the evening to one minute.

[Unanimous consent denied]

[Motion on amendment to second reading of Bill 2 lost]

The Speaker: We proceed back to the main motion. Is there anyone wishing to speak to the original motion?

Would the mover like to close debate?

[The voice vote indicated that the motion for second reading carried]

[Several members rose calling for a division. The division bell was rung at 12:50 a.m.]

[Ten minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Anderson, S.	Goehring	Nielsen
Babcock	Gray	Payne
Bilous	Hinkley	Piquette
Carlier	Jabbour	Renaud
Carson	Kleinstauber	Rosendahl
Ceci	Littlewood	Sabir
Connolly	Loyola	Schmidt
Coolahan	Luff	Schreiner
Cortes-Vargas	Malkinson	Shepherd
Dach	Mason	Sigurdson
Dang	McCuaig-Boyd	Sucha
Drever	McKitrick	Sweet
Eggen	McLean	Turner
Feehan	Miller	Westhead
Fitzpatrick	Miranda	Woollard
Ganley		

Against the motion:

Aheer	Gotfried	Pitt
Bhullar	Hanson	Schneider
Cooper	Hunter	Smith
Cyr	Jean	Starke
Drysdale	Loewen	Strankman
Ellis	MacIntyre	Taylor
Fildebrandt	Nixon	van Dijken
Fraser	Orr	Yao
Totals:	For – 46	Against – 24

[Motion carried; Bill 2 read a second time]

The Speaker: The hon. Government House Leader.

Mr. Mason: Thank you very much, Mr. Speaker. Well, given the hour and given the progress today, however painful, I believe that we should adjourn now – and I would so move – until 1:30 this afternoon.

[Motion carried; the Assembly adjourned at 1:04 a.m. on Wednesday to 1:30 p.m.]

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