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The 29th Legislature
Third Session

Alberta Hansard

Wednesday morning, May 3, 2017

Day 27

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta The 29th Legislature

Third Session

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Legislative Assembly of Alberta

9 a.m.

Wednesday, May 3, 2017

[The Deputy Speaker in the chair]

Prayers

The Deputy Speaker: Good morning.

Let us reflect together. May we always continue to be inspired by the communities we serve and appreciate their passion, their commitment, and their willingness to make changes as we work together for the betterment of this province.

Please be seated.

Orders of the Day

Government Bills and Orders Third Reading

Bill 10 Appropriation Act, 2017

The Deputy Speaker: The hon. President of Treasury Board and Minister of Finance.

Mr. Ceci: Thank you very much, Madam Speaker. It's my privilege to rise today to move third reading of Bill 10, the Appropriation Act, 2017. I along with my colleagues here in government am proud to implement Budget 2017 and its initiatives. Those initiatives will make life more affordable for Albertans. They will assist in creating jobs and diversifying our economy, they will protect and improve services Albertans rely on daily, and they will invest in infrastructure.

During the course of this debate we've heard two broad visions of the province and a fair amount of debate about deficits and debt. There's no doubt low oil prices have had a dramatic effect on government revenue and, of course, on the daily lives of regular Albertans. Madam Speaker, faced with the worst recession in a generation, now is not the time to abandon Albertans and make reckless cuts to programs and services when they are needed most by Albertans. Now is the time to support Albertans and support the recovery in our province.

As I've made clear, Budget 2017 is a commitment to education, health care, social services, and needed infrastructure throughout this province. It's our commitment to Albertans. We have a plan to return to balance by 2024, a short six and a half years in the future, and we're committed to staying on that path. At the end of the day, we are controlling what we can by restraining operating expense increases below population growth and inflation while still preserving the vital programs and services Albertans count on every day. Following this approach, the deficit is forecasted to climb significantly over the next two and a half years.

Our plan also supports economic diversification and jobs to get Albertans working and build an even stronger economy as our province recovers from the downturn, and recovering we are. As I've made clear, we are going to continue with our infrastructure plan. That plan will help build badly needed schools, hospitals, roads, and bridges throughout the province, all these things that were neglected for far too long under previous government.

Madam Speaker, I want to wrap up these brief remarks by saying that we have and will continue to have the backs of Albertans during this downturn, and each and every day our government is squarely focused on making their lives better. As we continue to roll out our fiscal plan, let me add that our plan is working. As we have all

heard, Alberta is focused to lead this country in economic growth this year and next. Jobs are starting to return to Alberta, and all of the key economic indicators are starting to move in the right direction. Now is not the time to reverse course. Now is the time to continue investing to make life more affordable for Albertans and support economic recovery in this great province.

On that note, Madam Speaker, I ask all members of the House to support this bill so that we can get on with the important task of implementing Budget 2017 and assisting in the recovery of this great province. Thank you.

The Deputy Speaker: The hon. Member for Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Madam Speaker. I want to thank the Minister of Finance for joining us today. I welcome him from his time in Toronto, and I'm glad he can be here for this phase of the budget debate. The minister's time in Toronto very specifically highlights the fundamental flaw with this budget. This is a budget that papers over virtually every single difficult decision the government was faced with. Instead, they have taken the tough decisions of today and made our future generations make even tougher decisions.

The Minister of Finance was meeting with credit-rating agencies and financial institutions in Toronto. Now, I recall last year when the Minister of Finance went to meet with credit-rating agencies. They were so disturbed by the lack of any plan for a return to balance that within 24 hours we suffered credit downgrades. Within 24 hours. The Minister of Finance believed that Alberta just deserved a triple-A credit rating but didn't have to show any math about why we deserved a triple-A credit rating. We simply said: "We deserve it. We're entitled to it. We once had a strong fiscal position. We're good for the money."

It reminds me of the time – I think it was almost 20 years ago. There was a *Simpsons* episode where Lisa Simpson was President, and she was cleaning up after the mess of President Donald Trump, who left the United States bankrupt. She had to deal with the creditors in China and other countries, so she hired Bart Simpson to come along because he was so good at explaining his way out of debt. He would just say: I'm good for it, man; trust me, dude. That is effectively the strategy of this government. This is a Bart Simpson fiscal plan.

There is absolutely no path to return to balance in this budget whatsoever. The minister is simply not telling the truth if he says that there is a path to return to balance by 2024. It's very simple. Anyone can open up this budget, open it up right now, and you will see the last year for which there is even a fiscal projection is 2019, fiscal year 2019-20. March 2020 is the last year for which there is a single projection of any number in the entire document, at four years – four years – short of where the minister says that they're going to balance the budget. So I'm curious to know why they say that they're going to balance the budget by 2024.

I recall an exchange that we had in the estimates process. I like estimates because unlike question period, you really have the ability to pin someone down and get questions – if you're tough, you can stop them from wiggling off the hook, and we actually got some enlightened answers. We actually enlightened the situation a bit with our questions and answers with the Minister of Finance. I was asking about this topic very specifically, and I said: do you know what the deficit will be in 2024? You say you're going to get to a balanced budget in 2024. What will the surplus be in that year? And he said: zero. So by that calculation the Minister of Finance has reached all the way into the future and calculated our expenditures and our revenues down to the penny, and we are going to have a precisely balanced budget. Not a surplus, technically, not a deficit,

technically, but a zero-dollar balanced budget. I mean, that is impressive. That is impressive if anyone can reach that far into the future and pinpoint to the dollar an exact balanced budget. The Minister of Finance said this with a straight face.

But I had a hard time believing that he'd done this, so I said: okay; if you've figured out that you're going to have an exact balanced budget, not a surplus, not a deficit, but an exact balanced budget, what is spending going to be in that year? The minister couldn't tell us. If I'm wrong, the minister should stand up right now, when I'm done here, and tell us what spending will be in 2024. I asked him what revenues would be in 2024, and he couldn't tell us. If I'm wrong, the Minister of Finance should stand up and tell us what revenues will be in 2024.

You know, these things are not difficult. This is pretty basic stuff. For the better part of two decades in Alberta, when Ralph Klein and Jim Dinning took hold of the finances of this province, they brought in strong financial reporting legislation to ensure that the fiscal disasters of the Getty years couldn't be repeated. For the last few Premiers we've seen our financial reporting legislation successively weakened, until this government completely did away with it altogether.

9:10

They only project out for three years. If the Minister of Finance was worth his salt on these projections, he should be able to tell us really simple numbers. I'm not asking for a lot of detail here but really simple numbers like: what will expenditures be and what will revenues be? If he can tell me that the budget will be balanced that year, surely he knows what expenditures will be that year. Surely he knows what revenues will be that year. But he doesn't. He doesn't know what they are.

I asked the minister: fine; do you know what the debt will be by then? We know that by end of fiscal 2019-20 the debt is projected to reach \$71 billion. I think there's a significant chance it'll be even greater than that because we'll be approaching an election period, and the NDP will be spending every last dollar that they can borrow to try and save themselves. Under current projections we will have an accumulated deficit of \$71 billion by 2019-20.

The minister says that, you know, if these guys were theoretically re-elected in some nightmare scenario, they would balance the budget by 2024. So what would the debt be by 2024? If you're saying that 2023 is the last year for which you're going to borrow money and you're going to balance the budget in 2024, surely you should know how much money you will have borrowed by the time you stop borrowing money. Any simple, rudimentary, and elementary projection of a balanced budget plan would tell you how much debt will be accumulated by the time you stop taking on more debt.

The minister first said that he didn't know, but under repeated questioning in estimates he finally came up and said: yeah, we do know; we do know how much it'll be. I said: how much? He said: I won't tell you. The minister admitted that they know how much Albertans are going to owe on the provincial debt by 2024, by the time they've theoretically balanced the budget, a date that they probably won't meet anyway. He says that they know how much it will be. I said: "Will you table how much that number will be? What is the number? How much debt will Albertans owe before the budget is theoretically balanced?" He refused – he refused – to table that number. The minister is withholding vital information from this Legislature and from Albertans. Taxpayers, who are going to have to pay for this for generations, have a right to know how much debt we will owe by the time their pixie dust balanced budget plan is finished, but he refuses to disclose this information.

Albertans apparently don't have a right to know how much money they're going to owe. They don't have a right to know how much we're going to be spending in 2024. They don't have a right to know what our revenues will be in 2024. You know why? It's because they don't know. They don't know. They say they know; they probably don't.

I'm interested to know what information the credit-rating agencies asked the minister for a few days ago. They said: we need more information. You know, if I was a credit-rating agency and I'm talking to Bart Simpson, I'd say: "Okay. You say you're going to balance the budget by 2024. All right. If we're going to believe you on that, you're going to have to show us your math. You're going to have to show us what your expenditures are going to be and what your revenues are going to be, even a ballpark number. We're going to have to know how much debt you intend to accrue by that time because how much debt you accrue by that time is going to be the decisive determinant in how much interest you're going to be paying at that time. That's going to figure into your bottom line of your fiscal capacity to actually manage debt safely." Any credit agency would ask that of Bart Simpson when he comes and says: I'm good for it, dude.

I've got a pretty strong suspicion that when the minister sat down with DBRS and Standard & Poor's, they said: "Okay. Dude, how much are you going to be spending in 2024? What are your revenues going to be, and how much are you going to owe?" If we don't get a credit downgrade within 24 hours, then I bet the minister probably told them. But if our credit-rating agencies have a right to know what our debt level will be, surely Albertans who have to pay for it have a right to know.

We also recall that when we were debating the budget at this time last year, included in the budget was repealing the NDP's own legislated debt ceiling. Now, I remember. This Legislature was new. We all kind of got along for a brief little *Kumbaya* moment of a few months. Most of us were pretty happy that we had turned a page in Alberta, and we'd hoped that if the NDP wouldn't at least be sane economic managers, they would at least believe in accountability and transparency.

They imposed a debt ceiling on themselves of 15 per cent of GDP. We warned them that it was a meaningless debt ceiling. They were continuing to weaken our fiscal accountability and discipline legislation. This debt ceiling that they brought in was actually a significant increase in how much governments had been allowed to borrow previously. We warned that it was toothless. It would mean nothing, just like the United States' debt ceiling, which Congress has increased about twice every year on average for the last 100 years. We warned that like Congress, they would throw this debt ceiling away at the earliest sign of inconvenience. I thought they'd at least last a year.

Apparently, we give them too much credit sometimes, no pun intended. Within less than a year of introducing their own 15 per cent debt-to-GDP debt ceiling, they repealed their own debt ceiling. They repealed their own legislation within less than a year. What happened while we were debating? I stood right here, and the Minister of Finance stood right there, and I said: "If you do this, you're going to jeopardize our credit rating. Repealing our already weak and largely meaningless debt ceiling is going to result in a credit downgrade." The minister stood over there and said: "You're being Chicken Little. You're playing down Alberta." What happened? The next day we came in here with a credit downgrade, and the minister had nothing to say for it other than, "I'm good for the money, dude."

Also, speaking of governments breaking the law, at that time they repealed their own law before they would technically break it, but just a few months ago they broke their own laws. The new equivalent of the fiscal accountability act states that government is not allowed to exceed a certain amount of spending every year that

is not budgeted for. Governments are allowed to spend about 1 per cent on operations every year that's not budgeted for. It's at least, in theory, supposed to be for emergencies and whatnot. But, boy, we had a curious case of what might be considered an emergency this year. As a part of the government's climate leadership action plan, the CLAP, they are phasing out coal. This is not only going to drive the real cost of electricity through the roof in Alberta; it's not only going to destroy communities like Hanna, but it is going to cost taxpayers a bundle of money. We have to pay these guys out for the early phase-out of coal, between \$1.1 billion and \$1.4 billion. That's a pretty hefty chunk of change.

I drove past Sheerness just on the way up here on Sunday afternoon, and that big plant – boy, Hanna is just a little outside my community, and we are going to save Hanna. We're going to save Hanna and keep it open. This government might not care about Hanna because there are not very many NDP voters, if any, in Hanna, but we're going to save it regardless of what this government does.

They're going to pay \$1.1 billion to \$1.4 billion for the early phase-out of coal. Now, that's not just a waste of money, though, but it's illegal – it's illegal – because that money was not budgeted. That money was not budgeted. They booked it in a single year. They had an option. They could be in violation of basic public-sector accounting standards, or they could be in violation of the fiscal transparency act. They chose to be in violation of their own piece of legislation. The Minister of Finance has admitted that he broke the law

Not only did he break the law – all of us speed from time to time – he broke his own law, a law that he wrote. Now, if I was writing a law and I thought, "Maybe I'm going to break it," I'd probably carve out an exemption for myself in advance. I'd say, you know, if we're talking speeding, that the speed limit is 110 on this road except for highway 1 between Brooks and Strathmore. I'd say that if you drive a red truck between Brooks and Strathmore and you get pulled over, you don't get a ticket. I'd have carved out a little something.

9.20

But these guys instead have brought in a law that they didn't even think ahead to carve out how they would break it. So the Minister of Finance illegally spent \$1.1 billion to \$1.4 billion of taxpayers' money without the consent of this Legislature. Now, the opposition in our structure is not given very much formal power. The Legislature, especially in a majority government, is controlled by the executive, and the Legislature – well, we're really just supposed to be here to rubber-stamp all the money they want to spend, but at least we have the pretense that we are the ones who authorize spending in the budget. The English fought civil wars and chopped off kings' heads for this right hundreds of years ago, but apparently we don't have the right to that anymore. Now the government has asserted the right of ancient kings to spend money without the consent of the Legislature. That is a slap in the face of hundreds of years of parliamentary tradition and the history of Westminster.

The Minister of Finance has not apologized for it. He merely acknowledged it. There's no penalty for breaking the law, apparently, when you're the politician who writes the law. The Minister of Finance: we asked the Minister of Finance in estimates: what's the consequence for you breaking the law? He said, "We just have to acknowledge that we broke the law." Well, jeez, I would love that. If I got pulled over for a speeding ticket, I get to say, "I'm sorry, officer." He says, "Do you know how fast you were going?" I say, "Yes, I do," and that's the end of the story. "Yes, I know how fast I was going," and he says: "Carry on. You're a politician." Well, that's effectively the way it works with this government. All they do is that they acknowledge: "We broke the law. What are you

going to do about it?" The only accountability, it seems, that will levied will be at the next election.

Now, the government is also deceiving – very intentionally deceiving – Albertans about spending in this budget. The Minister of Finance is falsely claiming that they're keeping operational spending below the combined rates of inflation and population growth. Bollocks. I believe "bollocks" is a parliamentary word.

An Hon. Member: I don't think so.

Mr. Fildebrandt: We'll have to test that.

His assertion that they are keeping spending below inflation and population is bollocks because the Minister of Finance has written the budget to take all of the spending associated with the CLAP out of the budget. He has a mini budget.

Now, I remember that when the former leader of the NDP, now the Government House Leader, was in opposition, he got very upset when the previous government started cooking the books. You'll remember that they divided one budget into three budgets, and they played a bit of shell game and moved everything around. It confused everybody. He was very upset about that, and he had a right to be upset about that. We actually got along on that issue, I think.

Now their government is doing the same thing, but instead of breaking out a savings, capital, and operational budget, they've instead taken an operational budget and taken out the CLAP. They've taken out all of the spending and the revenue associated with the carbon tax. Under questioning the Minister of Finance gave a very interesting albeit not enlightening answer as to why that was. I said: "Why is all of the spending associated with the CLAP taken out of operational spending? If you include all of the spending from the carbon tax and the CLAP in operational spending, which it clearly is, it is . . ."

Mr. Mason: Madam Speaker.

Mr. Fildebrandt: Am I over time?

The Deputy Speaker: Point of order?

Mr. Fildebrandt: Okay. If you take all of that spending out, it becomes

The Deputy Speaker: Hon. member, we have a point of order.

Point of Order Parliamentary Language

Mr. Mason: Well, the hon. member has been pushing for one, so I'm going to raise these. He's used a couple of words that I think are unparliamentary, "bollocks" and, referring to the climate leadership plan, "the CLAP." Madam Speaker, I think these are unparliamentary, and under 23(h), (i), and (j) I ask you to so rule.

The Deputy Speaker: Anyone wish to respond on that side to the point of order?

Mr. Hanson: You know, the use of acronyms is quite common in the House, used all the time. CLP: it's a pretty innocuous little descriptor, but I'll just look quickly in unparliamentary language for – is it "bollocks"? It doesn't appear to be in the book.

Ms Jansen: Google it. It means testicles.

Mr. Hanson: All I'm saying is that it's not in *Parliamentary Rules & Forms*. It doesn't show up. We can't keep inventing words in the House that somebody finds . . .

The Deputy Speaker: Hon. members, there is a list of unparliamentary terms. However, as we know, language does change over time, and it's all about the context and how it's used.

However, I think you were using some terms that are perhaps questionable and inappropriate, somewhat vulgar, so I would suggest: temper the use of your language, please, and let's move on.

Debate Continued

Mr. Fildebrandt: If you'll pardon me just this one time: never mind the bollocks. It's a Sex Pistols reference for the new kids.

Madam Speaker, this government is intentionally hiding operational spending in the budget. They are keeping the entire climate leadership action plan, if you will, out of the operational spending. Now, under any sane definition that counts as spending. Now, the minister said that his reason for excluding that was: "Well, we bring in all the money at one end, and we spend it on another. Because it's a dedicated tax, it doesn't count as spending."

Well, how does the tobacco tax work? How does the alcohol tax work? These are taxes on specific things the government collects revenue for and largely, at least in theory, is supposed to spend on measures related to the collection of that revenue. What about the lottery fund? The lottery fund is money collected and money distributed relative to the source of the revenue. It is the exact same as the carbon tax or the climate leadership action plan, if you will, and the minister should be honest about the spending in this budget.

The Deputy Speaker: The hon. Member for Edmonton-Centre.

Mr. Shepherd: Thank you. Under 29(2)(a)? Oh, there is no 29(2)(a).

The Deputy Speaker: No. It doesn't apply until the third speaker.

Mr. Shepherd: I apologize.

The Deputy Speaker: Any other members wishing to speak to the bill? The hon. Member for Drayton Valley . . .

Mr. Smith: Devon.

The Deputy Speaker: Devon.

Mr. Smith: Thank you, Madam Speaker. I guess, while I understand that I do have trouble sometimes remembering where other members serve, it seems like every speaker can't remember that Devon is in my constituency. But that's okay. Thank you for allowing me to rise today and speak to Bill 10, the Appropriation Act.

You know, seniors are the fastest growing population in the province of Alberta. They're the fastest growing demographic in Alberta. In light of a \$42 billion budget that is borrowing approximately \$10 billion worth of debt and helping to balloon the provincial debt, the seniors portion of the 2017 budget would appear to be quite reasonable, a quite reasonable expenditure of funds, at a steady \$533 million. But in all budgets, Madam Speaker, the devil is in the details. The seniors portion of the 2017 budget, the \$533 million, must always be held up to the light of the costs of the provincial debt and the deficit spending of this NDP government.

Seniors are definitely one group in our society that understands the meaning of financial sacrifice. I don't know too many people that, after having lived most of their lives, haven't had to make wise choices with their finances, to sacrifice for their kids, for education. They've had to learn to balance budgets. They've had to learn to make those hard choices and those hard decisions about how they're going to manage their funds. They've had to learn to live within their means, and they've had to learn to plan for the future.

9:30

Perhaps of all the groups in society, definitely, seniors are one that understands that debt and deficits cannot continue forever. Seniors in this province therefore want a budget that takes care of their needs, absolutely, but not while sacrificing the birthright of their grandchildren. Seniors understand that when a government racks up billions of dollars of debt and has deficits year after year and when a government budgets on \$55-a-barrel oil and then is shocked when oil prices are consistently under that price, provincial debt is actually going to be far more than reported.

Seniors, we know, believe that it's really the vulnerable in society that get hurt when we do not responsibly balance budgets, when we're not fiscally responsible. It's the seniors, it's the poor, and it's the young that are affected the most by the poor decisions of this present government. And while seniors and the poor want and deserve a responsible budget that will meet their needs, they also understand that creating a massive debt for future generations to pay off is not compassion; it's irresponsibility. Creating a massive future debt, that by 2019 will number somewhere around \$70 billion and will cost future citizens somewhere around \$2.3 billion in interest payments each year, is fiscally irresponsible. Madam Speaker, I believe that Albertans demand better of this Legislature and of this government. Seniors demand better. Albertans that depend on affordable housing understand that if you want to continue to have access to quality affordable housing and that if seniors want to continue to have access to affordable quality continuing care that the government must make wise and fiscally responsible budgets.

When I consider the Seniors and Housing budget lines, this budget has set aside \$167 million for capital investment. Approximately \$100 million of that is for home management bodies and seniors in affordable housing, and another \$67 million is for the rental assistance program. No one will argue the necessity of housing our seniors or renovating seniors' lodges or providing adequate affordable housing for Albertans, but we need to make sure that this government has proper oversight and distribution of the economic resources that Albertans have provided them with.

The Minister of Seniors and Housing has said that \$120 million is being set aside to provide affordable housing for off-reserve indigenous populations in the province in the five-year capital plan, and commendably the minister is embarking this month on a listening tour with First Nations indigenous people. It's a good thing. But there are no details and no policies in the budget plan for how we're going to ensure that this key strategy of the government will be achieved in a cost-effective manner, no details on the cost of the tour, no details on how they're going to move forward on this five-year capital plan, just a raw figure provided by the minister. The lack of detail is concerning.

Line 2.1 of the budget, program planning and delivery, covers the cost of training on elder abuse, again, a very worthwhile program as we have had a constant stream of e-mails coming to the opposition from concerned family and seniors regarding how seniors are being taken care of in both private and public facilities. The problem is real, yet we could not ascertain how much of the seniors' budget was set aside for this training program on elder abuse. It's even more concerning when the performance indicators provided by the government themselves for awareness of elder abuse appear to be declining even in spite of the training program. It's concerning when the ability to respond to elder abuse by the people who have that responsibility tell us that they believe, by the indicators of this government, that it's in decline. So we're

spending money on a very worthwhile program and project, but the indicators are telling us that this government is failing.

When you have a budget that is going into debt and is producing deficit after deficit and when they are spending money on worthwhile programs but appear to be failing, it's a concern that this government needs to be aware of and that we have pointed out to them. The hard-earned tax dollars that this government is responsible for at the very least need to be spent in effective ways, and the minister has had this brought to her attention.

It is clear that this budget is ill prepared to deal with the increases that the home management bodies and the continuing care facilities are going to face with the implementation of a carbon tax or, for that matter, with the increase in the minimum wage. I know that we've received many e-mails from concerned Albertans and from people within the industry wondering how they're going to cover things like the carbon tax and the minimum wage. While the minister can make the case that she's set aside \$57 million for energy efficiency efforts and another \$500,000 for energy audits, the fact still remains that the people that are charged with taking care of our seniors are telling us that in most cases these efforts of the government will not cover the real-time costs of the carbon tax. They are telling us that there's been little or no attempt by this government to build into this budget a method for how to address the impact of the minimum wage increases that they have to deal with. In a budget that has, for seniors at least, pretty much held the line, this government has increased the costs. That's a concern.

How will the people that are charged with taking care of our seniors, who have to ensure that they are getting quality care, going to cover the increased costs of the minimum wage, and how will they cover the increased benefits that will accompany the increases in the minimum wage? They have not built it into their budget. And they have told the people responsible in many cases, essentially: deal with it. But they have not given them the resources to deal with it.

9:40

There are some issues that we've identified for the minister in this budget when it comes to the SHARP loan program and the SHARP grant program. This budget has set aside \$10 million for the SHARP loan program and another \$2 million for the SHARP grant program. Seniors that have come into my office and into many of the offices in this province are telling us that they're often very confused. They want to apply for a SHARP grant, but they have to first apply for a loan. I've had many conversations with seniors that say: I don't want a loan; I don't want a loan. They see that house as the nest egg for either when they get a little older and they need the money that comes from the equity that they have built up in that facility, that house, or they see it as a nest egg that they can pass on to their children, something to help their children and their grandchildren. They're very concerned and they're very confused: why do I have to ask for a loan in order to get a grant?

So we've had the conversations with the minister in budget estimates that the minister should try to take the time to review the administration of this program to see if there is some way of separating the two so that seniors do not have to wade through the front-end confusion that comes with trying to meet their needs with this program. While we were happy to see that a Seniors Advocate is in place to help seniors as they try to manipulate and manage their way through the bureaucracy of government, this minister needs to remember that 70 per cent of the calls for help that the Seniors Advocate receives revolve around the complex system of services and financial information programs that are available through her ministry. Seniors get lost in all of the pages and web pages. Trying to figure out how to manipulate and work through them is, for many

seniors, a chore that is just beyond them. The minister needs to consider that a reallocation of resources may need to occur within her department in order to address this problem for seniors.

One of the things that we have talked with the minister about is transportation . . . [Mr. Smith's speaking time expired]

Thank you, Madam Speaker.

The Deputy Speaker: Standing Order 29(2)(a) comes into effect. The hon. Member for Banff-Cochrane.

Mr. Westhead: Thank you, Madam Speaker. I have a question for the member. He talked a lot in his speech about caring for seniors and housing for seniors, and I really appreciate that. I think that's admirable. But I guess I have a question for the member in terms of that in this Chamber last November he talked about how he and his neighbours opposed a group home for troubled youth in their neighbourhood. So I find it a bit rich that he would, you know, promote seniors' housing on one hand and oppose group homes for troubled youth on the other. I just wonder if the member can walk us through his thought process on how he chooses which vulnerable groups to oppose and which ones to support and the various criteria he uses to pick winners and losers when it comes to helping vulnerable, disadvantaged individuals.

The Deputy Speaker: The hon. member.

Mr. Smith: Thank you, Madam Speaker. If the hon. member would like to come talk to me about that particular issue as there are times when a dialogue needs to take place – and he needs to get his facts. I guess the only thing I'll say about that is that the concerns that the neighbourhood and the community had with regard to this were backed up at a panel of appeal. Maybe he needs to come talk to me about getting some of the facts straight.

If he wants to talk about hypocrisy, Madam Speaker, let's bring the hypocrisy of the NDP government to the forefront. Let's remember that they like to talk about compassion, they like to talk about serving the needs of the people, and then they saddle the generations of children in this province with future debt. How can they, after having this brought to their attention time after time after time, be so hypocritical as to suggest that they are the only party in Alberta and they are the only people in Alberta that actually seem to have compassion when all they can really do is saddle Albertans with debt after debt after debt and deficit after deficit simply because they are unwilling to make the hard choices in life? They were elected to govern. They do govern, just not very well, in the minds of many Albertans, and a part of that reason is because they refuse to make the hard choices and to understand that there are fiscal realities in this province that not even the NDP can ignore.

So the hon. member can talk about hypocrisy, but like many things we are told, he had better look in the mirror first, Madam Speaker.

The Deputy Speaker: Edmonton-Centre under 29(2)(a).

Mr. Shepherd: Thank you, Madam Speaker. You know, the member that was sharing here spoke quite a bit about speaking with seniors in his constituency and the concerns that they've brought forward. Last week I had the opportunity to visit eight seniors' residences here in Edmonton-Centre. I have a number of them here. I still have not had the opportunity to visit them all, but I did visit eight of the many that I have. At each of those I took the opportunity to share a bit about the work our government is doing and share a bit about our budget, and I did also give the opportunity for all those seniors to ask questions and have discussions about their thoughts on these issues.

I can tell you, Madam Speaker, that none of those seniors I spoke to raised the concerns that this member did. In speaking with those seniors, in fact, here in Edmonton-Centre, those seniors are very appreciative of the work our government is doing. Those seniors spoke in favour of our choice to spend on important things. They spoke in favour of investing in infrastructure, of not saddling their children with schools that do not have adequate teachers or with failing health infrastructure, which we are still catching up on from the last Premier, which many of these members love to speak about in hagiography, who left us with a balanced budget but with a crippling infrastructure debt, which we are still to this day recovering from, who left us with many of people that are currently on the streets of my constituency, who were turned out of mental health care and support and for whom we must now account and for whom we must now be investing to build the supportive housing that's needed to provide these people with the care and the services which were cut.

These are apparently the tough choices that they want to speak about but which, Madam Speaker, they do not wish to actually detail. They love to talk about them in the abstract, absolutely. They love to stand and talk about how they would make these important choices.

The Deputy Speaker: The hon. Member for Sherwood Park.

Ms McKitrick: Thank you, Madam Speaker. Before I begin my speech in support of Bill 10, I wanted to talk about rational thoughts and about the opportunity that I've had to learn how to make sure that my arguments go from A to B to C. I wanted to address some of the remarks made by the hon. Member for Drayton Valley-Devon because he spoke a lot about how he is worried about people living in poverty and seniors, but then he went on and on and on about how raising the minimum wage was a really bad thing and how the programs that the government has put in place for seniors were a really bad thing. I was left with the conclusion that while the member spoke about his interest in supporting people living in poverty and of seniors that, in real fact, he didn't really understand that the budget is supporting these people that he talked about.

For example, we've put quite a lot of money into long-term care and into seniors' housing. We've raised the minimum wage because people who live – even at the minimum wage people very often are still living in poverty. So I would really like to encourage the member, if he's talking about people living in poverty, that he should be supporting our minimum wage, the efforts to have child care at \$25 a day, the money that we've put into the SHARP program, and so on. I'm always amazed at how irrational the thoughts from the opposition are as they discuss the budget and the debt.

9:50

I want to talk about the debt. I've often wondered, when we talk about leaving the debt for our children and grandchildren, if we understand how much education costs for our children and our grandchildren. I haven't had the time to do all the additions, but I would encourage the members opposite, especially some of them who have new children – I understand the Member for Strathmore-Brooks has a new child – to really add up the amount of funding that the provincial government is spending in terms of education, health care, roads, and so on, that are going to benefit your children and grandchildren. You know, how lucky we are to have all these supports in our province and in Canada.

Now, I really want to speak about my support for Bill 10, the Appropriation Act, 2017. I want to remind everyone about the minister's words as he introduced the budget on March 16, 2017.

"Budget 2017 is about making life better for everyday Albertans." I talked a little bit about how the budget is making life better for people who are living in poverty and for seniors, but I wanted to especially talk about how the budget is impacting people in my constituency. A reduction in school fees will allow parents to not be so panicked every September as they struggle to set aside the funds. As a parent I know what it is like to figure out over the summer how to pay for summer camps, summer child care, school clothes, and sports fees and then remember that in September I still have to pay. Members opposite have often told us that they're really concerned about people living in poverty, so I would really like to urge them to remember that the budget is going to help those people living in poverty by the reduction in school fees.

The government is continuing to fund increased enrolment growth in each school district. Everyone involved in the education of our K to 12 students knows the importance of small teacher-student ratios, supports for students needing additional supports, and how this investment is and will continue to ensure that our children will have the skills needed in the future. It's not only our kids who will benefit, but it's the economy of Alberta. There is ample research that shows that investment in education is going to pay off in terms of economic development for our province.

I am so pleased that the young people in my riding will have their tuition frozen for a third year. We know the importance of postsecondary education to future employment and earning a good wage to support a family. I would like to remind the members of the House that we will soon be getting the data from the national census, and that census data will have some really good information on how education is coupled with increased wages.

Seniors in my community, as in other communities, face challenges in accessing accommodations that they can afford. Just like the Member for Edmonton-Centre, I hear this every day as I door-knock, meet constituents, and casually meet residents on the street or at the supermarket. I am so thankful for the investment our government is providing in funds for housing authorities and other bodies to build low-cost seniors' housing. One of these investments is in my own constituency. Like many of the projects supported by the capital plan, I can assure the members of the opposition that this much-needed project has been on the list of needed projects for a very long time, and it wasn't built under the previous government.

I want to talk a little bit about the SHARP program. The reason the SHARP program is in place is to allow seniors to stay in their own home, so that we don't need to build specialized housing for them because they can stay in their own home, continue their gardening, be with their friends and close to the neighbourhood that they know, and they can have the adaptation that they need. It's a great program, and I really hope that more and more seniors take the opportunity of the SHARP program and enjoy the benefits of living in their own home, among the things that they know. This budget also provides an increase in home care, allowing seniors to stay in their homes longer.

The government investment and diversification project is not going unnoticed in the Industrial Heartland, an area that I share with other MLAs and that is a key region for the economic recovery and growth in Alberta. Last week I attended an event which involved the major industries as well as elected officials and community members. The government's support for industry diversification was mentioned by a mayor and points out how welcome the government's support is for the oil and gas sector. The support for new apprentice and training opportunities through \$14 million in the budget will ensure that industry has the needed trained workers and that young people and those workers seeking retraining and seeking to invest in a career in one of the trades will have the support they need.

I would like to really suggest to all members of the House that instead of always telling negative things about our budget and so on, they encourage the young people in their ridings to take up the opportunities that the government is providing because – you know what? – if you don't tell them, they'll be missing out, and it's our job as MLAs to really encourage everyone to know what the government is doing. I happen to know the riding of the Member for Strathmore-Brooks quite well, and I'm really hoping that the member is telling people in Brooks and Strathmore and the rural communities that there are projects in the area that are going benefit them.

A bill passed in the fall session provided a path for tax credits for investors. In this budget \$71 million supports job creators with two tax credits to encourage investors to support eligible small and medium-sized enterprise in Alberta and encourage businesses to make capital investments. Please let's remember how much of the budget is going to really support the industries in all of our communities, not only just in mine. The CARES program has already provided support for regional economic development initiatives and will provide a total of \$30 million to communities to diversify and expand their economic initiatives.

A program dear to the Finance minister and to many of my fellow MLAs is the support for small breweries. This program has already seen great results, and I hope that many of the members of this House have tried the local beers and spirits which are a benefit of this program. I myself wish that the climate in Alberta would support growing grapes and the wine industry, although I do note that we have at least two fruit winemakers, one in Barrhead and one in Strathcona county, so I may actually lobby the Finance minister for some tax credits for winemaking, too.

The Minister of Finance has stated that Alberta's economy is stabilizing and that jobs are returning. As our economy recovers, we will continue to bring the deficit down to balance, and we will do so without sacrificing the supports and services families need. And it appears that not only the Minister of Finance is optimistic about the economy. I don't want to give a whole list of newspaper articles and media reports that have also indicated that the economy is recovering. We should be optimistic, and we should really stop always saying negative things about Alberta and what's happening, because it's not doing anything good. [interjections] It might really be funny to members of the opposition but – you know what? – in my riding people are optimistic. We are building. The industries are building.

I want to address government spending because I know that the Finance minister and all ministers have taken important steps in reducing government spending. The budget includes a new agreement with physicians that saves up to half a billion dollars over two years. We have amalgamated agencies, boards, and commissions or have cut them, have limited salaries, and have removed perks such as golf memberships. We have also frozen salaries for politicians, political staff, and management in the civil service. We have streamlined programs such as Alberta Innovates, and we have streamlined community partnership grants and suspended other nonessential programs.

As important as it is to cut waste and reduce the growth of government spending, I am glad I am part of a government that sees it as critical that through this downturn in the economy it remains focused on supporting families, supporting education, building the needed infrastructure, and growing the economy.

Madam Speaker, I would like to take the opportunity to thank the civil servants in the Treasury Board and Finance department, who have worked long hours to prepare the budget documents, the fiscal plan, and to ensure that the information is accurate. I think sometimes we don't really honour our civil servants enough, who

really work hard to make sure that we have the information that we need

10:00

Madam Speaker, I would like to encourage all members to support Bill 10, the Appropriation Act, that will support Albertan families, seniors, people living in poverty, encourage diversification, build the needed affordable housing and seniors' lodges, and support accessible postsecondary education. I would also like to ask all members to be positive and really try to understand that Alberta is doing quite well – and we are leading in many indicators – because negativism isn't going to be helpful.

Thank you.

The Deputy Speaker: Under Standing Order 29(2)(a), I'll recognize Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Madam Speaker. I am so sorry the opposition has said mean things about the budget. I'm sorry that we couldn't find very much positive in \$71 billion of debt to leave our children. I'm sorry.

Mr. Hinkley: Speculation.

Mr. Fildebrandt: Speculation? It's in your own budget.

Madam Speaker, I am tickling with laughter at the government this morning. One of the government members here just said that the \$71 billion of debt in this budget is speculation. Let me print a copy of the budget for him, or maybe someone could pull up a page number while I'm talking here and hand it to me and we'll share a page number, one of the dozens of page numbers that show \$71 billion of debt before Albertans get to throw these guys out in 2019.

Mr. Hinkley: Future speculation. Exaggeration.

Mr. Fildebrandt: I will get the page number for him in just a moment here.

But, yeah, I'm very sorry to the Member for Sherwood Park that the opposition has mean things to say about the budget. Because you know what? We can't find very much good in this. She said that she is grateful for the things that the government is doing. She's a part of it. Is she grateful to herself? What kind of self-congratulatory universe is this government living in where, you know: "I'm grateful that I bought myself breakfast this morning. I'm grateful that I could put my tie on." This government is grateful that it can spend money.

The member talked about the minimum wage, about the minimum wage and how it's necessary to bring up the minimum wage to fight poverty. I'm sure she's well intentioned in this respect but economically illiterate. She said that at \$15 an hour you're still living in poverty, and for many people that would certainly be true. But they believe that by raising the minimum wage, you will instantly raise people's incomes without any negative effects on the economy. If that is so, why don't they just double the minimum wage to \$30? If raising the minimum wage has no negative effect on the economy, why not have a \$100 minimum wage? At what point do we stop raising the minimum wage? If there is zero negative effect on minimum wage, we should just have a \$1 million minimum wage. They know their arguments don't hold water. It's pure ideology to cover up for economic illiteracy.

The member talked about how my child will probably be so happy to inherit all the debt. Now, I did the numbers. On the day my daughter was born, March 11 at 10:04 p.m., I calculated that she was born with exactly \$6,929.29 of debt the second that she was born. She doesn't really understand very much right now, but I

think one of the first lessons that we're going to teach her is that socialism is theft. The problem with socialism is that eventually you run out of other people's money, and this government is spending other people's money. They're spending other people's money who are working for it now, and they're spending other people's money who don't even have a right to vote yet.

I also did the math. By the time my daughter is old enough to even vote, when she turns 18, on her 18th birthday, she will owe more than \$50,000. Fifty thousand dollars of provincial government debt, just Alberta. Forget what the federal government is doing or municipal governments. Fifty thousand dollars of provincial debt alone by the time she is old enough to vote.

Mr. Mason: Point of order.

The Deputy Speaker: Point of order. Go ahead, hon. Government House Leader.

Point of Order Ouestion-and-Comment Period

Mr. Mason: Madam Speaker, the 29(2)(a) rule is to provide for a brief comment or a question to the member who has just finished speaking. It is not an opportunity for a member of the opposition to stand up for five minutes and continue his speech. So I would ask you to rule on the way that we use this rule, in a way that's fair and is consistent with the intention of the Assembly when the change to the standing order was made, which is that it would allow for a brief comment or question from a member of the House to the person who has finished speaking, and it necessarily, in my view, entails a right of response by the member who is being asked the question.

Mr. Fildebrandt: Madam Speaker, you well know the sheer hypocrisy in the Government House Leader's argument here. He has been doing this for decades. Government members still do it during 29(2)(a). They will stand up. They will make comments. Sometimes they're short comments; sometimes they're longer comments. You know, they do this regularly themselves. They can give it, but they can't take it. They might be a little sad that the opposition has mean things to say about the budget, but that is . . .

Mr. Mason: Point of order, Madam Speaker.

Mr. Fildebrandt: ... the job of the Official Opposition, to criticize ...

The Deputy Speaker: Another point of order?

Point of Order Points of Order

Mr. Mason: Yes, and along a similar line. The opportunity to respond to a point of order is usually an opportunity to actually respond to the point of order and not to continue the speech of the member. This member doesn't seem to know what the tools are in this Assembly and how to use them. Each thing is merely exploited in order to continue his tirade with respect to the issue that is on his mind. I think it's an abuse of his right to respond to a point of order.

The Deputy Speaker: The hon. Member for Lac La Biche-St. Paul-Two Hills on the point of order.

Mr. Hanson: Thank you very much, Madam Speaker. It's a very interesting Wednesday morning. I'm very glad that I stood in for my counterpart the House leader for the opposition. Points of order, responses to points of order. We've been called out on using

acronyms today. We've been called out on the extent of the time period for responses under 29(2)(a). The Government House Leader knows full well that members on his side – actually, his assistant or deputy himself has stood up on 29(2)(a) and railed against the opposition and the third party, totally off topic for the full five minutes. You know, we can easily go back into *Hansard* and find this if you need it. We can definitely do that. We'll get somebody in research to look up some of this stuff.

But some of these points of order are just approaching ridiculous this morning, and I think we should carry on with debate.

The Deputy Speaker: Hon. members, on a number of occasions we have dealt with the question of what is appropriate under Standing Order 29(2)(a), and the tradition of this House has been to provide a great deal of leeway to all hon. members rather than holding to the strict interpretation of that rule. I do believe that the hon. Member for Strathmore-Brooks was addressing comments that the Member for Sherwood Park had made. There is no requirement on time or whether there's a response. It is comments, could be questions. The intent is to have a dialogue, though, so I would encourage all members to allow for that when you do make your comments so that the previous speaker would have the chance to perhaps comment.

Continue, please.

Debate Continued

Mr. Fildebrandt: Thank you, Madam Speaker. I actually do look forward to the Member for Sherwood Park's response to my comments here. You know, they're talking about saddling future generations with debt, and they never mention it whatsoever. They talk about the nice things for the short term, right now only. I value education and health care for our children, and all members of this House support that, but we want these things to be sustainable. They are talking about funding these things only in the short term, right now for the short cycle of an election, for an election cycle only, and then it's someone else's problem to pay for it. Perhaps many of them don't expect to be around long enough to actually have to clean up the mess. But members on this side of the House know that we're going to have a very tough job after the next election cleaning up.

Thank you.

10:10

The Deputy Speaker: On Bill 10, I'll recognize Calgary-Elbow.

Mr. Clark: Thank you very much, Madam Speaker. It's an interesting time to rise here in debate to talk about the budget bill. What I find fascinating about this place is that things seem to be completely binary. The choices are either: we are the only people in the world who could possibly care about anyone, and the only possible way to go forward is with our budget; and the only other choice is dramatically on the other end of the spectrum, that only they will be able to save our province from the dastardly NDP and all the terrible things they've done.

There is actually a middle way here, Madam Speaker, and I'm going to talk about that. There is actually a middle way where we cannot incur massive, massive amounts of debt and where we cannot devastate our public services. It is about choices. Every budget is about the choices that we make. Those are not easy choices. But this government has very clearly laid bare for all Albertans to see what their values and what their priorities are. It's about options. [interjections] They're over there desk-thumping, saying that only they care about people, but the people of this province ultimately have to pay back this money.

My question for the government, in all seriousness, is: where does the money come from? Where does the money come from to pay for your programs? Well, you have some choices. You borrow the money, if you don't raise enough from tax-paying Albertans, but ultimately Albertans have to pay the freight. Ultimately, Albertans have to pay the freight.

They're talking about caring only about people and the environment and caring only about the economy over on this side. I care about both. It is not a binary choice, one or the other, because eventually you're going to hit the wall. You're eventually going to hit the wall.

Look, I want to be very clear that when oil prices drop as precipitously as they did just before and just after this government was elected, no government in the world – no responsible government, anyway – would balance the budget instantly. I understand and I appreciate that. But it doesn't need to be as bad as you've made it. It really does not need to be as bad as you've made it. You have not even made an effort to find savings anywhere in government. And when you have more revenue from unanticipated increases in oil prices, what do you do? Your health care spending goes up, greater than the fiscal management act says it should. So you break your own laws, that you yourself have brought in and amended.

By 2019 government will have grown by 20 per cent, in the face of one of the greatest recessions in Alberta history. Debt will be at \$71 billion in what was once a debt-free province. Interest costs, debt-servicing costs will be more than the combined spending of Children's Services, Culture and Tourism, and Indigenous Relations. Combined. The choices that this government is making, ironically enough, will ultimately hurt Albertans. I understand that what they're trying to do, they think, comes from a good place: we're going to look out for people. I get that, and that's what government should do. I understand that. But there are choices you have made that have made things worse than they needed to be.

There are some things in this budget that I agree with. There are some things that you've done in this budget that I agree with. I agree with increased spending in the Ministry of Justice and Solicitor General to ensure that our justice system continues to work well. I agree with substantial investments in capital to catch up on Alberta's infrastructure deficits. I do question how much money gets reprofiled from one year to another and whether, in fact, we have the capacity to actually deploy the capital spending that's in the budget. I agree with attempts to reduce school fees. I think the physician deal makes sense although I do have questions about whether that premise or concept could and should be applied to other areas. When I talk about choices, these are things where I think the choices this government has made have not gone far enough in many areas, that being one of them.

We have an Official Opposition that feels, and I think the Member for Strathmore-Brooks had said, that our job is to oppose the government. Half of our job on this side is to oppose the government and hold the government to account. The other half of the job is to propose ideas and tell Albertans what we would actually do here on this side. It's actually really easy. It is really easy: when the government says black, we say white. It's actually really easy to do that. It's really easy just simply to oppose, that whatever the government says, we just go against it.

Well, that's not my style. There are a lot of things this government is doing that I think are not on the right path – and I've been very clear on what I think some of those things are – but what I haven't heard from anyone else on this side of the House, aside from me and the Alberta Party, is: what would they do any differently? I think the government, rightly, will criticize on certain days when one question is about where spending cuts need to be

made and the next question is about where a particular project in a constituency needs to be done. It doesn't hang together.

I think that the Official Opposition owes Albertans an explanation of where they would make cuts specifically, of how they would ensure wait times don't get out of hand, of how they would ensure that front-line public service workers would not be cut. Their \$10.6 billion in cuts that would be required to balance the budget would devastate Alberta's public service. That's 20 per cent of the public service. It's irresponsible to suggest that it's a simple matter of, quote, unquote, finding efficiencies and that that's all that's needed. That's not all that's needed, but it's certainly part of what is needed.

The Alberta Party's shadow budget, our third shadow budget by the way, the only party in this Assembly that produces a shadow budget, is 45 pages long. We've gone into great detail, line item detail, about what choices we would make. We put that out to Albertans, and they've provided feedback. It's been a really interesting process because not every choice that we've made is a choice that every Albertan would make. And that's good. That's what we ought to be doing on the opposition side, putting out our ideas, proposing ideas, not just opposing the government. That's not what Albertans expect of us. Our job in opposition is to tell Albertans how we would put Alberta back on a pathway to prosperity, to shared prosperity, across this province.

We believe we can find 1 per cent savings across the \$53 billion budget that this government has put forward each year for four years. I think it is absolutely possible. In fact, it's irresponsible not to try to find at least 1 per cent in operational spending savings across government. It's not easy, but it's also not that hard. It's certainly more difficult if you don't even try, if you don't even challenge the public service and say: "Folks, it's a difficult time. We need to find ways of doing more with less. We need to find ways of continuing to deliver high-quality public service, in fact maybe even deliver higher quality public service more efficiently, more effectively." I see little or no effort from the government to actually find efficiencies.

Our shadow budget, Pathway to Prosperity, ensures core services receive funding increases for the major front-line service areas to match population growth. That ensures that class sizes stay small, that health care wait times are reasonable, and that we look after our vulnerable neighbours. We would ask our dedicated public servants to take a negotiated pay freeze that is cost neutral to government. We'll have to see the details of the teachers' agreement to see whether, in fact, it meets that test, but in a very difficult economic climate I don't think it's too much to ask of those dedicated public servants to get paid the same next year as they got paid this year, at a time when Albertans all around this province, more than a hundred thousand Albertans, have no job at all, when others have taken a pay cut, and when others have taken reduced work hours.

We would also continue to make big investments in infrastructure. The Official Opposition's plan would replace a fiscal deficit with a human and an infrastructure deficit. That's not what Albertans want. That is not in the best interests of Albertans. We would invest in economic capacity in this province. That's what infrastructure does, both social infrastructure and physical infrastructure.

The other big concern I have with this government is the fact that they continue to rely on nonrenewable resource revenues as the only saviour for any sort of budget deficit that we have in this province. Their entire plan is crossing their fingers and hoping to goodness the price of oil goes up. Every government, leading back decades in this province, has done the same thing. This House leader has railed against the government in the past for overrelying on nonrenewable resource revenues. That's not a responsible budget

plan. The Alberta Party would cap the amount of nonrenewable resource revenue that we assume we would ever have at \$3 billion. Anything above that would go to debt repayment, go to capital spending, and ultimately go to the heritage fund.

10:20

We would make the carbon tax, which, by the way, I believe in in principle, revenue neutral. If we believe that climate change is (a) real, (b) a problem, and (c) something we ought to do something about – by the way, I believe climate change is real, I believe climate change is a problem, and I believe that climate change is something we ought to do something about – let's use the least economically damaging way of doing that. Let's create a frame for innovation, for Alberta companies and Alberta technologies to be sold to the rest of the world to help address the carbon emission problem. That can be Alberta's contribution to solving climate change.

Unfortunately, the way this government has gone about it has created devastating economic consequences. It's highly political. They're hiding what is ordinary operational and capital spending under the climate leadership plan, and I'm worried that this government may have spoiled what could be a very sound policy in the minds of Albertans. They may have turned Albertans against what can be a very, very sound policy. The Alberta Party would make the carbon tax revenue neutral through cuts to personal and corporate taxes, through innovation tax credits, ensuring Alberta remains a leader in the current economy, that our oil and gas industry remains strong, and that we take a step into the next economy. I believe very much that Alberta can be part of the "and economy": oil and gas and innovation and green technology.

We also would review the entitlements delivered by government to ensure that those who really need help get help and that those who don't will no longer receive tax dollars when they don't really need them.

Those are the choices the Alberta Party would make. We believe that they're balanced, that they are fair, and they prove that we are the only party on this side of the House that has a long-term plan for Alberta. I would argue that the Alberta Party is the only group that truly has a compelling, believable, long-term plan for Alberta. That is the very least that Albertans should expect from their political leaders on both sides. It's a shame that no one else in this House seems to agree.

I can't, in the end, Madam Speaker, support this budget because budgets are about choices, and the choices this government has made are not good for Alberta. Thank you.

The Deputy Speaker: Under 29(2)(a), I'll recognize Banff-Cochrane.

Mr. Westhead: Thank you, Madam Speaker. I really appreciate the member's speech. I appreciate that he is the only opposition member to propose some alternatives, and I think that's admirable. It's interesting that the Member for Strathmore-Brooks earlier talked about economic literacy, and he's the one who can't write a shadow budget, talking about economic literacy.

The Member for Calgary-Elbow talked a bit about not having cuts in the budget, and I think that's a bit disingenuous because, you know, we can look at examples. The Finance minister has taken great leadership in reforming salaries for ABCs and cutting out golf club memberships, these kinds of perks, the outrageous CEO salaries. I'd like to hear from the Member for Calgary-Elbow. He said that there's no attempt at cuts, and I find that a bit disingenuous, so I want to give him a chance to address that.

I'd also like to ask him about his plan to balance the budget, because from what I understand, a lot of that balance is predicated on imposing wage freezes on public-sector workers. I'd like to point out that collective bargaining is called collective bargaining for a reason. It's not about going in and imposing on one side or the other. You know, the former government tried that with I believe it was either Bill 45 or 46 – I can't quite recall – but it didn't work out very well for them when they tried to impose those public-sector wage freezes in a unilateral fashion. I wonder if the Member for Calgary-Elbow can tell us about his plan to balance the budget on the backs of our hard-working public-sector workers.

The Deputy Speaker: The hon. member.

Mr. Clark: Thank you, Madam Speaker. I'll address the first question first. He talked about the entitlements, the ABC review. Absolutely, I support reviewing those salaries. It seems outrageous and old-fashioned that golf course memberships would be part of any compensation package paid for by Alberta taxpayers, so absolutely I agree with that. How much money is that going to save? And it should. I'm not saying that we shouldn't do that. Absolutely, we should. I think the number that I've heard is \$28 million. That's not nothing, but it certainly isn't \$10.3 billion.

I also think that there's a very important question in all of that: how do we ensure that we attract and retain top talent to run what are large, complex organizations? There could be some unintended consequence there of finding people who are actually less skilled and qualified to run highly complex organizations that is to the financial and operational detriment of our province. While these reviews are a good idea and I support them one hundred per cent and I think we do need to look at entitlements to ensure they're modernized and it fits and makes sense and is a defensible use of public dollars, I also think we need to look at the scale of what that's actually going to deliver.

You talked about the public-sector wage freeze, and the one word that you missed in my speech, which I'm one hundred per cent certain will be in *Hansard* – and if wasn't before, it will be now – is that it must be a negotiated wage freeze. It must be negotiated, where you actually sit down with public-sector unions and their representatives. We lay all the numbers on the table, and we talk with them about what the situation is that our province finds itself in. Look, the answer is that at some point we run out of money, right? You know, this government talks a lot about debt-to-GDP ratio and that we're so much better than every other province. The number we're at today matters, of course. The number, though, that we're going to be at in the future matters just as much if not more.

Our credit rating is absolutely under threat. We've already seen it fall under this government. We're going to see, I think – and I don't think this is a radical prediction – the credit rating of this province drop again. Well, what that means is that the \$2.3 billion in debt servicing, the \$2.3 billion in interest payments that our province is going to have to pay in just two years' time, that number is going to go up, and we live in an environment where interest rates in general are going up. So now all of a sudden our debt-servicing costs start to outstrip our larger departments, not just some of the smaller departments. Those are choices that this government has made to put us in a very, very difficult position.

So, no, I don't think that we need to impose wage freezes or rollbacks on the public sector, but I do think that public-sector workers of all kinds understand the challenge that our province faces. I don't think that this government has tried nearly hard enough to sit down with them and engage them in a genuine way and say: look, folks, when your neighbours are . . . [The time limit

for questions and comments expired] Oh. Darn. We'll have to come back to it.

The Deputy Speaker: On Bill 10, I will recognize the Minister of Transportation.

Mr. Mason: Thanks very much, Madam Speaker. I want to make a few comments with respect to Bill 10 and, in particular, would like to respond to some of the comments made by the opposition Finance critic in his speech.

I want to go back to the situation that this province found itself in at the time of the election two years ago. Leading up to that election, of course, there was a dramatic fall in world oil prices as a result of actions by the Saudi Arabian government and other governments to basically flood the world markets with cheap oil in an attempt to push out higher cost production, including shale gas and oil in the United States and, of course, the oil sands here and others in the world.

That resulted in a dramatic drop in revenue. In fact, in the first year before our government took office, \$2 billion of government revenue was vaporized, just vaporized, \$2 billion that the previous government had used to fund program expenditures. At that time, before that happened, about 30 per cent of program expenditures in this province were paid for by nonrenewable resource revenue. I sat in opposition when the previous Premier, Premier Stelmach, put together a blue-chip panel, headed up by David Emerson, that identified this as a huge problem, the lack of diversification not only in the economy but in the resource base of the government and its overdependence on very volatile royalty revenue. That was in 2007. Well, nothing was done, Madam Speaker – nothing was done – by the previous government to correct that situation.

When the election happened, Mr. Prentice in his budget recognized some of the problems that were lying ahead, but he laid out a plan in his budget that clearly was not going to satisfy anybody on any side of the question. It included a billion-dollar health care user fee being restored. It involved a billion dollars of cuts in health care. It involved no money to hire new teachers for thousands of new students that were entering the system and so on and so on and so on.

10:30

The result is that in the election people had a clear choice between one party that wanted to cut services, impose unfair taxes, and go back to the same old way that this province had been governed by for many years or a new approach, which was to protect the services that people really cared about. That was the basis of the decision. That was, in fact, basically the ballot question in the last election, and the result was the election of a new government, a majority government, with a mandate from the public in the election to protect public services, to protect our health care, to protect our education.

The Wildrose also ran in that election, of course. Somewhat to the PCs' surprise they managed to displace them. They thought they were dead, but they weren't. Their plan was for about a 20 per cent reduction in government spending. That's about \$9 billion on the operating side and about a \$2 billion cut to capital expenditures. Now, the Wildrose likes to pretend that you can find \$9 billion in this budget, about a 20 per cent reduction, without doing anything to front-line services. They seem to think, even after the years of Ralph Klein and the austerity and so on that we went through, that there are so many bureaucrats just spinning their wheels that we could just trim that all up and it won't affect service delivery. Madam Speaker, that is disingenuous – and that's a very polite word – because that is, I would say, something that completely, you

know, is at variance with the truth. They would like people to believe that, but they know that they can't deliver that.

I know why, and that's because they haven't been able to deliver a shadow budget. They have refused so far to say exactly what they would do in terms of the budget. We know that the Alberta Party has done that. It's an interesting document. I've looked at it. But I know that the Wildrose ... [interjections] It's not that I think that they're incapable, Madam Speaker. I don't think that the Finance critic, who is busy chirping at me over there, is incapable of developing a shadow budget, but here's the thing. If they did a shadow budget and they cut \$9 billion out of the budget, they would have to show massive cuts to services, and they don't want the people to know that that's what they're planning to do. So that's why there's no shadow budget. It's not because they're incapable of doing one. No. But it would show what they really stand for. It would tip their hand, and the public would really know what they're going to get if they elect whatever monstrous creation is formed by the union of those two parties. The act of creation is something I shudder to even think about.

You know, governments have choices. There are only three. It's actually very basic in terms of trying to deal with budgetary issues. They can raise revenues, which is very difficult in an economic situation. You can raise taxes on corporations, but if because of a recession they're not earning profits, they don't pay any taxes no matter what you set it at. High or low: it doesn't matter. Or you can borrow. Or you can cut. I just want to make the case. I know that they don't agree with the approach this government has taken. I know that many conservatives don't agree with the approach that we've taken, but both alternatives – well, three alternatives – were put forward to the public in the election. The people chose and gave us a mandate to do as we are doing. That has never been respected by the people opposite. The expressed will of the voters in the election has never been respected by the Finance critic in the opposition or the Official Opposition generally.

Now, Madam Speaker, we have talked quite a bit in question period in response to questions about the state of the Alberta economy. There's no question that we've gone through a difficult recession, but we've created new jobs, and these are full-time jobs, not part-time jobs, as they would like to tell us or would like the public to believe. Leading economic think tanks, banks, all of the people in the actual economy, in the oil industry itself are saying that this province is on the right track and that we're going to create more jobs and we're going to lead this country back to prosperity. The opposition is beginning to realize that that's happening, that our program is working, and the fact that Alberta is going to come back from the recession, create new jobs, and lead the economy of the country once again is something they hate. They hate that because it proves us right. It proves them wrong. It creates a situation where we're actually doing better economically than they

I would make the statement here. It might shock some people, but I don't really think the people opposite understand business. I don't think they do, because every day in question period they stand up and they contradict what business leaders are saying. They contradict what the oil companies are saying. They contradict what the banks are saying. They contradict every economic think tank. They don't get business. I think that's the problem. That's the problem. When the NDP has got a better handle on business and the economy than the conservative parties, it's a sad day for the conservatives indeed, Madam Speaker.

Just to conclude, different people draw on different economists, different financial people for their guidance in terms of things. Some go back to Adam Smith, a classical economist. Another one: David Ricardo, another of the classical economists. Some people

draw on him. Some, with a little more modern outlook perhaps, draw on John Maynard Keynes for inspiration, and some conservatives even draw upon people like Milton Friedman and so on. The Finance critic for the Wildrose is busy applauding the name of Milton Friedman, whose program, by they way, was put in place by the Chilean junta after the coup and resulted in a disastrous economic situation for the country of Chile. That at least would be a real economist, but no, Madam Speaker, the Wildrose Finance critic draws on *The Simpsons* for his inspiration. I think that if you dig a little deeper into his inspiration for Wildrose economic policy, you'll find at its heart is Mr. Burns.

Madam Speaker, Albertans have a choice: a sensible government that's going to protect public services, make life more affordable for Albertans, and lead this country back to recovery and full employment, or *The Simpsons*. I think the choice is clear.

As a result, I've concluded my comments, and I would move that we adjourn debate.

[The voice vote indicated that the motion to adjourn debate carried]

[Several members rose calling for a division. The division bell was rung at 10:40 a.m.]

[Fifteen minutes having elapsed, the Assembly divided]

[The Deputy Speaker in the chair]

For the motion:

	_	_
Anderson, S.	Jansen	Payne
Carson	Kazim	Phillips
Clark	Kleinsteuber	Piquette
Coolahan	Littlewood	Rosendahl
Dach	Loyola	Sabir
Dang	Luff	Schmidt
Eggen	Malkinson	Schreiner
Feehan	Mason	Shepherd
Fitzpatrick	McCuaig-Boyd	Sucha
Gray	McKitrick	Sweet
Hinkley	McPherson	Turner
Hoffman	Miller	Westhead
Horne	Miranda	

Against the motion:

Anderson, W. Gill Schneider
Cyr Hanson Smith
Fildebrandt Loewen Strankman

Fraser Panda

Totals: For -38 Against -11

[Motion to adjourn debate carried]

Government Bills and Orders Committee of the Whole

[Ms Jabbour in the chair]

The Chair: Hon. members, I'd like to call the Committee of the Whole to order.

Bill 7 An Act to Enhance Post-secondary Academic Bargaining

The Chair: The hon. Member for Calgary-Elbow.

Mr. Clark: Thank you very much, Madam Chair. I rise to speak to Bill 7 here at committee. I just want to open my remarks by saying

that in principle I will likely support the bill, but there is one particular aspect of the bill that I've heard from a couple of different stakeholder groups is a concern to them. So with that brief introduction, I will propose an amendment.

The Chair: This will be known as amendment A1.

11:00

Mr. Clark: Thank you very much, Madam Chair. I move that Bill 7, An Act to Enhance Post-secondary Academic Bargaining, be amended as follows. In part A section 1(2) is amended by striking out the proposed section 58.7 and substituting the following:

Transitional provisions

- 58.7(1) On the coming into force of this section, collective bargaining that commenced under an agreement entered into under section 87 or 96 of the Post-secondary Learning Act continues subject to the Labour Relations Code.
- (2) If, before January 1, 2020, a dispute that arises during the negotiation of an agreement is referred to binding arbitration pursuant to an agreement under section 87 or 96 of the Post-secondary Learning Act or referred to binding arbitration under section 88 of that Act, the arbitration continues as the dispute resolution process for that dispute unless the parties agree to terminate the arbitration.
- (3) If, on or after January 1, 2020,
 - (a) a dispute that arises during the negotiation of an agreement is referred to binding arbitration pursuant to an agreement under section 87 or 96 of the Postsecondary Learning Act or referred to binding arbitration under section 88 of that Act, the arbitration is terminated and any award made is void, and
 - (b) a provision in an agreement under section 87 or 96 of the Post-secondary Learning Act that requires disputes that arise during the negotiation of a future agreement to be resolved by binding arbitration is unenforceable.
- (4) An agreement under section 87 or 96 of the Post-secondary Learning Act that operates for an unspecified term is deemed, despite section 129 of this Act, to provide for its operation for a term of 3 years beginning on the date the Bill to enact An Act to Enhance Post-secondary Academic Bargaining receives Royal Assent or for a shorter period agreed on by the parties.
- (5) For greater certainty, nothing in this section prevents the parties from referring matters in dispute to voluntary arbitration under section 93.
- (6) A party to an agreement affected by this section may apply to the Board for a determination respecting the application of this section, and the Board's decision is final and binding.

Under part B section 4 is struck out.

That's a long amendment, Madam Chair, and I will take a moment to do a couple of things. First off, I want to just formally thank Parliamentary Counsel for their assistance in drafting that amendment. As you can see, it's not the most straightforward or simple amendment, so thank you very much to them for their usual great work in helping my team draft that amendment and their responsiveness and professionalism in doing so.

This amendment comes from a concern raised by stakeholders in faculty associations, one of which is in my constituency, and also another faculty association that I'm aware of. They support the bill in principle and general terms. I obviously don't want to speak for them, but generally I've heard some supportive words as they relate to this bill from stakeholders in faculty associations. But the concern is that the changes take effect immediately and that that will change the rules for negotiations that are already in progress currently without providing necessary time for those faculty associations to transition to what a strike/lockout world might mean. One of those things, of course, for them would be to build a strike fund.

I'm just going to read a brief quote from one of the stakeholders who sent me a letter that said that the

real risk is that, at some institutions, bargaining could be harder than otherwise would have been the case on the premise that lack of sufficient preparation could be viewed as an opportunity to achieve concessions by the other party.

Now, they are quick to note that they don't anticipate necessarily that that would be the case for them and don't necessarily see that, but they do raise the concern that that is possible. They believe that what I am bringing forward in an amendment here, again on their recommendation – they see it as a pragmatic compromise. They see it as a win-win for both stakeholders and the government. It doesn't alter the substance of the bill. Ultimately, the goals of Bill 7, which they agree with, are still achieved, but it does in fact address their concerns as a stakeholder.

They've talked about a phase-out period under what is called the statutory reset option. They believe the January 1, 2020, date is appropriate. In practical terms, what this means is that any bargaining that's started on or after the reset date would occur under the strike/lockout regime, essentially after January 1, 2020. Bargaining that occurred prior to that reset would occur under the compulsory binding arbitration provisions that are currently in place. This is a concern that I've heard. I imagine the minister has heard those concerns as well.

We did share this proposed amendment with the minister's office, so I will take my seat and eagerly anticipate the response from the minister.

Thank you, Madam Chair.

The Chair: The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Madam Chair. I'm pleased to stand and speak to this amendment. Our government will not be supporting this amendment. We certainly have been engaged with our stakeholders in extensive consultations. We began consulting with stakeholders on this issue in October 2015. The faculty associations and grad students were a part of the broader consultations that we engaged in with respect to public-sector employee relations, broadly speaking.

Of course, Madam Chair, all of this was prompted by the Supreme Court's decision in the Saskatchewan Federation of Labour case that came down in early 2015, that deemed that all public-sector employees had the right to collectively bargain and the right to remove their labour as part of free association in a trade union, a faculty association, or some kind of collective bargaining agent.

It should come as no surprise to any faculty association here in the province of Alberta that we will be moving to a strike/lockout model because we've been moving in this direction for the last two years, Madam Chair. Some faculty associations have expressed concern to me, and they expressed concern throughout the consultation process about the transition time. Other faculty associations are well prepared to take on the role of bargaining on behalf of their members under a strike/lockout model immediately.

We believe, Madam Chair, that because of the length of time between the introduction of this bill, the lengthy consultation process that we've engaged in with our stakeholders since October 2015, and the fact that this decision came down in early 2015, the faculty associations have had approximately two years to prepare for a transition to this strike/lockout model. We believe that the transition time that has been given and is recognized in this bill is appropriate and just.

The other point that I would like to raise, Madam Chair, is that, you know, what the member opposite is proposing is denying their

rights under the Supreme Court ruling, the rights of faculty association members to freely bargain and freely associate as members of faculty associations. They're denying them those rights for an extra three years, and I don't see and our government doesn't see any good reason to continue to deny faculty members in this province their Charter rights, that have been guaranteed by the Supreme Court, for an additional three years. They've been waiting far too long for these rights, and it's time that they received the rights that they're entitled to. That's what this legislation does, so we will not be supporting this amendment.

I thank the chair for her time.

The Chair: The hon. Member for Calgary-Elbow.

Mr. Clark: Thank you. I just want to briefly respond to the minister's comments. I can tell you that although he says it doesn't come as a surprise to faculty associations, I'm aware of two for sure that this comes as a great surprise. It's quite different from what they heard or the feedback they've provided to the minister during consultation.

For the minister to say that they consulted starting back in October 2015 so that none of this comes as a surprise – when you consult, I think the idea is that you're asking for input, and then you take that input and put it forward in legislation. That is the point at which everyone knows what's happening. For you to expect that faculty associations should have assumed back in October 2015 that, by virtue of being asked a question, the outcome is preordained, well, that's unsettling. If we talk about labour legislation, is the outcome preordained on the, quote, unquote, consultation that has happened on employment standards and the labour code? I sure hope not. Should employers be making provisions to change based on feedback provided by a certain subset of stakeholders? I sure hope not. That's not the way consultation is meant to work.

It is unfortunate that the minister has taken the position that he has. To his comment that transition provision would deny rights, I think that it's very clear that faculty associations can still freely bargain under the binding arbitration provisions which exist today. In no way, in my opinion, does that subvert the Supreme Court ruling. All this does is provide a reasonable transition period to allow the faculty associations to prepare to bargain in a new way. It's not that they're not able to bargain, remembering that this comes as a request from a faculty association who, I would argue without any hesitation, understands what is best for them and their members. Remembering that this comes from them, I think it's important to understand that that is the source of this amendment, so I would ask the minister and the government to reconsider.

Thank you.

The Chair: The hon. minister.

11:10

Mr. Schmidt: Well, thank you, Madam Chair, for the opportunity to respond to a couple of the points that the Member for Calgary-Elbow raised in his supplementary comments.

First of all, we were quite clear from the outset of the consultation process that we were moving to a strike/lockout model. That outcome was absolutely established as our goal from the outset, so we were not asking an open question as to whether or not we should grant faculty associations the right to strike and institutions the right to lock out their employees. We were clear from the very beginning of this consultation, Madam Chair, that that's what we wanted to end up with, and that's absolutely what we've reflected.

The consultations were around how we move to that model, right? That was the open-ended consultation that we had. So for the

member opposite to say, you know, that we're not engaging in genuine consultations and not listening to our stakeholders I think is a comment that's beneath the Member for Calgary-Elbow, and he knows full well the scope of the consultations that we undertook. And then for him to jump to conclusions about the process that we've undertaken with respect to the Employment Standards Code and labour code is, I think, a political cheap shot and not pertinent to these discussions.

With respect to the transition period and saying that they currently have the rights to collectively bargain and freely associate: they don't, Madam Chair. The Supreme Court of Canada was quite clear that the labour relations model that exists under the Post-secondary Learning Act is not compliant with the Charter rights. Faculty association members don't have the rights right now. So to say that the transition period grants them their rights right now is patently wrong. The member opposite is wrong when he says that they can freely bargain. The Supreme Court says that unless faculty association members have the right to remove their labour, they don't have the complete right to freely bargain and freely associate. We're giving them their rights now. We don't see that there's any point in waiting for an additional three years. Faculty association members deserve the rights that the Supreme Court of Canada has said that they deserve all the way back in 2015. It's time that they were given those rights.

The Chair: Any other members wishing to speak to amendment A1?

Seeing none, I'll call the vote.

[Motion on amendment A1 lost]

The Chair: Back on the bill, are there any further questions, comments, or amendments with respect to this bill? The hon. Member for Highwood.

Mr. W. Anderson: Thank you, Madam Chair. Again I rise to speak to Bill 7, an act to confuse postsecondary bargaining. This bill is not ready. It's a complete overreach, and as usual the government can't seem to keep their ideologies out of a piece of legislation. We agree that some changes to bargaining are needed to comply with the 2015 Supreme Court of Canada decision guaranteeing workers the right to strike unless, of course, they are essential, but this bill far overreaches what is needed in such a way that it's just to satisfy the ideology of this government. The question that remains is why they decided to completely overhaul the legislation and take it completely out of the Post-secondary Learning Act. This seems to be overkill.

Now, let's set the record straight. In no way am I opposing granting the right to strike. This is a constitutional right. In fact, we believe that this mandatory arbitration across the public sector has led to higher costs. So when I go to oppose this bill, it's not to the right to strike but to the overworked way this government is trying to implement it.

Moving associations from PSLA to the labour act is really creating a huge headache for all involved, particularly because things are being done way too quickly. There are many issues in the interim which, hopefully, won't affect the institutions and employees negatively. However, what is really mind boggling is that this government has admitted in its own discussion document and consultation that all of this could have been dealt with within the existing Post-secondary Learning Act. Here we are discussing something that they themselves also agree is contentious. That, my friends, is our government starting to understand the consequences of what they've done, but they go back to the realization that they need to keep in line with their ideology. Perhaps some more time

should have been taken to iron out all the details in getting ready to make a difference in this legislation.

We know that certain universities and colleges think that this is an overreach, and after talking to a few that are supporting these fundamental changes, we concluded that even they would like to see a more mindful approach towards their colleagues and institutions who either are in active bargaining currently or would be actively bargaining fairly soon. There is worry that because there is no phase-out period for compulsory binding arbitration, bargaining could become an issue due to the lack of sufficient preparation from either side. We, too, agree that those who are currently in the middle of negotiations shouldn't have the rules changed so radically partway through unless, of course, the government has some really good explanation for this haste. I'd like an explanation on that.

Without a phase-out period or a short transition period to allow everyone involved to get up to speed, we could very likely see an erosion of the employer-employee relations, which could cause and breed mistrust and then labour tensions on campuses. This is not something we wish to see happen given how many stakeholders hold the line on this very issue. That in itself should be an indicator to this ministry that they should amend their bill to reflect at least these changes. I mean, granting the right to strike doesn't mean much when you've never had a reason to build a contingency fund or prepare properly and put safeguards in place.

We, on the other hand, also see this bill as a way for government to impose their ideological agenda and force union mentality. If it wasn't so, why did they have to take this bill to such an extreme? There was enough room in the PSLA and built into the 2015 Supreme Court decision without transferring this to the labour act.

You know, large successful organizations tend to make slow, methodical changes and sometimes take years to accomplish this. The reason they do this is to first consider the overall cost and the subsequent impact to make changes, mitigate risk, and create unity amongst all those in the change. It's called change management. At present institutions have not had the time to develop any protocols in case of a strike. Some may be worried that faculty associations are no longer going to be perceived as academics, intellects, and leaders that, perhaps not right away but in time, will be labelled with the union mentality. Over time this could possibly diminish who they distinctly are. Of course, again, only time will tell. I'll mark the date.

Obviously, a huge problem I see with this bill is that trade unions could very well replace faculty associations after the five-year mark stipulated in the bill. With worry that the bill will take more time and become more combative and with things moving too quickly, with no phase-out period to deal with the act of collective bargaining, and the government itself admitting in its discussions document that this could have been sorted out with the existing postsecondary act, government beginning the process to turn associations into labour unions, ideological decisions — I'm sure you get what I'm alluding to — I have no other option than to oppose this bill in its current form and ask to make some necessary changes. I want these changes to reflect the wishes of those whom this bill will ultimately affect.

Madam Speaker, at this time I would like to bring forward an amendment to the bill.

The Chair: This will be known as amendment A2. Go ahead, hon. member.

Mr. W. Anderson: I move that Bill 7, An Act to Enhance Post-secondary Academic Bargaining, be amended in section 1(2) in the proposed section 58.2(2) by striking out "2022" and substituting

"2027." The amendment here is to propose that faculty associations remain the representative academics for a 10-year period instead of the five-year benchmark this government has established. If the government's intent is not to replace these faculty associations with unions, they shouldn't have a problem with this amendment.

Thank you.

The Chair: The hon. minister.

Mr. Schmidt: Well, thank you, Madam Chair. I'm just waiting for the copies of the amendment to be distributed. I hope that our diligent pages are — excellent. You know, I think it warrants mentioning again the good work that the pages do here in the House. We are certainly privileged to be served by them every day, and I want to thank them again for diligently ensuring that I have a copy of the amendment that the Member for Highwood has brought.

11:20

I rise, of course, to speak against this amendment, Madam Chair. If I understand the amendment correctly, the Member for Highwood is proposing delaying the point at which faculty associations and grad student associations could freely choose their bargaining agent from 2022 to 2027. Of course, the Member for Highwood expresses some concerns about our government moving forward with an ideology to unionize everybody and their dog in the province. Of course, nothing could be further from the truth. We simply want people to be able to have the right to choose who their collective bargaining agent is, who is representing them when they're dealing with their employer. Right now, under the legislation that exists, faculty associations and grad student associations don't have that choice. Of course, they won't have that choice until 2022 as we recognize that there is some need to transition faculty associations and grad student associations into the new model so that they are well positioned to represent their members at the bargaining table.

Madam Chair, once 2022 rolls around, if the members of those faculty associations and grad student associations feel that their associations are not doing a good job of representing them at the bargaining table, they will have the right to choose somebody else that they think is more capable of doing that. You know, our government firmly believes that people have the right to access the best bargaining talent that's available to them and, certainly, to choose to have the best people representing their interests at the bargaining table. Faculty associations and grad student associations will have that right consistent with every other jurisdiction in the country and, certainly, consistent with the way other bargaining agents are certified and decertified in this province. We're very consistent, of course, with the approach that is taken by every other jurisdiction in the country on this matter and, certainly, bargaining processes that exist for other sectors in the province.

We feel that 2022 is certainly an adequate transition time. Five years will give every faculty association and grad student association ample time to prepare for that date. We see no reason to extend that date to 2027, Madam Chair, so we will be voting against this amendment.

The Chair: Any other members wishing to speak to amendment A2? The hon. Member for Highwood.

Mr. W. Anderson: I just wish to respond to the minister and to thank him so much for his answer. I just don't recall mentioning anything about canines or anybody else in the animal kingdom, but if the member opposite wishes to attempt to unionize them, I guess it's well within his right.

Just as a reference point several academics and academic institutions have reached out to me and suggested merely that a temporal frame to be expanded to 10 years would be much more appropriate than the five-year term, hence the reason for my amendment.

Thank you, Madam Chair.

The Chair: Any other members wishing to speak to amendment A2?

Seeing none, I'll call the question.

[The voice vote indicated that the motion on amendment A2 lost]

[Several members rose calling for a division. The division bell was rung at 11:23 a.m.]

[Fifteen minutes having elapsed, the committee divided]

[Ms Jabbour in the chair]

For the motion:

Anderson, W. Fraser Schneider Cyr Gill Smith Fildebrandt Hanson Strankman

11:40

Against the motion:

Anderson, S. Jansen Miranda Bilous Kazim Phillips Carson Kleinsteuber **Piquette** Coolahan Littlewood Rosendahl Dach Loyola Sabir Luff Dang Schmidt Eggen Malkinson Schreiner Shepherd Feehan Mason Fitzpatrick McCuaig-Boyd Sucha Gray McKitrick Sweet Hinkley McPherson Turner Horne Miller Westhead For - 9Against - 36 Totals:

[Motion on amendment A2 lost]

The Chair: We're back on the bill. Are there any further questions, comments, or amendments with respect to this bill? The hon. Member for Bonnyville-Cold Lake.

Mr. Cyr: Thank you, Madam Chair. I have heard some of the discussions that have been going on in the Chamber, and I did a little bit of looking on the government website at some of the consultation that has been put forward by the government. The document that I'm referring to is work.alberta.ca/documents/essential-services-psla-what-we-heard.pdf. I did that for *Hansard*, by the way. [interjection] That was very impressive, I understand.

I think we all can agree that the Supreme Court ruling said that we needed to make some changes. One of our concerns is that we may be moving this in too fast a direction, so I went and looked at the concerns that the Alberta government had posted on their own website here. The impacts of a strike and lockout came to me as something that – there seems to be widespread concern at all levels that work at these postsecondary institutions.

I'm going to read through the points really quickly and comment as I go. The first one under Impact of Strike/Lockout is:

 Notwithstanding whether academic staff members are essential, stakeholders broadly expressed concern regarding the impact of a strike/lockout in this sector.

We've got some of the academics themselves that are showing some concern, and this is something that I think – we heard the member from the independent party bring forward an extension saying that maybe we need to be looking at possibly going further and my own colleague from Highwood saying: "You know what? We're making some great changes here. Why wouldn't we want to give these groups the time to be able to move forward with this?"

Now let's talk about the different groups. We've established that there are concerns.

Students in particular worry about the impact of a strike . . . and believe that tuition should be refunded in the event of lost class time. In addition, students strongly argued that even a refund of tuition fees would not adequately compensate them for the negative impact of a strike/lockout including, for example, the cost of delayed entry into the labour market for students who miss graduation due to a strike/lockout.

These are the students. They're saying: "Okay. Fine. We understand that there's going to be this process." But what are we putting in place for the students themselves that are caught in this time frame? I don't know if that is caught up by the minister by saying how they're going to be dealing with the students who are caught in a strike or lockout situation.

Now, let's go on.

 Delayed graduation may impact students who have obtained employment that is contingent on their graduation, classes delayed into summer can affect students' ability to complete summer work/study arrangements and the visa status of international students could be put in jeopardy.

Now, again, we've got more students here, but these are nearing the end of their careers normally when it comes to graduate students. When we start looking at what the impacts are going to be, moving forward with this, how exactly is the Alberta government going to deal with continuing these programs so that our students aren't put at a disadvantage compared to, say, other jurisdictions? I think that is a reasonable concern.

This one here is actually one that will affect my riding probably more directly.

• The impact of a strike or lockout on apprenticeship training would be more severe than for other forms of post-secondary training due to the shorter duration of training, which typically lasts for 6-8 weeks such that a strike of 2 weeks' duration could be sufficient to cause a cancellation of an entire training period. Capacity issues within the apprenticeship training system are such that an apprentice whose training period is cancelled would likely be forced to wait until the next academic year to re-enroll in training.

Now, I have to say that when it comes to our area, a lot of the students try to get into apprenticeship training when the oil sands aren't actually building. When we've got these apprenticeships, they've really got a very short of window of time to be able to get into these classes. I'm curious if the government has put in any real thought when it comes to our student population. I'm sure they have because, obviously, this is their document, the document that they are bringing forward.

What we're looking at here is a group of stakeholders that are asking to be heard and who would like to know exactly what our minister is going to be able to move forward as a solution to ensure that they're not put at a disadvantage going into their careers, and I

think that that is a reasonable concern. Again, I'm not here to argue about the fact that this legislation does need to move forward – the Supreme Court made it very clear that this needs to move forward – but maybe not in the way that it is being moved forward, the vehicle, as my colleague for Highwood has mentioned. Maybe we could have done this in the Post-secondary Learning Act. Maybe we could have done it in a few different ways. But what we're looking at here are the impacts to the stakeholders that are going to be involved in this. While we're doing this, are we actually going to be harming some of our student population that is going to be moving forward with their careers?

Now, I myself have gone through postsecondary, and I can tell you that, for myself, disruption by a strike that was, say, three or four months long for my teachers at the time would have probably added an additional year to my education. For myself, I ended up with a management degree from the University of Lethbridge, and it was a five-year program because I had a double major in accounting and finance. So that would have added another year, a sixth year, to that program. Now, we already know that a lot of times students have to get student loans and they have to work summer jobs, but what happens is that by deferring this, we could possibly create some real issues.

What I would like to hear, again, is that we are going to be bringing stability within the system, that we are going to see that these strikes and lockouts, possibly, are dealt with in a professional manner, and that we are making sure we have alternate routes to be able to provide our students who are within the system the ability to continue with their education if they've got that strike or lockout happening. In the end, by disrupting that earlier part in your life, that could mean that we have students who end up not going back to school. I believe that that would harm all of Alberta because education, in my opinion, having gone through the system, is important for your future career. By putting elements or barriers in front of our students by creating times where they are no longer able to get their education or by possibly disrupting more than one semester, maybe two or even three semesters, that would be very harmful to I think our entire postsecondary system.

I would love to hear what the minister has to say regarding our students, and I'm sure, having seen the same document that I'm looking at here, he's worked out some solutions. Thank you very much.

The Chair: The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Madam Chair. I appreciate the Member for Bonnyville-Cold Lake's concern about supporting students. Of course, our government has made several investments in students through this budget, that was just the topic of discussion earlier this morning.

Madam Chair, I think it's appropriate for us to review the good things that we're doing through our budget to support students, to allay the concerns that the Member for Bonnyville-Cold Lake has raised. Of course, we're providing predictable, stable funding for each university and college in the province, and we're also freezing tuition for a third year. That will give students access to an affordable education at the university or college of their choice. Of course, if the Member for Bonnyville-Cold Lake is concerned about supporting students, he would vote for our budget because our budget supports students greatly.

With respect to expanding access to classrooms, I was just in Cold Lake on Monday, Madam Chair, announcing an investment into some planning resources for the expansion of the Portage College campus in Cold Lake, and if that goes forward, that will provide students in the Cold Lake area with higher education opportunities that are currently not available to them. Of course, the Member for Bonnyville-Cold Lake would be wise to vote for those investments to support the students in his own community so that those students have the opportunity to get the higher education in their hometown that they currently are denied. I look forward to the Member for Bonnyville-Cold Lake putting his money where his mouth is and voting in favour of our budget so that students in his hometown have the opportunity that he says he wants them to have.

With respect to supporting students in case of a strike or lockout, Madam Chair, the labour relations model that we're proposing under this legislation, of course, gives the government of Alberta the opportunity to convene a public emergency tribunal in case a strike or lockout drags on too long and academic years are put at risk. If the government feels that students will be unduly harmed by an extended strike or lockout, we will have the option of convening this public emergency tribunal to make sure that students' interests are protected.

The Member for Bonnyville-Cold Lake raised some concerns about the costs that will be refunded. You know, I find it odd that a party that wants to jack up tuition is concerned about student costs. But with respect to costs that may be lost during a strike or lockout, the government is invested in exploring options to make sure that students don't lose out in case of strikes or lockouts, labour relations problems that are beyond their control.

He raises the issue, particularly, of apprentices and the enrolment thing. Of course, enrolment in apprenticeship training periods is rolling. Apprenticeship period training happens every eight weeks, so we're confident that there will be ample opportunities for apprentices who may lose a period of technical training due to a strike or lockout. We hope that's never the case, but should that ever happen, of course, there are ample opportunities for those apprenticed students to enroll in further technical training shortly after because of the availability of apprenticeship training opportunities.

Certainly, the member opposite also referred to some faculty concerns about what happens in case of a strike or lockout. That's why we've decided to require faculty associations and grad student associations to negotiate essential services agreements, Madam Chair. Consistent with the approach that we took to public-sector employment relations, faculty associations and grad student associations under this legislation will be required to negotiate

essential services agreements before they can engage in collective bargaining to make sure that the operations of a university or college can continue in the event of a strike or lockout. That should allay some of the concerns that the Member for Bonnyville-Cold Lake has raised in terms of maintaining the operational integrity of the university or college.

I believe, Madam Chair, that I've addressed concerns. You know, I just want to restate that our government is deeply committed to making sure that students have access to high-quality, affordable education, which the member opposite says that he's also interested in. Not only do I look forward to the member opposite voting in favour of this bill, but I also look forward to the member opposite voting in favour of the budget, that we were discussing earlier this morning, because it does so much to support students in his hometown and, of course, all across Alberta.

Thank you.

The Chair: Thank you, hon. minister.

Pursuant to Standing Order 4(3) the committee will now rise and report progress.

[The Deputy Speaker in the chair]

The Deputy Speaker: The hon. Member for Edmonton-McClung.

Mr. Dach: Thank you, Madam Speaker. The Committee of the Whole has had under consideration a certain bill. The committee reports progress on the following bill: Bill 7. I wish to table copies of all amendments considered by Committee of the Whole on this date for the official records of the Assembly.

The Deputy Speaker: Does the Assembly concur in the report?

Hon. Members: Aye.

The Deputy Speaker: Opposed? So ordered.

The hon. Government House Leader.

Mr. Mason: Thank you very much, Madam Speaker. This is good progress, so as we are just very few minutes from adjourning anyway, I move that we call it 12 o'clock and adjourn the Assembly until 1:30 this afternoon.

[Motion carried; the Assembly adjourned at 11:56 a.m.]

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