



Province of Alberta

The 29th Legislature
Second Session

Alberta Hansard

Wednesday morning, June 1, 2016

Day 37

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature
Second Session

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Party standings:

New Democrat: 54 Wildrose: 22 Progressive Conservative: 9 Alberta Liberal: 1 Alberta Party: 1

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Legislative Assembly of Alberta

9 a.m.

Wednesday, June 1, 2016

[The Speaker in the chair]

Prayers

The Speaker: Please bow your heads. Let us reflect, each in our own way. Let us remind ourselves of the privilege and the responsibility to advocate on behalf of the constituents who elected all of us. Let us remember to respect and accept each other's point of view although we may differ from time to time. Let us understand that the price of success is often the result of hard work, dedication, an unwavering determination, and a commitment to public service.

Please be seated.

Orders of the Day

Government Bills and Orders Second Reading

Bill 20

Climate Leadership Implementation Act

Mr. MacIntyre moved that the motion for second reading of Bill 20, Climate Leadership Implementation Act, be amended by deleting all the words after "that" and substituting the following:

Bill 20, Climate Leadership Implementation Act, be not now read a second time because this Assembly has not received satisfactory evidence or assurances that a full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans.

[Adjourned debate on amendment May 31: Mr. Bilous]

The Speaker: Anyone wishing to speak on RA1? The Opposition House Leader.

Mr. Cooper: Thank you, Mr. Speaker. It's a pleasure this morning to be in the House on such a glorious day and to represent the outstanding people of Olds-Didsbury-Three Hills, working to defend the issues that are important to them and to represent individuals right across the constituency. And not only in the constituency but right across the province people are reaching out to the Official Opposition and expressing deep concern.

Now, I want to be very clear, Mr. Speaker, that of those same people who are expressing concern about the direction of this government, particularly around Bill 20, including myself and the Official Opposition, many of them are concerned about our environment and ensuring that our environment is cared for and managed in a way that leaves a legacy for our children and our grandchildren that they can be proud of and that also manages the other very important aspects of our province in conjunction with both of those things.

It's one of the reasons for this amendment, that my hon. colleague from Innisfail-Sylvan Lake proposed. It is an amendment that seeks to ensure that the right balance is being struck. What we're discussing here this morning is a reasoned amendment, a reason why Bill 20 should not proceed at second reading, and I think it's a very, very solid reason, that

Bill 20, Climate Leadership Implementation Act, be not now read a second time because this Assembly has not received satisfactory evidence or assurances that a full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans.

Now, we know that many in this House have read what some refer to as the Leach report. That particular report, while it is a fulsome report in many respects and makes numerous recommendations – some of them the government likes to adhere to, others not so much – they hold this report in such high esteem even though they don't want to listen to all of it. While this report has been presented and is the principal piece that the government likes to use to say that all of the study that should be done has been done, one of the things that there is a big hole in is an actual economic impact assessment. While, certainly, that report addresses some of the economic issues around the implementation of this carbon tax, it doesn't in fact detail all of the costs that may or may not be associated with this tax.

I can think of hundreds – maybe that's a bit of a stretch. But tens . . . [interjection] Maybe it is hundreds, actually. If I had the time – and I know that over the next couple of days we're going to have an opportunity to spend some significant amount of time together discussing this piece of legislation. I'm going to start, myself, a bit of a tally to find out if I do get to hundreds of items that that particular report didn't consider and how it potentially has a negative impact on the economic well-being of Albertans.

As I mentioned, Mr. Speaker, it is critically important that we leave a legacy for our children both on the environmental file as well as the economic file because both are critically important to the success of the future of our province and to future generations that will continue many of the great things that this province has become.

I look at the economic impact of this particular carbon tax, and initially the government had said that the total cost that any family could ever incur on this particular tax is approximately \$800 a year. Then later the government said, "Oh, okay; it's possible that there may be some indirect costs," while initially saying that there were going to be no indirect costs and that the total cost would be \$800 a year. I'm getting a bit of a sense of the track record on this bill with this government. Initially they very proudly pronounced to the House that this bill would be revenue neutral, and now we all know that that's not true. Even the government acknowledges that that's not true, even though that is what they'd said. Then they said that there were no indirect costs and that all of the costs would be included in the number that they provided. Then late last week or early last week – I don't remember exactly when it was – they said: "Oh, okay. Maybe there will be \$70 to \$100 of indirect costs." We see this pattern of saying one thing, another proving to be true, and then the government saying: "Oh, okay. You were right. We didn't really mean it."

9:10

From all across this great province of ours people are contacting the Official Opposition, and the good people in Olds-Didsbury-Three Hills are contacting me, asking questions like: what about this cost; what about that cost? Just this week in the constituency of Olds-Didsbury-Three Hills we saw the Rocky View school division raise the cost of busing to families in the southern half of the constituency of Olds-Didsbury-Three Hills, Mr. Speaker, and the specific reason cited was the carbon tax.

An Hon. Member: It doesn't kick in till January.

Mr. Cooper: The reason they're increasing the cost of busing is because of the carbon tax, and while it might not kick in until January, school starts in September, and they need to be prepared for the carbon tax that comes in on the 1st of the year. While the tax may not be in place until January, significant costs are going to be incurred by school divisions, that are going to be handed down

directly to parents. This is an indirect cost, one that the government hasn't considered or, at least, hasn't provided any evidence that they have. So all this amendment does is that it asks the question. It states that this bill should not be read a second time until such time as the economic well-being of Albertans has been studied. Busing is one of those indirect costs.

Yesterday in the House my hon. colleague from Chestermere-Rocky View spoke specifically to the increased costs that other departments and other areas of government are going to incur. I had a good conversation with one of the municipal leaders in the constituency, in the community of Olds, that was focused around this issue and the cost that municipalities are going to bear because of the increased costs for them, whether it's the cost of running municipal vehicles or the significant cost that there's going to be in increased heating that they will see in their facilities, particularly around recreational facilities like pools. The amount of natural gas that's used in those facilities to provide recreation and to ultimately increase the health and well-being of the citizens of that community is going to have significant cost increases.

As we know, Mr. Speaker, there is one taxpayer in the province of Alberta. Now, fortunately, there are about 4 million of those ones, but there's only one person that fits the bill. The municipality doesn't have many levers, many revenue levers, as the former Premier used to like to say, at their disposal, so their fallback is to increase taxes to residents of that community, constituents of ours and Albertans.

Now, I specifically mentioned Olds, and I'll just clarify that in that conversation, we didn't have a direct conversation around whether or not the community of Olds would be raising their taxes, but it is a concern to municipal leaders that that may be a decision that is ultimately downloaded from the province onto municipalities. We continually see downloading of provincial responsibilities onto municipalities and then, at the end of the day, onto the taxpayer of Alberta. While the government might like to hide behind the downloading of costs, they're still very real at the municipal level. So the increase in indirect costs in municipal taxes has not been considered because sufficient, satisfactory evidence and assurances that a full economic impact analysis has been provided: that has not been done before this Assembly. It presents a major, major concern to Albertans that this hasn't been addressed.

I think of other provincial bodies and institutions and organizations and departments. I know that in central Alberta there are some provincial correctional facilities, and while I don't have the exact numbers, those facilities require a significant amount of natural gas to heat, and the increase in the tax on natural gas is close to 50 per cent. So the heating costs for our correctional facilities are going to increase by 50 per cent. If I am not correct, the challenge is that a full economic impact assessment hasn't been provided, and as a result, we would have the information, but we don't.

There is one thing that the government cannot dispute, and it's this: the costs for heating correctional facilities will increase. At the end of the day, those costs have to be paid by someone. I know that my hon. colleague from Drumheller-Stettler has spoken about the increased costs. [Mr. Cooper's speaking time expired]

The Speaker: Under 29(2)(a)?

Mr. Loewen: Yes, Mr. Speaker.

The Speaker: The Member for Grande Prairie-Smoky.

Mr. Loewen: Yes. I'd just like to ask the hon. member to continue on with his comments there. There seems to be a lot of discussion on this bill. Of course, we've talked about this before, but I guess we need to keep talking about it because this Bill 20 was just set in

our hands – what? – a couple of days ago. So the people that it affects are just learning its full effects now. Now, of course, we've had this Climate Leadership report, but that's not Bill 20. That's not what we're discussing here today. This is what they say is where they've gathered information for Bill 20, but there's a big difference between these two documents and what they discuss.

I think the communities and the people of Alberta haven't had time to go through this document. They haven't had time to figure out the full effects of it. It's a tax bill. It talks nothing about the environment. All it talks about is taxes. So I guess I'd like the member to continue with his thoughts on this and maybe expand a little bit more on how this is affecting everyday Albertans.

I noticed one of the hon. members yesterday from the other side was talking about how all these financial experts had looked at this. Well, I guess one question I would have is: when did the financial experts look at this? We've only had it in our hands for just a couple of days. I don't believe it's within parliamentary procedure to have been giving this document to other people outside of this House before us. So if that's what they're saying, then maybe they need to clarify a little bit more. Who's seen this before this Legislature has seen it?

But anyways, we'll allow the member to carry on with his comments. Thanks.

9:20

Mr. Cooper: Well, thank you, colleague. I appreciate your comments, particularly around the impact to Albertans, and that is at the heart of what we're discussing. This reasoned amendment asks that question because we actually don't know and the government doesn't even know what the answer is.

Now, they have provided numbers that have changed as the opposition has asked more questions and provided more evidence of some of those increased costs, particularly around these indirect costs. Just two days ago the Leader of the Opposition asked a question in this Chamber about a very, very good local business that employs a number of local folks right in the constituency of Olds-Didsbury-Three Hills, Shirley's Greenhouse. The increased costs to that business alone are going to be \$30,000 a year in increased heating costs. That is a significant amount of money. One of two things is going to happen to their produce. They are going to produce less because they have to lay off a person because they can't afford it, or they're going to increase the costs of production and pass those along in the form of indirect costs in the cost of our food increasing.

The third very possible option is – I could tell you that when you run a smaller greenhouse in the province of Alberta, the margins are thin, but many small businesses just like Shirley's Greenhouse are passionate about producing local food and producing high-quality food, and the challenge is that this has the opportunity to prevent that from happening. I love the fact that when I go to my local Co-op, I can purchase local produce, but this sort of tax, that is going to increase the costs to Shirley's Greenhouse by \$30,000 a year, is the type of tax that runs the risk of putting that small business out of business.

Something else in terms of indirect costs, particularly to the vulnerable and charities: I had an opportunity to speak with the Rocky View handibus in the constituency of Olds-Didsbury-Three Hills.

The Speaker: Thank you, hon. member.

You wish to speak to amendment RA1?

Mrs. Pitt: The amendment? Yes.

The Speaker: Please proceed, Member for Airdrie.

Mrs. Pitt: Thank you, Mr. Speaker. I value the opportunity to speak here to the amendment.

... be not now read a second time because this Assembly has not received satisfactory evidence or assurances that a full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans.

Mr. Speaker, I think it's admirable that we take our environment seriously. I really, truly do. Many years ago, when bottled water had first come out, some may have thought that to be strange, very, very strange. Now it's a part of our life. That certainly in itself has an environmental impact. Plastic waste is phenomenal for our environment. However, it's a part of our life, and I don't think that we want to be in a situation where we need to be buying bottled air, and I understand that. I get that, and my colleagues here absolutely understand that we need to be responsible for the world that we live in, the food that we eat, the air that we breathe. These are extremely important to everybody, and we've been given this Earth to take care of. But we've also been given this Earth to live, and I think that's very, very important for everybody here to remember.

This carbon tax bill has an impact on the way we live our lives, and I don't think it's that far of a stretch to say that this carbon tax bill affects not only the way we live and how we live, Mr. Speaker, but I think it could very well diminish the things that we not only want but the things that we need.

Mrs. Littlewood: Fearmongering.

Mrs. Pitt: It's very unfair for the members opposite to call this fearmongering because they have yet to actually do an economic impact study, yet the individual, the school boards, the businesses, everybody that will be impacted by this tax are starting to calculate the cost that will be incurred from this piece of legislation, from this tax bill.

Rocky View schools, that is responsible for the busing in the constituency of Airdrie, has already said: your bus fees are going up for each child this year, and then they're going to go up every year afterwards. Do you understand what that means for a family that is already struggling to find the \$200 for each child to pay for that bus pass? It's significant. There are so many people where \$10 – just \$10 – is extremely significant, and this, Mr. Speaker, is just an example of the dangers at play when we haven't done a full economic impact study. I would bet that had we had an economic impact study, the evidence – the evidence – that would come from this study would certainly reveal the dangers and the harm to the human beings in this province. I will bet that nobody wants to see that happen. There has to be a balance here between people and the environment. I'm really not quite sure this is the appropriate way to go. This isn't balanced. This is very dangerous, very, very dangerous.

I think, you know, Mr. Speaker, as an example, libraries in our communities will be impacted by this. Many of our libraries have interprovincial sharing systems that are wonderful because we have such an opportunity to access so many different pieces of literature. This is wonderful. We should be encouraging this. But the cost to transport those books from one library to another have now increased. What does that mean? What does that actually mean? I'm really not quite sure they can eat that up. Either the municipality that houses the library will have to increase funding for the libraries, and we can follow that chain upwards, or the library is going to have to increase the membership fees, which again is another indirect cost to the consumer, to the children again. Maybe that's another five bucks a kid. I mean, just right there I get five bucks for a library pass; I've got another 20 bucks on a bus pass, just one kid. In my household I'm at 50 bucks just with those two costs. This is a

phenomenal, phenomenal impact, and I think we're just scratching the surface as far as the impact goes.

But we have the resources here to actually delve in deep, Mr. Speaker, and really, really study what this is going to mean, and then the rebate program could be targeted more fulsomely and actually address these issues. I really, truly believe that. You have time right now to step back, stop this now. Let's go back and do some research. Let's get some evidence. The NDP government always talks about evidence-based, evidence-based, evidence-based, yet on one of the most impactful pieces of legislation in this House we have yet to see what the evidence is.

9:30

Mrs. Littlewood: There's an entire report.

Mrs. Pitt: The report has yet to actually address the costs associated to the consumer.

You know what? Every single one of us is going to see the danger when our constituents come into our office and say: "I don't know what to do. There is no possible way I can make ends meet anymore. There is nothing else I can do." Then we get to winter, and what happens in winter? You will get your first heating bill, which is likely going to be outrageous. Then you go: "Okay. Well, I've got to turn this thermostat down. What's the lowest point I can put this thing at without actually putting my life at risk, my children's lives at risk?"

We have winter here, folks. Until you can turn up the heat in winter outside, you need to understand that there are things that we absolutely cannot change, and that is heating a home. I have energy efficient windows. I'm fortunate enough where I can put the money into my home to afford that. I can afford the expensive lightbulbs that bring down my electricity costs. Those are very expensive. Most people can't do that. Heck, I've been slowly doing this for years, you know. I've got weatherproofing on all my windows and all my doors, and I check those every year. I mean, those are almost luxury costs. There are so many people that can't afford this.

We all want to do what's right for everybody here, but there is a better balance between the environment and the people that live on this Earth. I get that you want to be the leaders and the champions of environmental protection because there are many, many areas in this world that do a really poor job at carbon management. Trust me, we're nowhere near the levels of some of those countries. I would implore everybody in this House to find the balance. We have an opportunity right here to put this on hold, and there would be no fault anywhere in saying: "Wait a minute. We've actually got to look after the people. It's about the people." One is not exclusive of the other. They work together.

This is about making sure that we can get children to school, Mr. Speaker. It's about making sure that our children have the opportunity to play hockey. Hockey is a very, very expensive sport to be in, and it requires a ton of travel. I know many people in hockey programs. I played basketball growing up, and we carpooled as much as possible for so many different reasons. I'm sure that hockey parents today do the same thing, but they still have to get their kids to the game. They still have to get their kids to practice. This doesn't mean, you know, that they have one less Starbucks a week to pay for the carbon tax. That's not what this is about.

This is about the impacts that have yet to come forward as evidence fully, and this is where that work should be done. This is the work of the government, to do a full economic impact study. This is our job. This is your job. We're willing to work together on this. It's about balance. It's about the people. I really, really, truly thought – there are a lot of stereotypes about the NDP government

out there. One of them certainly is that they talk about caring about people. I think that's one that you would probably want to make true. This is, Mr. Speaker, a very dangerous path to go down until we have the evidence. I don't know if I could implore anybody enough to do this.

Mr. Speaker, another example is the grocery stores. Our food costs will go up. You can't tell me that they won't; you absolutely cannot tell me. Everything comes in on a truck. Until we can create a giant bicycle and hire 20 people to ride this thing down the road, we've got to truck this stuff in, and those costs are certainly going up. There's no way around this. So guess what? These grocery stores, who are businesses, who employ people so that they can pay their bills, will have to let some workers go and/or they will increase the costs of the goods in the store. These are fruits and vegetables. These are things that keep us healthy. You're going to play the health card, but you're going to make fruits and vegetables more expensive? I think that's absolutely inappropriate. [interjections]

The government laughs. They think this is funny that there will be longer lineups at the food bank, with probably emptier shelves. Mr. Speaker, the food bank: let's talk about the food bank costs. Guess what? Everything still comes in on a truck there. It goes out on a truck. Heck, the people who pick up food from a food bank usually come in a car. For a vulnerable person who is down and out, who needs some help from the food bank, it will cost them more.

An Hon. Member: Buses.

Mrs. Pitt: Oh, buses. Let's talk about buses, Mr. Speaker. That's an excellent point. The NDP government wants everybody to only ride around on a bus, but the last time I checked, they didn't run on unicorn farts. It is completely irresponsible of this government to say: "Don't worry about your car. You're not going to drive anymore. We're going to put you on a bus, but we're not really sure if they run on gasoline or diesel."

I'm pretty sure they burn fuel still. This, again, is why we need a full economic impact study. We need the evidence because, clearly, the NDP government is not aware that buses run on fuel. I can't even believe this, Mr. Speaker. We need to see the evidence. We need to see the impact. I think that more than ever the NDP government needs to see the impact that their carbon tax bill is imposing on the people.

This is inappropriate behaviour from a government. Amongst other things, Mr. Speaker, I'm so disheartened to hear laughing about the impact on vulnerable people. "Don't worry. If you need the food bank, you can take the bus. But don't worry; I'm pretty sure your bus fees aren't going to go up. No. They're not going to go up." Are you kidding me? This is unreal.

The Speaker: Thank you, hon. member.

Questions to the Member for Airdrie under 29(2)(a)?

Mr. Dang: Under 29(2)(a), Mr. Speaker, I'd just like to make some comments and get to some questions about some things that the hon. member across the way was saying. I am very concerned with what the member across the way is saying because the member has been quite impassioned in how she has portrayed and shaped this image and message about how the climate leadership bill is attacking children and is dangerous for families and so forth.

We understand that the vast majority of Albertans – 66 per cent of Albertans, Mr. Speaker, two-thirds of Albertans – will actually be receiving a full or partial rebate on the carbon levy. We actually understand that if you do the math, if you look at the economics, you can say that these people that she's talking about will be supported by the government. The government will be stepping in to make sure that we are helping our vulnerable, helping our

families and communities, and that we won't be making any drastic cuts to those services that these people are providing, like some members might be endorsing. Instead, what this government is doing is investing in those communities.

The hon. member across the way also spoke quite heavily about health impacts and how the costs of the food in your grocery store would go up and that the food bank lines would increase. Mr. Speaker, let's be very frank. There is a world scientific consensus that the adverse impacts of climate change will drastically harm our communities and drastically harm our families. What we are looking at right now are the adverse health effects of coal, the adverse health effects of climate change on things like food production in the world. What we are looking at right now is that we absolutely need to act to ensure that we will be able to have a tangible difference moving forward.

9:40

What the hon. member across the way is speaking about, using these terms I would like to say are fearmongering, may be speaking to a certain type of constituency, Mr. Speaker. What the hon. member across the way is doing is simply not looking at the facts of what this bill does. What this bill does is that it implements a plan to take tangible action that this government has plotted out through the Climate Leadership report, with very thorough in-depth analysis and very thorough and fulsome research that economists have done and experts in the industry have been a part of.

I'd like to ask the hon. member across the way: in the hon. member's opinion, are these economists wrong? The experts, the 25,000 Albertans that were consulted, the 920 Albertans that were involved in public open houses, the over 530 Albertans that were involved in the industry submissions: are all of these people wrong? These people were all consulted. The things that we are hearing about: the 25,000 Albertans spoke about those. That's what the experts on the panel like Dr. Leach and Linda Coady were speaking about, Mr. Speaker, when we saw the experts on the panel and they compiled this information and they came up with this tangible report.

The tangible report we've seen today and we've seen for weeks and months already. This bill has been out for weeks now, Mr. Speaker. What we've seen is that these are very realistic things that we can talk about. When we look at this, we can say: are we attacking Alberta's most vulnerable? Absolutely not. That is a ludicrous assertion. It is something that we as members should be ashamed to even be bringing up in this Chamber because it is something that is simply untrue. It is something that this government is full-heartedly against. We are here to support Albertans and to make tangible differences in their lives by doing things like taking action on climate change so that we can live healthier lives, so that we can live more fulsome lives in our communities, so that we can have an environment we can be proud of moving into the future.

As we look at all of this, I really do have to wonder of the member what the intention of this amendment is, whether it's to actually get that economic impact assessment. I don't understand if that's the intention or if it is for some reason to delay this bill in other ways. Mr. Speaker, I do wonder since we've seen all these very comprehensive submissions; we've seen this very comprehensive report, that consulted with thousands of people, quite frankly, that was analyzed by some of the top minds. We received submissions from top economists in Calgary, for example, like Jack Mintz.

We've seen the analysis. We've seen the expertise. Frankly, I don't believe that what the member across the way is doing is necessarily, in my opinion, something that they are being fully truthful about in the sense that they do not believe in the notion of

this amendment in the way that they are doing it. I have to ask that member: what really is the intent of this? We are trying to move forward on climate change.

The Speaker: Thank you, hon. member.

Anyone who wishes to speak to amendment RA1? The Member for Calgary-Foothills.

Mr. Panda: Good morning, Mr. Speaker. I'm speaking to the amendment. This House has not received satisfactory evidence of an economic impact study on the effects of this bill. To prove this, I'll talk about a subject that has not even been mentioned once in the House.

This carbon tax is going to hurt families. I hope we have made that clear. If this is not clear, don't worry; we'll bring more clarity to that subject. Beyond the carbon tax, this will hurt initiatives this government has been trying to implement to diversify the economy. Let's take a look at some of the initiatives the Minister of Economic Development and Trade has been trying to do in order to diversify the economy and how those initiatives will be affected due to this carbon tax.

Mr. Speaker, on the 1st of February the Minister of Economic Development and Trade announced a \$500 million royalty credit program to build petrochemical plants. He hopes that this subsidy will convince corporations to build petrochemical plants in the province. Now, just to refresh the House's memory, this program only comes into effect after the plant is built. This subsidy, this corporate welfare, was designed to compete with the Gulf coast, where most of these plants are built. The reasons they are built on the Gulf coast as opposed to Alberta are numerous, but the major hurdles that Alberta needs to work on in order to compete for this business are the upfront costs to build these plants.

But don't take my word on that. Let me read for you what the Minister of Economic Development and Trade said when asked a question regarding the increased costs to build in Alberta as compared to the Gulf coast.

There are some challenges that we face here in Alberta in order to attract investments like this, I mean, from our climate and the fact that construction costs are typically higher than on the Gulf coast. But what is interesting is that once a company gets into the operational side, we're quite competitive with the Gulf coast. So we believe, just as previous governments have done 40 years ago, that by incenting value-added in the petrochemical streams of methane and propane, which currently we don't have in the province, in the country, it will incent investment that will lead to long-term benefits for Albertans and, therefore, all Canadians.

That's what the minister said.

He continued later on in the press conference to say:

Alberta faces some challenges when trying to compete for projects like value-added on methane, propane versus our biggest competitor, which is Texas and Louisiana, but once we get over the hump of construction and we are actually into the operational side, Alberta is quite competitive.

The ministry is well aware that building costs in Alberta are, quote, a challenge and higher than on the Gulf coast. The minister, with all his powers granted by Bill 1, Mr. Speaker, which just passed after several months of debate, is able to do absolutely nothing about the construction costs. Instead, the minister promises that if they absorb the high construction costs, he will give them some corporate welfare after the fact. Now that this carbon tax is out, we know how the minister plans on recouping that corporate welfare. The ministry is going to back this bill, Bill 20, which will increase construction costs even further in the form of a tax. This minister is going to back this bill that, instead of attracting

investment, will scare investment away due to the ever-increasing construction costs.

Now, members across the aisle are probably wondering how construction costs are going to increase due to this climate plan tax. Well, let me lay out several factors as to why construction costs will increase. First and most obvious, every single construction vehicle runs on gasoline or diesel. The cost to run each of those vehicles will increase, obviously. Those bulldozers, backhoes, and work trucks cannot be replaced by a Prius. Those vehicles cannot be replaced by public transit. The people operating those vehicles cannot choose to lift the blocks of cement with their hands as if they were building the pyramids, Mr. Speaker. I guarantee that those vehicles were not sold because of their fuel efficiency. They were sold because they could be used to build efficiently. In construction you have to achieve productivity. They look for safety; they look for efficiency. So the cost to build these petrochemical plants is increasing due to this tax.

9:50

Second, every person working on those plants needs to drive to work. Public transit does not exist at the locations where a petrochemical plant would be built. Those people are going to want their costs covered. No one wants to work for free. The party opposite is not advocating for people to work for free; they're supposed to be the champions of workers and peasants and all. So if the cost of gas increases, the cost of labour increases to cover their costs. There's a direct correlation there, Mr. Speaker.

Now, how are the building materials getting to the work sites? Teleporters don't exist yet. In the future they will, but today we have to build these projects. A Prius cannot haul steel beams to your work site. Large trucks will have to drive to the work sites, hauling the building materials to build the petrochemical plants. I'm sure that these companies who are thinking of building anything in Alberta are having to rework their costs because they have budgets to meet. To make these projects feasible and viable, they have to do economic impact studies. They will do a cost-benefit analysis, and they have to trend the costs. I've been there; I've done that. That's how the industry works.

Wait. There's more. The roads to get to the building sites do not exist. They have to be built. And what is one of the materials used in road construction, Mr. Speaker? It is something that will become more expensive thanks to the climate leadership plan. The material is fly ash. Now, according to a search for "fly ash" in *Hansard* documents this has not been mentioned once. Therefore, I'll give a little explanation as to what fly ash is, and then I will explain why it will become more expensive thanks to the NDP's carbon tax plan.

The definition of fly ash reads, quote: fly ash, also known as pulverized fuel ash in the United Kingdom, is one of the coal combustion products composed of the fine particles that are driven out of the boiler with the fuel gases. The ash that falls to the bottom of the boiler is called bottom ash. In the modern coal-fired power plants fly ash is generally captured by electrostatic precipitators or other particle filtration equipment before the fuel gases reach the chimneys. Together with the bottom ash removed from the bottom of the boiler, it's known as coal ash. Yes, it's called coal ash.

For those who haven't understood why this will become more expensive, let me break it down for you even more. Coal ash comes from coal. And what does this government want to phase out? Coal-fired power plants. Now that the House has an understanding of what coal ash, or fly ash, is, I'll get back to my explanation as to why petrochemical plants will become more expensive to build, Mr. Speaker.

Fly ash has been used for many years in road construction as a fill material in concrete, lean mix subbases, and in more recent

years as a binder and aggregate in hydraulically bound materials. That means that the roads that would need to be built to get to the construction site would need to use fly ash. If there are no coal-fired power plants in Alberta, then there will be no way to get fly ash locally. So then we'll have to import the fly ash from either out of the province or out of the country, which will come with the added cost of increased fuel to truck the fly ash into the province. Now the fly ash will cost more to buy, Mr. Speaker, and more to ship. The costs for building these petrochemical plants is just increasing by the moment.

Wait. There's more to come. The buildings will be largely composed of concrete. Does the House remember how this carbon plan will increase the cost of concrete? The cost of concrete will increase because fly ash is a part of concrete. Fly ash will be more expensive because the NDP wants to get rid of the power plants that create the fly ash.

These are just a few reasons, Mr. Speaker, why the NDP is making the cost to construct buildings in Alberta increase higher and higher thanks to their risky, ideological policies. Instead of trying to attract business investment and growth, this government is scaring them away by increasing their start-up costs.

Of course, the costs don't stop there. Once the building is built, it will need to be heated. Another reason why the costs to operate in Alberta, according to the minister of economic development, will be only competitive is because heating costs are higher in a winter climate than a tropical climate. Now this government is increasing the already high heating costs compared to the tropical Gulf coast, with whom we are competing to attract investment. How is increasing the cost to build and to operate in Alberta encouraging diversification? The minister needs to explain that to the House, Mr. Speaker.

This government created a whole new ministry that is in charge of diversifying the economy. Encouraging new industries to invest in Alberta cannot be done by giving a subsidy with one hand and increasing the costs with the other hand. Is this government's plan to out subsidy their own taxes in order to make Alberta competitive with other jurisdictions? I don't know. Only the minister can explain that.

A higher tax is not the way to encourage investors. A hike on necessary operating and upfront costs is not how to encourage investment. Thanks to this tax and thanks to this carbon plan the cost to invest in Alberta will increase more than it is already. The Minister of Economic Development and Trade already has admitted that government subsidies, corporate welfare, is needed to attract investment. Otherwise he would not be giving \$500 million worth of it away.

The cost to invest will only increase thanks to this tax and to this plan. How in the world is this helpful for our economy? It is ridiculous that for one moment a member across the aisle can say otherwise. This carbon tax is horrendous for business investment, and for the reasons I explained, it's becoming increasingly difficult to do business in this province even before this tax. Now this tax is adding fuel to the fire in terms of businesses that are fleeing the province. Investments are fleeing the province and going to other jurisdictions like British Columbia or Saskatchewan.

As stewards of the economy what are we supposed to do? We have to make it easy for the entrepreneurs to do business in this province.

The Speaker: Thank you, hon. member.

The hon. Member for Cypress-Medicine Hat under Standing Order 29(2)(a)?

Mr. Barnes: Yes, please, Mr. Speaker. I'd like to thank the hon. member for his strong words about Alberta families, about Calgary families, about everyone's concern for the environment, the timing, the impact, and the unintended consequences.

The city of Medicine Hat has a 9.9 per cent unemployment rate right now. My goodness. Two years ago you could get six jobs in the same hour. Has that changed? I'd like to hear from the hon. Member for Calgary-Foothills how Calgary is doing economically, the impacts and the challenges that this new tax will have on businesses, on families that need to pay their bills and need to provide opportunity. I'm especially concerned that Calgary, with this new carbon tax and its impact . . .

The Speaker: Hon. member, I wonder if you can direct your comments through the chair.

Mr. Barnes: Thank you, Mr. Speaker. To the hon. member through the Speaker: I'm very concerned about tourism and how this new tax is going to have huge implications and drags on our interprovincial travel. Of course, Calgary is in such a wonderful spot in Alberta, close to Banff and close to skiing and close to many strong, strong tourism industries. Are you also concerned that this will be a drag and further increase our unemployment rate?

Thank you.

10:00

The Speaker: The Member for Calgary-Foothills.

Mr. Panda: Thank you, Mr. Speaker, and thank you to my hon. colleague from Cypress-Medicine Hat. Like Medicine Hat or Bonnyville-Cold Lake, most Calgarians are impacted by this downturn in the economy. Most of them, actually, are very proud Calgarians who care about the economy. Not that other Albertans don't, but Calgary is in a unique situation. You know, when I worked back in downtown Calgary, most of our morning meetings started with the sustainability movement, and we did safety topics. We used to do the sustainability movement. Everyone in that office or in that meeting would reflect every day like we reflect here every day when we start the business.

In most of the offices in Calgary, they think about the sustainability movement: what can I do to protect the environment? I mean, nobody has a monopoly on protecting the environment, as one of the other members on the other side claims to have. Everybody is responsible. Every parent wants to protect the environment that they want to put their kids into. We see if we can print less in a day. Instead of printing, is there any other way of communication? Instead of driving to work, can we take public transport? At home can you have energy efficient windows or doors and all that to preserve the heat without consuming more fuel? In the summer how do they conserve? You know, there are stories, Mr. Speaker. I can go on and on and tell you how proud Calgarians are.

Most of those people work, actually, on the projects for the oil patch, so they are the leaders in finding technologies to take carbon out of the air. Government doesn't do that. The government, all of us, the politicians here: we can lecture the people, but we talk more and do little. Those engineers working in downtown: they are the people who find the technology. I mean, they are the innovators of the technology to separate oil from the sands. They are the proud engineers that are going to find the technology tomorrow to take carbon out of the air in a cost-effective manner. We haven't stopped doing that; it's an ongoing process. But this government tax is not going to help Calgarians, for sure, when they are down, when they are looking for jobs, staying home.

Now, with these additional taxes, it's not helping Calgarians in any way. I mean, I heard comments from the . . .

The Speaker: Thank you, hon. member.

The Member for Cypress-Medicine Hat. You're speaking to amendment RA1?

Mr. Barnes: To the bill, please, Mr. Speaker.

The Speaker: We're on the amendment.

Mr. Barnes: I'm sorry. To the amendment, yes.

The Speaker: You haven't spoken before?

Mr. Barnes: I have not spoken before, no.

The Speaker: Please proceed.

Mr. Barnes: Thank you, Mr. Speaker, and thanks to the House for the opportunity to rise and talk for a few minutes on the amendment. I appreciate and I'm pleased that the hon. Member for Innisfail-Sylvan Lake has brought this motion forward, that second reading of Bill 20, Climate Leadership Implementation Act, be amended by deleting all the words after "that" and substituting the following:

Bill 20, Climate Leadership Implementation Act, be not now read a second time because this Assembly has not received satisfactory evidence or assurances that a full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans.

I know that a crucial step that the NDP government missed was the economic changes in our province since their election, over the last couple of years. I spoke briefly in a question to the hon. Member for Calgary-Foothills about how the economic situation has changed in Cypress-Medicine Hat: a year and a half, two years ago, jobs everywhere, now a 9.9 per cent unemployment rate. I'm told every day that that does not include a lot of our good oil and gas workers because they're actually not employees. They're actually independent contractors who are small-business people, the lifeblood of the Alberta economy, the type of people that built the province of Alberta.

My goodness, is it the right time? Is it the right time for the implementation, which will make it harder for them to provide jobs, to create opportunities, to pay their bills, to build wealth? I would absolutely believe that an economic impact analysis could outline all of that and leave the NDP government to look further at where their ideology direction takes them.

In my four years as an MLA many, many people have cautioned me to be concerned, Mr. Speaker, about the unintended consequences of any legislation. There are a lot of smart people in government, a lot of smart lawyers and people that draft these things, but, my goodness, history is littered with examples of unintended consequences. I think back to the royalty review in 2008, 2009, that the previous government did in an effort to get Albertans what was deemed their fair share. Service industries were driven out of Cypress-Medicine Hat. Jobs went with them. Investment and wealth went with them. They went to Texas, the northeastern United States, South Dakota, Saskatchewan, and B.C., where royalties were more competitive, where costs were lower. I think the previous government's intention was to – well, actually, I don't know what their intention was, but the absolute result was to start this downturn in the southeastern corner of our province, where today we're looking at a 9.9 per cent unemployment rate. My goodness, the empathy I have for those people.

There are some other things that an economic impact analysis could have shown. I want to talk about the carbon leakage. A former

Finance minister put out an article a week or two ago detailing this. To me, it was tremendously interesting, the unintended consequences, that it could actually backfire. I'm sure that's not the NDP government's intention, but it kind of speaks to the fact, Mr. Speaker, that if we make our industries less competitive, if we make it so our industries can't compete and all that happens is that these carbon-producing industries move 200 miles, 400 miles to an area that doesn't have the same tax and is even more likely to have these types of emissions, we're looking at a situation where you're actually giving incentive for these industries in nearby jurisdictions to be more competitive and produce more carbon and actually do the opposite of what your ideology or what your good intentions might be. [interjection]

10:10

Now, I'm hearing from one of the members, "Oh, yeah, we have to be the most responsible people," and maybe we do. We do not want to be on the wrong side of this. But, my goodness, sir, an economic impact analysis would at least let us know what we're getting into.

Mr. Speaker, the economic impact analysis could take a full look at what this carbon leakage would be. You know, there's a saying in life that perception is reality, and the reality of the situation is that your good intentions may make it worse. Is that what you want? Keep going the way you are.

Back to the value of an economic impact analysis. I was Infrastructure and Transportation critic two or three years ago, and I found it a very interesting portfolio, with a lot of stakeholders reaching out to me about the fact that in government in Canada so often infrastructure and construction are taken on by – we have the best intentions. Our heart is in the right place, but government doesn't go the step of looking at the costs versus the benefits, and we end up with boondoggles. We end up with many situations where hard-earned tax dollars get absolutely wasted – that's the worst scenario – or more often than not we don't get the value for the investment. We don't do the right thing.

Properly engaging some experts, some people that spend their time and their lives looking at these things, could absolutely direct not only the best way to do it but, Mr. Speaker, the best time to do it, and the best time may not be when we have a 9.9 per cent unemployment rate and rising. Now, they gave some good examples. You know, the one that I think of is the Montreal subway, where millions or billions of dollars had been spent and they ended up without a proper, cohesive cost-benefit plan. One instance where they said that it was done and did work was the bridge to Prince Edward Island, the Confederation Bridge. So I guess why I present a pro and a con – I'm not saying this; the Official Opposition is not saying this – is to say: "Let's look at all of the information. Let's get the experts. Let's look at both sides of this."

I've also had the opportunity to read a little bit about New Zealand. I think it was 25 or so years ago now, somewhere in there, that unfortunately the country of New Zealand got themselves into a heck of a situation. I don't know that they went bankrupt, but certainly all the steps were there, where they couldn't cover their interest, they couldn't cover their debt, and they couldn't make the payments on their social programs and actually had to break their economy down to the basics and eliminate government interference.

One of the steps that they took was a full, complete economic impact analysis on everything they did. It included things like sinking funds for infrastructure when infrastructure was going to be built so that they could ensure that they always had the money to maintain the things that don't pay revenue like schools and

hospitals and those kinds of things. It made sure that the consequences of what they were doing were fully, fully understood, as best as people can.

Of course, Mr. Speaker, the result for New Zealand has been that their economy is back on track. They've become the leader in their area again. They've become a jurisdiction and an economy that can afford to pay for their social programs. The consequences of the big spending and the big taxation and the government interference were very, very hard on the New Zealanders, I understand, but through proper economic analysis, through involving experts they were able to maintain the services and the front-line workers and the things in our economy that we all want and we all rely on.

Mr. Speaker, I've been given a list of the uncalculated indirect social and economic cost increases for Albertan businesses and families. I'm told that it's not comprehensive, but, my goodness, it's already four pages. It looks like about 80 different strong elements of everyday Albertans' and Alberta families' lives are going to be affected by hidden costs. Yeah, we can rebate some of this, but we'll never get it all. We'll never be able to cover the jobs that are lost, the opportunities that are lost. Hey; an economic impact analysis could outline some of that for us, so why does this government not want to do it? Why does this government not want to take the proper time, engage the proper experts in making sure that we get this as good as we can?

Mr. Speaker, about halfway down page 1 I see how food production is going to be impacted. Of course, I see that greenhouses are on here, and I had to circle it immediately. In my constituency, in the town of Redcliff and throughout large parts of Medicine Hat and Cypress county, the greenhouse business is very, very strong. I remember that the previous government, when natural gas rates got high, rebated the industry. They felt that the industry was so important that they had to ensure that when gas prices were high, those jobs were protected, that keeping the cost of food affordable for all Albertans, especially seniors on fixed incomes, especially people starting out, had to be protected.

What is this government doing instead? The carbon tax will begin at \$1.01 per gigajoule and in 2018 will rise to \$1.52. At the same time the projected natural gas price in 2018 will be \$2.50. Natural gas is easily – easily – the biggest input other than labour, Mr. Speaker, in the greenhouse industry, so if they see a tripling of their natural gas costs, you know, my tomato sandwich is going to cost triple.

An Hon. Member: Tomatoes are terrible anyway. A bacon sandwich . . .

Mr. Barnes: Bacon. Who doesn't like bacon?

Mr. Speaker, I mean, you know, the industry has become a value-added industry. It's added packaging. It comes into the Calgary farmers' markets and sells to all Calgarians. It's in Medicine Hat. My goodness, you can walk into a lot of greenhouses in Redcliff, and there's nobody there, but you can leave your \$2 or your \$4 in the box and take a cucumber or a tomato. I guess the next time I go I'll have to leave a tenner.

The Speaker: Thank you, hon. member.

The Member for Airdrie under 29(2)(a).

Mrs. Pitt: Yes. Thank you, Mr. Speaker. Thank you to my hon. colleague for his insights. I very much enjoyed hearing this. It's unfortunate that the government side still thinks it's funny, the rising cost of food. They're not quite understanding the correlation, which is why an amendment like this is so important right now. It's important that we do the studies, that we understand the impacts because I truly believe that once this House understands the impacts

of this carbon tax, they will take a pause themselves as well. That's absolutely what I believe, so it was really great to hear your words.

10:20

The constituency that you represent in this House has a lot of greenhouses in the area. I'm not actually quite clear if it's the greenhouse capital of Alberta or the greenhouse capital of Canada, but I know and, Mr. Speaker, you would certainly know – I'm sure I'll be corrected here by my colleague or yourself – that there are many, many greenhouses in that area. We're really grateful for the products that they produce for our province. I like the flowers; in particular, the potted plants that come about this time of year for our gardens, and I'm a little concerned that next year those plants that, you know, make my house look pretty and my neighbourhood look nicer – there will certainly be fewer and fewer of them out there because those costs are going to go up because those, of course, are transported from Medicine Hat to Airdrie in a truck that uses fuel, which, of course, will have tax associated with it. Again, that's another study.

I was wondering. I'm certain that you've had conversations with these organizations in your constituency, and they've probably reached out to you on the impact of this. I know that there was a news story not too long ago where there was a greenhouse in that area that actually shut down because of the impending impacts of this government's policies, the minimum wage hikes and the carbon tax and, of course, the business tax hikes as well. That's certainly concerning, I mean, being the greenhouse capital of Canada or Alberta, which I'm hoping you will correct me on because now I'm actually really quite curious. It would be very good to hear.

I mean, these are direct food costs – direct food costs – and these are the fruits and vegetables that I had referred to earlier. You've certainly touched on this. I mean, a \$10 cucumber is outrageous. Not too long ago we had a broccoli crisis, did we not?

An Hon. Member: Cauliflower.

Mrs. Pitt: A cauliflower crisis, right? I mean, it's unfortunate that we're going to have a full on fruit and vegetable crisis here next year.

I don't know if the members opposite are aware, Mr. Speaker, but we are building, developing residential properties smaller and smaller nowadays – right? – and it's a reaction to reduce the carbon footprint here in our environment. With those smaller properties, obviously, you have a smaller yard, so you have less space where you can even grow your own food. I'm not sure if you're aware, but we actually are not able to grow a lot of things in this climate, especially when you have no space to even do it in your own yard. You know, I don't know what you want. You want everybody to live in apartments but somehow try and feed themselves, but they don't have any space to grow their own food. I don't know. This whole thing is just, like, this chaotic, rolling thing.

But I was hoping that my hon. colleague from Cypress-Medicine Hat would be able to let me know what the producers in the greenhouse capital of Canada or Alberta have been concerned about.

Mr. Barnes: Thank you for the question, hon. member. They are very, very concerned about the increase in costs. They are very, very concerned about being able to keep their businesses viable and going. They do employ hundreds of people. They do produce all kinds of vegetables. There are many of them that grow the seedlings, the small trees, for reforestation, and there are many of them that grow the flowers that you talked about.

The Speaker: Are there any other members who wish to speak to amendment RA1 to Bill 20?

Cortes-Vargas: He has already spoken.

The Speaker: Hon. member, we'll decide that over here.
Hon. member, you've not spoken?

Mr. Cyr: Not to the amendment.

The Speaker: To the amendment. I don't believe you have. Please proceed.

Mr. Cyr: Thank you, Mr. Speaker. I have been doing a lot of speaking, so I understand the confusion on the government side. I thank them for trying to make sure that I'm aware of which ones I have and haven't spoken to.

But to get to this amendment. It always is the job of opposition to try to make legislation better, and if they're not given the opportunity to or don't see a way that legislation can move forward, then they use something that's called a reasoned amendment and say: let's stop it now, and then we will work on bringing forward information that we need, and then we will take that information and maybe, possibly, bring forward a new act that we can actually all work with and move forward with.

Now, I'd like to be clear on exactly what it is that we are looking for in this reasoned amendment. This Assembly has not received satisfactory evidence or assurance that the full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans. Now, to be clear, Bill 20, the Climate Leadership Implementation Act – I would like to actually refer to it more accurately as either the carbon tax act or the Alberta consumption tax. This new tax that is being brought in by the NDP is one of many, and I would like to just be clear here because this is important. We're still reeling from the changes that have already been brought in, and it's important to say: what other taxes are we looking at here? Have we actually yet felt the full impact of these other tax increases that we have brought in?

My question to the government is that before you start bringing new taxes in, maybe we should see what the old taxes have done. How can we know what the increase in minimum wage is going to look like in Alberta? How are we going to know what the personal income tax increases, the 50 per cent increase on the highest marginal tax rate, are going to do to Alberta?

The corporate tax increase that we saw, that just happened: now, I will give the government credit. They did listen to the Wildrose. We specifically said: "We need to make sure that the small businesses in Alberta during this time frame are looked after by doing something, just a small thing, but it is something. Let's reduce the small-business corporate tax by 1 per cent." And you know what? To their credit they listened to us, and they implemented it. Thank you very much. I appreciate it. But this still doesn't change the fact that corporate taxes as a whole went up, and we still don't know what the impact of those corporate taxes going up is going to be on Alberta.

Now we are seeing a gas tax go up with this bill. That is going to have an impact on Alberta by itself. A natural gas tax is going to be added in this. Now, all of these increased taxes are going to be compounding on each other. We don't know the results of taxes you've already increased – we don't know – and you're adding more taxes to this.

Let's look at my next point here. Let's look back to the election on May 5, just over a year ago, that we have gone through. The platform of the current government was: we need to bring environmental responsibility back to Alberta; we're going to increase taxes. This wasn't a secret. I fully agree with the government. Their platform was on the website. They were clear that the environment was important to them. It was important to me

as well, Mr. Speaker. I believe that we need balance. They were saying that we need to make sure that we do this responsibly, and I agree. We do need to be making sure our environment is protected, but in the end what we're seeing here is a radical shift with the Alberta government right now.

10:30

We have been known for years to have the Alberta advantage. That is to mean that we have promoted business and individuals throughout Alberta to move forward with their earnings and be able to be contributors to the social system that we have in place. The Alberta advantage. You move to Alberta, you're going to get an advantage, the Alberta advantage. Now what we've seen is a transition away. The government has brought in the Alberta way. What is the difference with the Alberta advantage? What we're seeing is higher taxes, which brings higher unemployment. These two go hand in hand. What we saw with the Alberta advantage was stability. What has the Alberta way brought? Instability. When we start looking at what the Alberta advantage and the Alberta way are, you're seeing a chasm between the two ideologies. We're transitioning from Alberta advantage to Alberta way.

The next one was that on the NDP platform it was environmental responsibility, which most Albertans would agree with, to carbon tax, that wasn't on the NDP's website or platform. This is a different transition. This is where we actually see a change in phrases again: environmental responsibility to carbon tax. We all want to protect our environment, but the question that I have for the government is – we want to see Alberta in the forefront of environmental responsibility. There's no doubt, and I believe we were there. I believe that we actually were there. We actually need to be promoting ourselves as a province that is in the forefront of this area.

Fine. Okay. We're moving towards a different ideology. This is a government that has been fairly elected. Right now what we're looking at is this carbon tax. Now, that wasn't brought into the platform. Right now what we're not seeing are any actual goals, any actual way of getting to any achievable result other than: we want to bring in a tax. My concern here is that we've already had minimum wage increases, personal tax increases, corporate tax increases, a gas tax increase, a natural gas increase, potentially, and now we're going to increase carbon tax, which, in the end, like all of these, will increase the taxes.

When we start looking at what it is that the government is trying to achieve, the results here aren't being given any metrics that we can measure. What are we trying to do with this money? Now, I would say that the hon. colleague from the third party from Vermilion-Lloydminster brought up a very good point during estimates. We have a hundred per cent funding on all the environmental initiatives that are going forward. Does that mean that every one of them had a business analysis done? Or do we just have so much money coming in that we can't spend it fast enough? This is a concern because in the end we need to be picking what the best route for Alberta is, not just spending money, throwing a dart at the dartboard and hoping that it actually achieves what we're looking to do. That is obviously not the right direction.

Let's start again. Let's go from the top down here. Alberta advantage to Alberta way. Environmental responsibility to carbon tax. Then if we look at when this first was promoted, this wonderful carbon tax, it was promoted to Albertans as revenue neutral. They were saying: "You know what? We are going for every dollar we take out of the economy. Every dollar we take out of the economy through this new tax is going to have a result of tax reductions." That is what tax neutral means: tax increase, tax decrease. That is essentially what it is, and then you meet in the middle ground. That

is what B.C. is doing. That is a true carbon-neutral tax. But you know what? That's changed now. It's no longer revenue neutral that they're promoting, but that was the original message that went out. That's what people in Alberta still hear. That's what they already know.

This new term that we've seen pop up is "revenue recycling." Wow. That sounds like environmental recycling, doesn't it? We're responsibly spending our money. We're recycling it back into the economy. Every dollar that we bring in – guess what? – is recycled. Every dollar is recycled. If we want to be environmental stewards, let's treat all of our taxes that we have coming in, personal, corporate – they're all environmentally friendly now. Isn't that great? Let's be clear. This is not revenue neutral. We have an actual tax. That means we're collecting money, and we have no plan for that money other than we're just going to throw darts at the dartboard and make sure that when we are done spending the money and in the end putting a whole lot of debt onto our children – we've seen with Bill 10 that we are actually getting rid of the debt cap. We are leaving a legacy of failed experiments and debt for our children. That is not a legacy I would like to leave for my two little girls, Amelia and Charlotte.

How can we look at moving forward with this? Something that I would like to mention is that over the last five months the Premier has actually said that it is not time to reach out and make a big money grab because that is not going to help Albertans right now. That is exactly what this is. We have no direction for the money. We have no expectation of results for this spent money. We do know, by what the hon. Member for Airdrie has said, that it is going to affect Albertans. Even the government admits that. They admit that there are going to be direct and indirect costs for Albertans. This is not something that is in dispute. What is in dispute is the amount – the amount – of that impact.

Now, the government is being very clear, saying that it's going to cover all of the costs for the low-income Albertans. Well, we had one of the MLAs from Calgary southwest say that this is a partial – partial – payment back to Albertans. I agree with that fully. It is a partial payment back to Albertans because in the end – and let's go back to the amendment – without doing "a full economic impact analysis," we have no idea what the end result is. This is, again, bringing back the fact that we already don't know what the effects of the other taxes are going to be on us.

Now, I have been told by my colleagues in my last profession, which was in accounting, that they have given instruction to the clients that they needed to pay out all of the money that was sitting in their corporations before December 31, 2015, because they needed to take advantage of the lower tax brackets, which is tax planning. This is tax planning. This is tax planning at its finest. We actually will see a higher amount of taxes collected in this last year, that we won't see this year because we've already gone to the farthest extent when it comes to taxes. So we're not only going to see an increase in this carbon levy, bringing in a wonderful bit of money to make up for the personal taxes that the companies aren't going to be paying out because it paid out massive lumps in 2015 just to make sure . . .

10:40

The Speaker: Thank you, hon. member.
Under 29(2)(a), Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Mr. Speaker, and thank you to my hon. colleague. Not being an accountant, I'm very interested to understand a little bit more about this. If I understand the hon. member correctly, because of the massive payouts made in 2015, those funds are not going to be paid out in this fiscal year or

calendar year; therefore, the amount of revenue collected by the provincial government is going to be less than it might otherwise be. I would like to know from the hon. member if he could illuminate us a little bit on what that might mean to the government's own projections on just how much revenue this government is actually going to then net if these corporations made that payout last year. We have seen repeatedly that this government's projections both on costs and revenues have never been anywhere close to being reality, not even in the same galaxy sometimes.

I'm concerned that this government, which is already putting us deeply in debt, hasn't even done the appropriate study of revenue flows and cash-flow projections that a business would do. I'm concerned that they have not taken this into account, again, because they didn't do economic impact assessments – and they're just so straightforward – and they're unaware of it. They are forging on ahead under a false notion that there's a pot of money coming their way, which, in fact, if I understand you correctly, is not true. Would the hon. member please illuminate us a little bit more about that?

Mr. Cyr: Thank you for the question. The fact is that when you bring in more taxes, there always are diminishing returns that are attached to these things. Now, we have an Alberta government that is bringing in significant tax increases. We have a federal government that has brought in significant tax increases. Now, this means that we had all of the smaller businesses paying out the cash in their companies last year, which means that this year they're going to go back down to their normal earnings that they would have had before. There are no corporate taxes that are going to be made in this next year even though the government is very clear that they're pushing forward all these great big tax increases, and the reason is that there are no companies out there making profits.

Now, we do have some of the companies that are related to government or government activity still out there, and they're still bringing in and generating income. I understand that putting money in right now to build Alberta up while Albertans aren't working, while we have an infrastructure deficit is something that probably will get more out of our dollars. But we were building at an astounding rate before. What happens here is that we're going to find that the personal taxes are going to decrease because, in the end, we had that big lump that was paid out, we have no profits or low profits coming in for the corporations, we have minimum wage increases, which will drive down the profits of these businesses within Alberta, and that means that fewer wages are taken by the owner or fewer profits are being made.

Now, I know that we're insensitive to the fact that profits are a driver for businesses. Somehow we've come to the conclusion that businesses in Alberta wanting to make money have become a detriment – a detriment – to Alberta. That is just not true because without a good, strong source of income, a good return on money, businesses don't thrive in Alberta. So what happens is that we've got a government right now saying: "You know what? They can just charge more. They can just charge more." You know, I've heard this argument consistently from the government: just charge more.

The Speaker: Thank you, hon. member.
I think we've completed 29(2)(a).
The hon. Member for Little Bow.

Mr. Schneider: Thank you, Mr. Speaker. [interjection] Sorry for all the jocularity that goes on in the back row here.

I appreciate the opportunity to rise today and speak regarding the amendment to Bill 20, an amendment to a bill which seeks to

impose a carbon tax on Alberta. Now, I support my colleague's amendment to this bill, an amendment that states that "this Assembly has not received satisfactory evidence or assurances that a full economic impact analysis has been completed detailing any potential negative impact on the economic well-being of Albertans." I support this amendment. It is a little bit incomprehensible to me that in a delicate, frail economy such as this one, the government would wilfully inflict a policy that has the potential to be economically damaging. Worse is that they would do so without any sort of credible economic impact assessment, which this amendment speaks to.

Simply put, it is the very definition of reason that this debate pause until we have this economic impact study to demonstrate that there are no consequential economic impacts. Not only would the government's carbon tax increase costs to companies and job creators but also to everyday families. This legislation as presented will make life more expensive for Albertans.

Of course, as conservatives we recognize the inherent need to preserve, to conserve, to leave an environment for our children that is at least as good as the one that we ourselves inherited.

Now, speaking solely in the abstract, the concept of a carbon tax has been championed by numerous experts over other alternatives. But this government's carbon tax tends to go beyond a simple behavioural change incentive. Theoretically, the carbon tax is meant to discourage behaviours that produce emissions, discourage behaviours that use fuels that create those.

Mr. MacIntyre: What about greenhouses?

Mr. Schneider: Greenhouses, too.

But the broad-based application of the tax suggests that it's really more of a revenue tool than anything else. How else to explain the broad-based application? By definition the carbon tax is to modify behaviour to discourage heavy emissions, but what on earth does this government intend to modify within the behaviour of a nonprofit company, I wonder. Goodness knows that the nonprofits that serve this province from one end of it to the other often stretch the value of any given dollar further than anyone else is capable of, and we thank them very much for the abilities that they have in making that dollar go further to help those that are a little less fortunate than some of us.

10:50

To quote from the Calgary Chamber of Voluntary Organizations:

Furthermore, while impacts of the new carbon tax will be mitigated through a rebate program for individuals and a tax reduction for small business, no provisions were announced for the nonprofit sector. We are disappointed that the impact on the nonprofit sector fails to have been considered in two of the hallmark initiatives of this budget.

Likewise, a large segment of my constituency, as you know, Mr. Speaker, is involved in farming operations, as I said in my member's statement yesterday. I talked about Feedlot Alley, which is right dead centre in my constituency. Every day of the week for 52 weeks a year there is a requirement for feed products to feed the cattle, for feed products to feed hogs that are in Feedlot Alley. Now, my question is: what behaviour does this government intend to modify within the farmers in my constituency? The fuel for farm equipment is essential. It should go without saying that in rural Alberta not everything is as close in proximity as it would be in the city. The ability to drive is essential. To get from one portion of your farm to another at times takes miles and miles of required driving. Precisely what behaviour this government intends to modify within farmers is, again, unclear.

What the carbon tax will likely do is increase costs, making life more expensive. These are the sorts of issues an economic impact

assessment, as proposed in this amendment, ought to be in place to address. Of course, the legislation presented does include an exception for farming operations, an exemption to the fuel increase, but the definition of what is allowed in farming operations is left to the regulations, which we haven't seen yet.

I want to state something which I had long thought was self-evident. Farmers feed cities. Farmers feed the world. Farmers all over the world feed the rest of the world – that we've known for ages – and the food that comes from farms needs to be transported. If the carbon tax is raising the cost of fuel, raising the cost of transporting food, the invariable consequence is that food itself becomes more expensive. I can't think of a more ill-conceived idea than to make probably the most basic necessity of life more expensive.

In simple terms, if those on the government benches are so certain that their carbon tax will not cause major economic consequences for Albertans, they owe it to Albertans to demonstrate it through an economic impact assessment because as it stands, companies in my constituency are understandably worried. One trucking company that my office heard from expressed concern that big farming operations will have an unfair advantage since they are exempt from the carbon tax and they are also able to use purple fuel in all their trucks. The carbon tax will have an effect on his business, but it will also give bigger farmers a bigger advantage. It seems like it picks winners and losers at times.

Another trucking company I spoke with expressed concern that they are not getting exemptions. They run trucks up and down the road to these feedlots, actually. Their trucks would be hooked to trailers that would haul grain or trailers that would haul the livestock that is picked up at an auction market and taken out to a feedlot or picked up at a rancher's yard. Now, for this particular fellow, his costs were exceeding a hundred thousand dollars when he was running 16 trucks. Sixteen trucks is a pretty big fleet. That fleet has now dropped down to seven trucks due to the recession. Everybody feels the pinch of the recession; that's understandable. He told me that they were already charging 30 per cent less than what they should be and trying to figure out what they're going to do to absorb what is passed on as a result of this tax and what is passed on to clients with the tax. How much further, I wonder, will they be able to eat this cost so that they can stay in business?

Another company trucks most of the milk in southern Alberta from the dairies for processing. Their added costs will be directly added to the consumers' just because of the way their business works. They charge for the increased costs when they invoice. When it's delivered, that cost will be directly passed on to the processor, which, of course, will be directly passed on to the grocery store that sells the product, right back to the consumer, right back to Alberta families again.

It's a reasonable amendment that this carbon tax be delayed until an economic impact assessment is completed. Simply put, the bill is poised to make life more expensive for Albertans. In a time like this it's simply the wrong tax at the wrong time. It's bad timing for anyone who has to try and make a living in this economy. Things will change; we know that. It's just that it appears that this government is unable to demonstrate that there will not be economy-wide consequences.

I did just want to talk about a few other examples of uncalculated, indirect social and economic cost increases for Alberta businesses and families. You know, when I went to school – my goodness; I can hardly remember that – I do remember that if it was hot in class, the windows were all openable, if that's a word. We threw those open when it was hot, and if it started to get cool, we closed them. That was a different time, of course. Buildings today are climate controlled, which means that there are heating and cooling elements

within the structure which use electricity, probably natural gas, for heating and cooling. I hear from constituents all the time about school fees, that they kind of turn their nose up at. Nobody likes to pay those school fees, but because it's their children, they pay them. And they'll pay these extra costs that are brought on by this bill as well. It's just another burden to Alberta families.

Last night I brought up unintended consequences of this bill. My colleague from Leduc-Beaumont talked about the costs that, you know, seemed like they're unintended for agriculture.

School boards. That's another kind of a weird consequence of the carbon tax. The province of Alberta funds the school boards, gives them money for operations. Those dollars that are given are tax dollars from Albertans. The school boards pay for busing and heating and cooling, et cetera, and the dollars that school boards pay include increased expenses for the fuels that are part of operations. As an example, I read an article where the Edmonton public school board was talking about the additional costs of busing as an effect of this carbon tax.

Beginning Jan. 1, 2017, the government will charge consumers \$20 per tonne of carbon dioxide . . . produced by the combustion of gasoline, diesel and natural gas. The levy translates into 4.5 cents per litre on gasoline, 5.4 cents per litre on diesel and about \$1 per gigajoule . . .

Or GJ as I've been told it's affectionately called.

. . . of natural gas. Those rates rise again on Jan. 1, 2018.

In 2017, filling the tanks of the 500 school buses that transport Edmonton public students daily would cost an extra \$6,000 to \$10,200, depending on the size of the diesel bus's tank. Administrators haven't yet determined the potential cost to the [entire] district.

It goes on to say:

Heating public schools, however, will cost an estimated \$630,000 more for the eight months the carbon tax would apply, said Todd Burnstad, acting managing director of finance for Edmonton Public Schools.

11:00

It appears that all this government is doing is shifting dollars from Education into another government department. There's no gain in imposing a carbon tax onto a school board whose funds already come entirely from taxpayers. Those dollars are labelled for education, so it appears that funding for schools will have to increase in order for school boards to operate unless, Mr. Speaker, this is one of those consequences of the bill that hasn't been written into regulations yet.

As I said last night, if I hand the Bill 20 document to any person that wants to take the time to read it, they may have difficulty finding within the proposed legislation a portion that explains how the increased cost of electricity, the increased cost of diesel or gas for buses or the cost of natural gas for heating and/or cooling will be exempted. At the end of all this, will the school boards be given more money for their budgets to cover these expenses, and who comes up with the money for the province to increase these expenses? Would it be the Alberta taxpayer, shifting dollars from Education to a different government coffers?

I just want to talk about hospitals for a minute. Hospitals . . .

The Speaker: Thank you, hon. member

The hon. Member for Airdrie under 29(2)(a).

Mrs. Pitt: Thank you, Mr. Speaker. Thank you so much to my hon. colleague from Little Bow for the wonderful words of wisdom, so to speak. Basically, you crafted a good argument and gave really great examples about how this NDP carbon tax is literally a carbon tax on everything. You gave really great examples about the increases in the busing fees in your constituency and the concerns.

Certainly, we know there's going to be an impact on families. Those are, again, just examples of the indirect costs that haven't been calculated and that nobody seems to want to do any studies on. But, you know, barrel through, and pass this very damaging carbon tax bill.

I actually haven't heard any arguments at all from the government side about the environmental impact of their carbon tax bill. Like, what would be the purpose? I have to pay more for my heating costs in my home, yet what is the output on the other side? What are your measurables on the other side?

Ms McCuaig-Boyd: Lower carbon emissions.

Mrs. Pitt: I'm not even quite sure if you understand what less carbon emissions means, because you have yet to actually put anything down. We've asked for a lot of this evidence to be tabled. What is your outcome here? If you're trying to make a sales pitch, Mr. Speaker, if the government is trying to make a sales pitch, you would present an argument. If you want to sell Alberta on your plan, you would present a valuable argument. It's sort of like sales 101. I get that there is very little real-world experience on the government side – I get that – and it's unfortunate, but we are where we are.

I'm not quite sure if there is an appetite on the government side, Mr. Speaker, to actually go out and get some information, you know. So far I hear evidence that this government watches movies about climate change. I know that unicorns aren't real, but I don't think that this government does. [interjections]

The Speaker: Please proceed.

Mrs. Pitt: Thank you, Mr. Speaker. I was really hoping that my hon. colleague for Little Bow would be able to tell me about the conversations that he's had with the constituents in his constituency and about the impact that this will have on his community. I'm really concerned that my hon. colleague is going to be in a situation, that I do believe every single one of us is going to be in, where our constituents are literally desperate because they just can't afford the costs here.

We could help to mitigate these damages if we had the research in place beforehand, but we don't have that, and there doesn't seem to be a willingness to do so. Before we go about impacting people's lives in a significant, magnificent way, let's do some research. That's it. Then your sales pitch is right there, and this would be a whole heck of a lot easier, and everybody would feel good and warm and fuzzy inside.

Instead, we're here asking so many questions, and we have so many concerns, and so do the people that elected us to be here to represent them. These are the questions that they're asking, and these are the concerns that they have. I think it would be extremely prudent for us to do our jobs, put our heads together, and move forward with a plan that everybody can buy into. Wouldn't that be just easier, Mr. Speaker?

I'm hoping that my hon. colleague for Little Bow would be able to give us some insight into what his constituents are saying.

The Speaker: Are there any other members who wish to speak to amendment RA1? The Member for Lacombe-Ponoka.

Mr. Orr: Thank you, Mr. Speaker. I appreciate the opportunity. The importance of an economic impact assessment here is extremely important. While I realize that there are a number of scientists and academics on the government side, it causes me to think that surely they would value rigorous economic analysis. Now, I understand that there would be great value to this, in fact. It would certainly take arguments away from the opposition if they

had a serious economic impact analysis. It would be an undeniable argument to Albertans, who would be able to look at it and understand it and make sense of it. It would make for a perfect bill. But just presenting it based on emotion and ideology and rhetoric: that may be their karma, but it really isn't real science or good academics, for that matter.

Economic impact assessments should be required for every major government program. We require environmental impact assessments. I understand that accounting is not nearly so sexy, but it would actually help to have the economic side of this as well.

The truth is that this is just a tax grab bill. That's what it's all about. It's not even an environmental – there is no environmental assessment. There's no real indication per industry of tonnes of CO₂ in reduction targets. There are no measurements of money that it will cost. There's no monitoring of the emitters or payers. It's all about payers. It's all about money. It's all about the fact that they want to create this tax grab, essentially. That is what it boils down to. I think that's why they're avoiding the actual economic side of an assessment. It's just not suiting their particular purpose, and that's troubling because I think an economic analysis would help to identify some of the incredible inequalities that are being put forward with this bill.

We listened just a couple of days ago to a carbon trade expert and business that works on reducing carbon in industry across Alberta. He pointed out to us that there's a huge gap between the specified gas emitter regulation and the carbon that those companies – 109, I think it is – are committed to and then the fact that there's a small-business tax credit for small businesses. But there's this massive gap for a whole bunch of mid-sized businesses in Alberta that don't qualify for the small-business tax credit, that are not part of the specified gas emitters regulation, and there is absolutely no protection or forward movement for them in this bill.

11:10

They have specifically said: "Fine. Charge us a million dollars, but what do we get for it? We don't get any help with improving our environmental footprint. We don't get any kind of tax credit. We don't get any kind of support in any way." There's this massive gap with these mid-sized industries across Alberta, which are actually significant employers, significant contributors to our GDP. I'm speaking particularly of food processors, food production; for instance, our malting companies in this province, one of which is in my riding, the kinds of businesses that actually use a fair bit of energy, a fair bit of natural gas in heating food products in order to sterilize them, in order to process them. They use a lot of natural gas. Part of the difficulty of this equation, that maybe an economic impact analysis would have identified, is that many of these companies, unfortunately – I'm not thrilled about this – actually have their head offices outside of this province. They are owned by others.

They are coming back and saying to us: "What kind of government have you guys got going on there? Why should we stay there?" One of them, in fact, said: "We could take our business, relocate it across the border, buy gas for export, which would be cheaper, and actually make more money if we relocated ourselves." This is called leakage. The Climate Leadership report actually tried to address this, but the government overlooked it. The reality is that businesses are actually saying this. They said it to us two days ago. They are willing to relocate. Even worse, some of them that are looking at expansion or even were considering coming into the province are at the point now where they're saying: "It isn't worth it. I mean, I'm charged with a cost that I don't have to pay in other jurisdictions. It makes it unprofitable for me. I'm not coming there till this gets all sorted out."

Another aspect of this is the fact that these mid-tier companies, who are expected to reassess their environmental impact, which is

good and great, have not been given any kind of an adequate time to do that. As we were speaking with the expert on this the other day, he pointed out to us that the time to retrofit in order to actually meet the deadline of January 1, 2017, is impossible. He said that most of the projects where we go in and recover heat energy, where we install lower footprint equipment, where we cogenerate electricity from recoveries and losses take two years from design to installation to actually being able to use it. We've got – what? – eight months, and these companies are supposed to have this all done. There's no help; there's no guidance; there's no timeline. There's nothing on this for them. So they are extremely frustrated, and the inequalities that are being created are just unbelievable. I think an environmental impact assessment would have helped with that kind of thing in a very, very real way.

I want to refer also again to the Climate Leadership report that was put out. On page 24, the second and third paragraphs, they talk about the fact that Alberta companies will need to find ways to reduce costs. Good. I agree. They will need to find ways to reduce costs. How is it, then, that the government is not giving them the time to be able to do that nor giving these mid-tier companies any assistance in doing that and, on top of it, while telling them to reduce costs, is piling taxes on top of them? It's just a complete contradiction of realities.

On page 21 of the same report it says that a two-degree "transition will require a significant change in energy use globally, but perhaps not as dramatic or as quickly as some [thought]." Here we have the report that is the mandate for all of this, the very thing that's supposed to be guiding it, yet they're not following it. There's such a headlong rush that, quite frankly, we don't believe they've got it right. In fact, we believe they've got it very wrong, and an economic impact assessment would in fact probably help a great deal with that. It would be very valuable if that were to happen.

The point of an economic impact assessment is the fact that it needs to address the actual costs that are being forced upon people. The Climate Leadership report doesn't address those economic impacts. I understand that it's your mandate. I've read it all. It does outline direction. It sends out signals, to use a phrase out the report, but the economic impact of costs is not really addressed there.

There literally is no risk assessment for businesses. There's no business plan to how to actually move this thing forward. While I applaud the idea of creating new green industries and new green forms of energy, anybody who's an entrepreneur understands that if you're going to launch a new venture, a new business, take a new direction to create a business, you need a significant and serious plan, and it usually takes at least three to five years to get to the point where you get a cash flow that is sustainable, that actually works. Up until that point in time you're putting investment into the company. Hopefully, you can get to the point where you are able to generate cash flow and become viable.

I know that there's some great encouragement, that there are companies out there wanting to create new industries. That is true. Unfortunately, the reality is that many of them are there – and I hate to have to say this, but I've heard it in my own riding. Companies wanting to create new green industries are waiting until they can find out how much money they can get from the government to fund it. There are people standing in line all over looking for tax breaks, for funding, for incentives. This is exactly what happened in British Columbia when the NDP were there.

As long as the government is handing out money or incentives or benefits or cash flow in some form or another, there will be lots of people. I mean, these business guys are smart. They know how to get money out of government. They know how to play all of the games, they know how to speak the right language, they know how to put together the business plans, and they know how to get the

cash in their jeans. That troubles me. I'm not going to say that every single one of them is like that, but the reality is that it is a huge, huge risk. Over and over and over again governments end up, basically, in fiascos over millions and millions of dollars of taxpayers' money just getting siphoned off from smart business guys who know how to play the game. That bothers me. I think that's a huge risk in this situation, and I think that there needs to be a great deal of care on this. An economic impact assessment would help in that regard.

For that reason, I entirely support the motion. Thank you, Mr. Speaker.

The Speaker: Hon. members, are there any questions under 29(2)(a)?

The Member for Grande Prairie-Smoky.

Mr. Loewen: Thank you, Mr. Speaker. As we've kind of been going through this debate here, I just want to start by saying that I appreciate the member's comments. I think he brought up some very good points. It's interesting what we hear from the other side. I mean, a lot of the time it's just kind of sniping and chirping and stuff like that.

You know, when we use the word "tax," they like to throw out the word "levy." I'd like the member's comment on this word "levy." Now, if I were to be just a little creative with the word "levy" and use a different spelling, it says that it's an embankment or a dam. Though some people may use some of those terms to describe this bill as being, you know, expensive, I just wanted to point out that the Don McLean song *American Pie* starts off with "So bye, bye, Miss American Pie. Drove my Chevy to the levee but the levee was dry." So that actual spelling of "levee" might be more accurate because in his song he's referring to a ditch. I think that's probably right. This here is a bit of ditch that we're going to be throwing money into.

Now, the proper definition for the way that the word "levy" is spelled, how the government is using it, is that as a verb it's to impose a tax, fee, or a fine. As a noun it's an act of levying a tax, fee, fine. Synonyms to levy are tax, tariff, toll, et cetera. So it's very clear what a levy is. A levy is a tax.

Now, sometimes the government likes to use the word "price." Synonyms for price are cost, charge, fee, fare, levy. I'd like the member to maybe comment on this word "levy" that the government likes to use. I think it's pretty clear that levy is the same as tax.

11:20

Now, the definition of tax: "A compulsory contribution to state revenue, levied by the government on workers' income and business profits, or added to the cost of some goods, services, and transactions." That's obviously what's happening here. It's a cost added to goods and services. Another definition included words like "burden," "load," "weight," "demand," "strain," "pressure," "stress," "drain," "imposition." They are some definitions of the word "tax." I can see why the government doesn't like to use it, but when they use the word "levy," obviously it's the same thing.

The government, of course, sits on the other side. They like to laugh when we talk about the cost to individuals of this tax, but it isn't funny, Mr. Speaker. It's not funny at all. I'd like to have the member actually comment on that, too.

Now, another word we hear is "fearmongering." Well, we have a chance here to get the facts on this, to have an actual study done on what this actually will cost Albertans, cost business, loss of jobs. I mean, there are multiple things that can be the result of this tax bill, and we don't know what they all are. We're doing our best with the

information we have to gather things together, see what this cost is going to be on individuals, on families, on businesses, how many jobs will be lost, but we really could use a proper, full, in-depth study on this.

The Member for Edmonton-South West got up and talked about full and partial rebates. At this point, by now, we're starting to realize that there are more costs involved than what the government or the report has identified. He talked about full and partial rebates. I'm going to suggest that it's, at best, partial rebates and possibly no rebates. In fact, depending on your income there will be no rebates.

Another thing that the Member for Edmonton-South West said was that this bill has been out for weeks. Well, I hope that's not true, Mr. Speaker, because we've only had it for a week.

I mentioned before about the day last week when we were debating Bill 1 and Bill 20 on the same day. Now, let's look at Bill 1. Bill 1 is basically three pages long. It took 80 days from the time it was first introduced to the time it was passed, 80 days for a three-page bill . . .

The Speaker: Thank you, hon. member.

Are there any other members speaking to amendment RA1? The Member for Battle River-Wainwright.

Mr. Taylor: Thank you, Mr. Speaker. Thank you for the opportunity to rise and speak on this reasoned amendment to Bill 20, the Climate Leadership Implementation Act. I think that it's a very reasonable reasoned amendment. I'm just going to go over it to help start this off and actually read it.

Bill 20, Climate Leadership Implementation Act, be not now read a second time because this Assembly has not received satisfactory evidence or assurances that a full economic . . . analysis has been completed detailing any potential negative impact on the economic well-being of Albertans.

I know we've heard people talking about that. This Climate Leadership Implementation Act does not speak about a climate leadership plan in any way that I could find. It talks about tax. It talks about how they can tax people, tax Albertans more, tax us on, frankly, everything for all Albertans. This is a tax plan. It's not a climate leadership plan. I hear the government say that it's about the environment and why the environment is so important, but why does this bill only talk about taxes? There's not a plan there.

If it's behaviour modification, if that's what you're trying to create out of that, if that's the tool – the Member for Innisfail-Sylvan Lake talked about it last night, a behaviour modification tool – why are we going after hospitals? They have surgery rooms, which they have to have. They have surgery theatres that they work in. They have to have the air exchange. In the middle of winter that temperature has to be raised so it can be at least 18 degrees Celsius. It takes a huge volume of natural gas energy to do that.

This continues throughout the province. It's not just in my riding. It's not just in Edmonton or Calgary. It's in so many different towns throughout this province. They have the same concern. What economic impact assessment has been done? What studies have been done? I'd love to know what studies have been done.

What's going to happen in my riding? When you take a look at specifically what I have, we have a food processing plant in my riding that processes canola seed. To get canola seed from a grain to an oil takes a huge amount of energy. It's not just simply: squeeze, do this, and something comes out. It's using a large volume of energy day in and day out. As a result, the carbon tax that's going to be put on this food processing is going to raise the price of the oils, your canola oil that you use and enjoy. It's not just what you use at home. They have it in deep fryers at McDonald's,

if that's where you go, or any restaurant that deep-fries. Chances are that they're using canola oil that was produced locally, and it's going to be going up in price.

You know, Mr. Speaker, when they take the canola – the farmers have gone to the work of growing the canola and then putting it into a truck to transport it down to one of the grain terminals. Then the grain terminals will pick up that seed and put it onto trains. Well, we know that there are more taxes on the trains. We know that that's going to be going on. What's going to happen there is that if it's on a train and they're shipping it to Wainwright to be processed, well, it's going to cost that company. They're going to lose sales because somebody in Saskatchewan can make that same oil for 10, 15 per cent less, and consumers want to buy the product that's 10, 15 per cent less. So why wouldn't that train – that train only has to go another 30 miles from Wainwright to be in Saskatchewan, Mr. Speaker. It's literally that close.

If we just take this line of logic – and I know they have places to process the canola across the border in Saskatchewan. How hard would it be for them to now transport it just a little bit farther? It's going to cost them, really, next to nothing insofar as the cost of transportation. The processing of this canola is going to be huge as a result of this carbon tax. We're going to see the cost of goods go up, the cost, like I said, at McDonald's. And bakeries use it. They use it for so many different products.

Are we supporting Saskatchewan? Is that what we're doing? Saskatchewan doesn't have any regulations, so we're going to still get the carbon. If they're going to have the plant in Saskatchewan and the plant is going full tilt – it was going three-quarters and now it goes full tilt, so they doubled their capacity – the carbon still floats up in the air and comes back to Alberta. We're not any better off. You have not changed or modified any behaviour. You've just lost jobs for Albertans.

11:30

Mr. Orr: That's why it's wrong.

Mr. Taylor: That's why it's wrong. That's why I'm just so against what's happening here.

When I was growing up, you know, my dad always preached to me about: we leave the campground cleaner than when we found it. He wanted to have it at least as clean, if it was a really clean campground, or leave it cleaner once we left.

Wildrose believes that, you know, we've got to look after this environment, so I have no problem supporting having a cleaner environment. I remember back in the '70s, as will many of the members, we watched the terrible use of the processing. They didn't clean any of the coal. They didn't clean any of the gases that they were using. We all remember watching the fish floating up in the Great Lakes.

Canada got better. They understood that you can't do that. The message got across the United States, and they were able to change it. They didn't have to have all these tax regulations. The industry was told: you have to clean this up. You don't have to tax more, but you can make it so that you have these agreements to be able to go to this level of how much you're able to pollute. They slowly were able to pollute less and less, and now the fish populations have returned to the Great Lakes and returned... [interjections] Unfortunately, you know, I hear the chirping from the other side.

The government's policies on the fish. You know, we've got fish that are dying in lakes here in Alberta. They're the ones that have this environmental... [interjections] But we're the ones that are saying that we need to do something so we don't kill fish.

The Speaker: Hon. members.

Mr. Taylor: You know, we believe that you need to keep the campground cleaner. So any time you can do things that help – we slowly talk to the industry, and we find ways to help the industry become cleaner – that's just an advantage for everybody, not just Albertans but the world.

As we find technologies that help Albertans, we're able to export those technologies across the world, and places across the world are able to use those technologies and slowly become cleaner. We'll find places right now. We know that China and India have bad records from what they're doing, but they will slowly be catching up to what we have and using technologies that we currently have.

You know, Mr. Speaker, we just don't need another level of bureaucracy, and that's what we're getting. That's what we're trying to fight against. This carbon tax is just another level of bureaucracy. How much money is it going to cost us to implement it and run it and be able to do it? How much money is actually going to be going to what you really want it to go to? It takes a certain amount of money to be able to collect that money from that consumer, then to be able to take it to the government, and then the government has a slush fund. They're going to be able to use and move that money around. We're not sure where it's going to go to, what's going to be happening with it. Unfortunately, we're not sure. So we've just got more bureaucracy, without results.

Wildrose has been calling on this government to slow down this head-on collision course in tabling and passing this ill-founded legislation. We have seen their approach lead to huge conflicts with taxpaying Albertans, who deserve to be part of the discourse about how our province will grow and change under their government, the first new government, well, in 44 years. You know, you have a chance to make a difference in what you're doing.

We want to see what you're doing with this cost-benefit analysis. How are you working this cost-benefit analysis into what you're producing, into the money that you're collecting? If you could show us the cost-benefit analysis, if it was brought into this Bill 20 and shown, that would make a huge difference to our being able to decide what we think about it. Frankly, I don't like anything I see about this Bill 20, but it is what it is. If you want to make it a better bill, I'm suggesting that you have things like a cost-benefit analysis, impact assessments that are at least attached as addenda to it.

After this first year that you've had, we see the NDP government still going full tilt ahead on yet another bill that poses huge threats to our economy. This bill and Bill 10 are huge threats to our economy. Taken together, this legislation, passed this year, has fundamentally changed our economic standing and leadership in the world and, certainly, our country. We are moving rapidly from a have to a have-not province.

I had one of my constituents text me, and he said: you've got to tell them that we're changing; it's not the Alberta advantage but the Alberta disadvantage. He wanted me to be able to say that to you. That is how he's feeling about what is going on, and he's very passionate about this. He has a small business. He runs a gas station, which I know will be having to bring down taxes on everybody that comes to use his place. He also has a C store. He has refrigeration units to be able to sell ice cream and slushies and everything else. How is he going to change that? How is he going to make the ice cream warmer? It's just going to melt. You know, how is he going to make a slushie go a few degrees higher? Nobody is going to buy his product if he tries doing that, so how is that behaviour modification going to work there?

Albertans are broken-hearted, and they're concerned. You know, they're looking for assurances that they'll be able to enjoy the standard of living that we've all come to enjoy. Then we add the effects of the NDP's economic policies to the overspending that we've seen through the last two budgets and the interim supply bills

and to the unprecedented low price of oil, and we arrive at a very bleak picture for our province, for our economy.

Well, this government, obviously, cannot impact the price of oil. We know that. It's set as a world price. You're stuck with what the world is willing to offer. But they can do and should have done something to restore investor confidence . . .

The Speaker: Thank you, hon. member.
The Government House Leader.

Mr. Mason: Thanks very much.

The Speaker: On 29(2)(a)?

Mr. Mason: Yes, 29(2)(a).

You know, I understand that the hon. member and his party are very concerned about the impact of the carbon levy on individual households, on small business, on charities, on our health system, on schools, and so on. I understand that they feel that this will make these services very difficult to deliver and put people out of business and bankrupt households and so on.

I'm just curious because the price estimate for the carbon levy in terms of a litre of gas is about 6 and a half cents. A couple of years ago gas prices were around \$1.10, and now they're at 80 cents, so it's about a 30-cent drop in the price of gas in a couple of years, I think. By my math, using 30 cents less nets out to people paying 23 and a half cents less for a litre of gas than they were a couple of years ago.

11:40

The question is: how did those businesses, services, schools, and so on survive when gas prices were 23 and a half cents higher than they are going to be once the carbon levy is fully implemented in a couple of years? Why were they able to survive and even thrive at that time? Suddenly this spectre that you're raising of a collapse in households and small business and public services is going to be the result of a 6 and a half cent increase on gas that's 30 cents less a litre?

I can make the same case with natural gas prices, for example, Mr. Speaker. We're headed for one of the lowest natural gas prices in history. You know, some are projecting \$1 per . . . [interjections] I'm getting some chirping there from the hon. member.

The Speaker: Hon. members, please.

Mr. Mason: The price of natural gas is going to go to, like, \$1 per thousand cubic feet, you know, just a fraction of what it was even a few years ago, and these prices will of course benefit consumers if not exactly the gas companies. How is this burden, then, going to cause all of the devastation that the hon. members opposite are suggesting when, in fact, fuel prices for natural gas and gasoline are actually considerably lower than they were a few years ago, when everybody did very well, Mr. Speaker?

Mr. Taylor: Well, I was very happy to recognize the fact that you don't control the world prices of fuel and gas. They've come down, and unfortunately that's a fact. I recognize the fact that you don't control that, but God bless us that we actually have gas prices down at this level right now because the economy is in such bad shape. The only way that Albertans will probably even be able to make it by is because we have gas prices down. It goes back to the question of cost analysis. Why didn't you have a cost analysis done prior to this? That's all I have to say.

Thank you.

The Speaker: Any other questions under 29(2)(a)?

Mr. Clark: Mr. Speaker, I have a question under 29(2)(a) for the Member for Battle River-Wainwright. I've been listening intently this morning, as I always do. You know, I have expressed some concerns with this particular carbon tax, but I'm very clear that I'm in favour of a price on carbon – yes, a carbon tax – the idea being that we want to disincen the things we don't like and incent the things that we do want.

I've heard a lot from the Official Opposition here over the last couple of days about all the things they don't like about this carbon tax. I understand that. My question is: one, do you believe that climate change is (a) real and (b) human caused? Two, what would you do about it? What would you do about it? What would Wildrose actually do? We have our plan. It's called Alberta's Contribution, and I will share a copy with the hon. Member for Battle River-Wainwright. The Alberta Party has a plan. Our job on this side of the House is not just to oppose the government; it's to propose ideas. What would you do, if anything, about climate change?

The Speaker: Hon. members, are there any other individuals who would like to speak to amendment RA1?

[The voice vote indicated that the motion on amendment RA1 lost]

[Several members rose calling for a division. The division bell was rung at 11:44 a.m.]

[Fifteen minutes having elapsed, the Assembly divided]

The Speaker: The door is secured, sir.

[The Speaker in the chair]

For the motion:

Clark	Hanson	Panda
Cooper	Loewen	Pitt
Cyr	MacIntyre	Schneider
Ellis	Orr	Taylor
Gotfried		

12:00

Against the motion:

Anderson, S.	Gray	Payne
Babcock	Horne	Piquette
Carlier	Jabbour	Renaud
Carson	Kazim	Rosendahl
Connolly	Kleinstauber	Sabir
Coolahan	Littlewood	Schmidt
Cortes-Vargas	Luff	Schreiner
Dang	Malkinson	Sigurdson
Drever	Mason	Sucha
Eggen	McCuaig-Boyd	Turner
Feehan	Miller	Westhead
Fitzpatrick	Miranda	Woollard
Ganley	Nielsen	

Totals:	For – 13	Against – 38
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[Motion on amendment RA1 lost]

The Speaker: The House stands adjourned until 1:30 p.m.

[The Assembly adjourned at 12:02 p.m.]

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For inquiries contact:

Managing Editor

Alberta Hansard

3rd Floor, 9820 – 107 St

EDMONTON, AB T5K 1E7

Telephone: 780.427.1875