



Province of Alberta

The 29th Legislature
Third Session

Alberta Hansard

Wednesday afternoon, May 24, 2017

Day 38

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature

Third Session

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Sweet, Heather, Edmonton-Manning (ND), Deputy Chair of Committees

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Larivee, Hon. Danielle, Lesser Slave Lake (ND)	Westhead, Cameron, Banff-Cochrane (ND), Deputy Government Whip
Littlewood, Jessica, Fort Saskatchewan-Vegreville (ND)	Woollard, Denise, Edmonton-Mill Creek (ND)
Loewen, Todd, Grande Prairie-Smoky (W)	Yao, Tany, Fort McMurray-Wood Buffalo (W)

Party standings:

New Democrat: 55 Wildrose: 22 Progressive Conservative: 8 Alberta Liberal: 1 Alberta Party: 1

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Legislative Assembly of Alberta

1:30 p.m.

Wednesday, May 24, 2017

[The Speaker in the chair]

The Speaker: Good afternoon. Please be seated.

Introduction of Visitors

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. It's my honour to rise to introduce to you and to this Assembly a distinguished visitor, the consul of Mexico for Alberta, Mrs. Cecilia Villanueva Bracho. The consul has served in this post since 2014 and will soon be assuming new duties for the government of Mexico.

Mexico is an important trading partner for Alberta and is the fourth-largest customer for Alberta exports, at nearly \$1 billion in 2016. We support this important relationship through the Alberta Mexico office. Mexico is also one of our most popular holiday destinations for Albertans, where they enjoy the warm hospitality of the Mexican people and enriching cultural experiences. Mr. Speaker, I'm happy to say that our relationship with Mexico is growing. For example, our province and the Mexican state of Jalisco share a collaborative agreement on commercializing technology, an agreement that is creating opportunities in both jurisdictions. We also share ties between our postsecondary institutions, including a collaborative sustainable energy project at the University of Calgary funded with \$46 million from the Mexican Ministry of Energy.

I'd also like to mention that during the wildfires in the Wood Buffalo region Mexican firefighters joined with our first responders, putting themselves in harm's way to protect Albertans. I join with all Albertans to thank them for their service.

It is my honour to say on behalf of our government thank you to Consul Villanueva for her work to build our relationship with Mexico. We appreciate the global experience you brought to your posting in Alberta and the stronger connections you helped to create between Alberta and Mexico. I now ask the consul to rise and accept the warm welcome of this Assembly.

The Speaker: Welcome.

Introduction of Guests

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

Mr. Fildebrandt: Thank you, Mr. Speaker. It's my pleasure today to introduce to you and all members of the Assembly students, teachers, and chaperones from Brentwood elementary in Strathmore. They won a contest on CTV to be special guests here today. They've been here for several days, learning about our parliamentary and democratic institutions, and they've been having a great time. They submitted a bunch of written questions to me in advance. Most of them were very technical and parliamentary questions, but one question in particular stood out. A student asked me if it was possible to outlaw homework. While I explained that it is theoretically possible to outlaw homework, it would also be a great lesson in the law of unintended consequences. I want to ask that they rise as I call their names: their teacher, Mrs. Amy White; parents Krista, Jay, Donald, and Ben; and all the students from Brentwood elementary, who it's been my real pleasure to have here today. I believe there's probably a future Prime Minister up there. Let's give them a hand.

The Speaker: Welcome.

Thank you, hon. member. I hope they listen carefully to you. The hon. Member for Calgary-Glenmore.

Ms Kazim: Thank you, Mr. Speaker. It is my honour to rise in the House today to introduce to you and through you the students of grade 6, accompanied by their teachers, Jill Morgan and Michael Steinberg, from Calgary Jewish Academy in the great constituency of Calgary-Glenmore. They're highly engaged students, and I've enjoyed my conversations with them about politics. I wish them all the very best, and I would ask them to rise and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Spruce Grove-St. Albert.

Mr. Horne: Thank you, Mr. Speaker. I rise today to introduce to you and through you to all members of the Assembly 32 students from Woodhaven middle school, a school that recently hosted both the Premier and the Minister of Education. The students are accompanied by their teachers, Ms Sarah Cresswell and Ms Helen Kinnee, and their chaperones, Bethany Adair, Trina Merkel, Darlene Taylor, Heather Kleckner, and Colleen Oshak. I would ask them to rise and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

Hon. members, are there any other school groups here today?

Seeing and hearing none, the Member for Olds-Didsbury-Three Hills.

Mr. Cooper: Thank you, Mr. Speaker. It's a pleasure to rise today and introduce a guest that is seated in your gallery. You might not know it, but there is a political legend amongst us. If you're a political watcher of the Maritimes, in particular P.E.I., you know this man. He is Ronnie MacKinley. He has enjoyed a long political career. He was first elected in the riding he represented in 1985, long before some members of this Assembly were even born, and he served continuously in that role until 2015, over 30 years.

In the year 2000 in the provincial election the Liberals in P.E.I. had a little bit of a setback. In fact, he was the only member of the opposition that was elected as a member of the Liberal Party at the time. As a result, he served as the Leader of the Opposition, the de facto leader of the Liberal Party until 2003, when he was then replaced by Robert Ghiz, who would become the Premier. MacKinley served, as you can imagine, as the opposition critic for Transportation and Public Works, Agriculture, Forestry, Fisheries and Aquaculture, and he was the chairman of the Public Accounts Committee. Perhaps our colleague from Calgary-Mountain View knows a little bit about what it is to be all of those things. On June 12, 2007, MacKinley assumed the office of the Minister of Transportation and Public Works, where he served in the Robert Ghiz cabinet. More importantly than all of those things, he is one heck of a good guy, and he is joined by perhaps the person responsible for all of his success, his wife, Ann. I invite them to rise and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome. It's not often that we get an opportunity to have visitors from the east coast, and it's even less often that we would have the hon. Opposition House Leader be so kind to a Liberal.

The Minister of Labour and minister responsible for democratic renewal.

Ms Gray: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Assembly Amanda

Jensen as well as her son Jake, who's seven, and Ben, who's 14. When Jake was diagnosed with cancer, Amanda requested leave from work to care for him like any mother would. However, Amanda did not meet the qualification period for job-protected compassionate care leave, and Alberta does not have job protection for leave to care for a critically ill child. As a result, she was terminated from her workplace. Our laws are wrong in this, and they failed this family. No parent should have to face the stress of losing their job on top of dealing with an urgent family situation. That's why I'm very pleased to introduce them today, the day that I'll be introducing legislation that will amend our laws and ensure that parents like Amanda are protected. I thank her and her family for joining us, and I ask them to rise. [Standing ovation]

The Speaker: Welcome.

The hon. Minister of Justice and Solicitor General.

1:40

Ms Ganley: Thank you very much, Mr. Speaker. It gives me immense pleasure to rise today and introduce to you and through you to all members of the Assembly Luanne Whitmarsh. Luanne is the CEO of the Kerby Centre, which is located in the beautiful riding of Calgary-Buffalo. She's dedicated to enhancing the lives of seniors in her community through active living programs and social supports. Luanne has been an advocate and an activist for many years. She speaks for those who need assistance speaking for themselves and has been a tireless advocate on behalf of seniors since taking on the Kerby Centre. I have had the great pleasure of working very closely with Luanne since I was elected, and I would like her to now rise and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

The Minister of Infrastructure and of Transportation.

Mr. Mason: Thank you very much, Mr. Speaker. It's my pleasure to introduce to you and to all members of this Assembly a group of brilliant students from the Nebula Academy, which is housed in the Elmwood Park neighbourhood, located within the constituency of Edmonton-Highlands-Norwood. The academy offers kindergarten through grade 5, with a focus on Turkish culture. This spring two grade 4 students from the school won a silver medal at the Edmonton Regional Science Fair. The students are accompanied by the school's director, Mr. Nedim Istemil, Acting Principal Robin Murphy, Guidance Counsellor Selda Benli, and volunteers Serif Aydin and Taryn Putinta. I would ask them to now please rise and accept the warm welcome of the Assembly.

Thank you, Mr. Speaker.

Mrs. Schreiner: Good afternoon, Mr. Speaker. It is my pleasure to introduce to you and through you to all members of the House my guests from The Lending Cupboard. Dawna Morey joined The Lending Cupboard as executive director in 2015. She brings much experience and expertise to the table as well as a strong motivation to support individuals and families in our community. Chris Hume participates in The Lending Cupboard board of directors as secretary. Chris is committed to seeing people live with independence and dignity. I ask my guests to rise and receive the warm traditional welcome of the House.

Thank you, Mr. Speaker.

The Speaker: The hon. Minister of Education.

Mr. Eggen: Thank you, Mr. Speaker. It's a privilege to rise and introduce to you and through you to the members of the Assembly

Andrea Myers. Andrea grew up in the Edmonton area and is a graduate of NAIT. For the last five years she's been working as business manager for RiverWatch. She's here to hear a member's statement on that same subject today. I would ask her to please rise and receive the traditional warm welcome of the House.

The Speaker: Welcome.

The hon. Member for Grande Prairie-Smoky.

Mr. Loewen: Thank you, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of the Assembly three people attending today: my legislative assistant, Andrew Koning; his wife, Sarah Patricia Koning; and their seven-year-old daughter, Adriana, who is spending the day not at school but here at work with her father. It's always a pleasure to have families in the Legislature, of course. Of course, I'd be remiss if I didn't say how much I appreciate the good work that the staff does for the Wildrose caucus, in particular Andrew. I also have to point out how much the spouses and the families of the people that work with us sacrifice to have their spouses here working with us all these crazy hours. If we could give them the traditional warm welcome of the Assembly, that'd be great, and if they can stand.

The Speaker: Welcome.

Hon. Minister of Labour, I believe you had another introduction.

Ms Gray: Yes. Thank you so much, Mr. Speaker. It's my pleasure to introduce to you and through you to all members of this Assembly Ken Kobly, the president and CEO of the Alberta Chambers of Commerce. As an advocate for Alberta business the Alberta Chambers of Commerce is a local resource, bringing together chambers and business owners from across the province to champion new ideas and solutions. The Alberta Chambers of Commerce is also very supportive of the proposed Energy East project, which will boost our economy and help Alberta reach new markets. I'd like to thank Mr. Kobly for all his contributions to this government's consultations, and I'd ask him to rise and receive the traditional warm welcome of this Assembly.

The Speaker: Thank you. Hon. member, you may not know it, but the guest today is from the best city in the province of Alberta, Medicine Hat.

Members' Statements

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

Employment and Labour Code Legislation

Mr. Hanson: Thank you very much, Mr. Speaker. The NDP government has said precious little about its plan to uproot years of labour peace and impose sweeping labour changes on Alberta. Now, no one disagrees with the spirit of ideas like allowing workers to take time off to attend to sick or dying loved ones, but the opposition has asked many meaningful questions about union certification, collective bargaining, and specific rumours that this government plans on scrapping secret ballots, a move that could expose workers to bullying and intimidation in the workplace. The minister has only fuelled these concerns by discussing off-topic employment standards and making silly references to '80s pop songs in response to direct questions on these topics. These issues are serious, and this government failed in its duty by avoiding them.

The NDP also failed to properly consult, which is par for the course from the government that walked blindly into the Bill 6

disaster with its government-knows-best ideology. Only four in-person, invitation-only consultations were held. Not surprisingly, certain big union bosses were always present while certain business advocates were barely involved. Even more worrisome is the thought that this government could be taking its cues from its union boss friends, who have been wanting to scrap secret ballots for years and who have very close relationships with members of this government.

Not only could these changes negatively affect workers, but they could destabilize our economy even further by discouraging even more investment in our province. It's ironic that the NDP claim to be on the side of workers when its policies have led to a record number of Albertans collecting unemployment insurance and more than 84,000 good, full-time jobs being lost.

Today we will find out exactly what this insular NDP government has in store for Albertans, but right now all signs point to the fix being in on this legislation.

Thank you.

The Speaker: The hon. Member for West Yellowhead.

Wild Mountain Music Festival

Mr. Rosendahl: Thank you, Mr. Speaker. Today I rise to speak about an exciting music festival taking place in my constituency this summer. The Wild Mountain Music Festival runs July 14 to 16 at the historic Entrance Ranch just off highway 40. This year's lineup includes an impressive array of Juno award winners and nominees as well as local up-and-coming groups and artists from Alberta and across Canada: 54-40, David Wilcox, the Sadies, Big Sugar, the Jerry Cans, Matt Andersen, and crowd favourite Digging Roots will join many other exciting entertainers.

Rustic camping is included with every weekend pass, so bring everything you need. There's plenty of room. This family-friendly event includes performers, activities for children, and for adults the impressive beer tent has a great view of both performance stages. Shuttles operate from three pickup and drop-off spots in Hinton to the festival site starting prior to the music and running well after so that you don't miss out on any of the fun.

Started in 2007, this 100 per cent community-owned and volunteer-run music festival has relied on sponsors to grow into one of this province's most important artistic events. This year it's expected to attract 9,000 people to our region and make a major contribution to the local economy while bringing a unique arts event to West Yellowhead.

I would like to take this opportunity to recognize the individuals and organizations who make this event possible. There are too many sponsors to mention, but I encourage everyone to check out the website for their names, to get more information. Please attend the Wild Mountain Music Festival in Hinton this July.

Thank you very much.

Pipeline Approvals

Mr. Loewen: It seems the NDP cannot resist taking credit for just about everything. This was brought to a whole new level of lunacy when the members for Calgary-Currie and Fort Saskatchewan-Vegreville pronounced in the Legislature that the approval of the Keystone XL pipeline was due to – you guessed it – this government's climate leadership plan.

Now, we know the NDP have a propensity to ship supporters and their MLAs all across Canada to campaign for their anti-oil friends, but in a first for this government they appear to have sent a

delegation of supporters to the United States to campaign for Donald Trump since he had promised to and did sign the Keystone XL deal.

1:50

Let's just talk about the Trans Mountain and line 3 pipelines. These are both existing lines, not new lines. One is an expansion; the other is a replacement with more volume. Now, they may have been approved under the NDP time and power, but to say that these pipelines were approved because of the NDP government is just not true. They were approved in spite of the Alberta NDP, in spite of the antipipeline activists within the NDP. If the NDP wants to take credit for them, they also have to take the blame for the cancellation of the Northern Gateway pipeline and the west coast tanker ban. Those also happened under their watch, and their mythical social licence was no help there.

This government's quiet diplomacy equals silent insolence. When the leader of the Wildrose opposition was in Ottawa, they got four approved pipelines, four major pipelines, in spite of the NDP protesting them.

Now, since the NDP has been elected, Alberta has lost over 100,000 jobs, but the NDP continue taking credit and bragging about creating new jobs. Fact: this government promised to create 100,000 jobs but can only muster 20,000 and caused 100,000 jobs to be lost. I'd say that it's a loss of 80,000 and 180,000 fewer than they promised, not something to brag about.

This government likes to take credit for every possible positive thing that happens, but the facts are that investor confidence has been crushed since they took office and that Albertans are suffering due to the poor choices this government continues to make.

There's only one question left. Will anyone over there take responsibility for the 100,000 jobs lost, the tanker ban, the cancellation of Northern Gateway, and running the economy into the ground? Take responsibility and apologize.

Oral Question Period

The Speaker: The Leader of the Official Opposition.

Employment and Labour Code Legislation

Mr. Jean: Today the NDP will introduce changes to the Employment Standards Code and the Labour Relations Code. Now, Amanda Jensen was fired from her job for seeking time off to care for her child suffering from leukemia. I spoke to Amanda yesterday and told her that I'd support changes to protect people in her situation from losing their job, but unfortunately this NDP bill is rumoured to go far beyond that. Why would the Premier want to possibly remove a worker's right to a secret ballot for union certification in this bill if all this is really about is protecting the livelihoods of people like Amanda Jensen?

The Speaker: The hon. Premier.

Ms. Notley: Well, thank you very much, Mr. Speaker. You know, without getting into the details of the bill, which, of course, is going to be introduced today, generally speaking, it is the policy of this government to promote at long last a balanced playing field for all workers in Alberta after decades of that being in complete opposition to the work of this government. You know what? That will not only make life better for middle-class Albertans; it will also help employers, those responsible employers who do the right thing by their workers each and every day. They need to know that everybody has to play by the rules, and under our watch they will.

Mr. Jean: I know the importance of being with loved ones when they're sick. The Wildrose campaigned to extend support for those caring for loved ones, but this omnibus legislation isn't just about protecting those who need to care for loved ones. It makes sweeping changes to the labour code, and that has 90 per cent of businesses surveyed worried about their ability to keep Albertans working. That should worry this government. Why won't the government pass the protections for people seeking compassionate care and then table the rest of the changes for greater consultation with Albertans over the summer?

Ms Notley: Well, Mr. Speaker, I understand that the member opposite is, as far as I can tell, still in consultations over whether he can actually support school lunches. However, we are not going to approach dealing with long-overdue problems being fixed that way. We are going to ensure that we promote fairness across the board in Alberta, and we are going to do it without fearmongering. We're going to do it by simply engaging in a balanced, down-the-middle kind of approach, and I'm proud of our government for doing that. It is about time.

Mr. Jean: Thirty-six days is not consultation. Four come-and-be-told meetings is not consultation, Mr. Speaker.

The NDP are trying to use compassionate care leave, which the Wildrose also supports, as cover for drastic measures to tilt the playing field in favour of the NDP's big labour friends. Eliminating a worker's right to a secret ballot for union certification has nothing whatsoever to do with protecting people like Amanda Jensen. It only puts the jobs of other Albertans at risk. Why does the Premier insist on ramming through a union-friendly omnibus bill instead of splitting the bill in half, making sense, and seeking further consultation on labour code changes with Albertans?

Ms Notley: Well, you know, Mr. Speaker, it really does demonstrate quite a bit that the member opposite automatically equates unions with job killing. You know what? The fact of the matter is that unions include nurses, they include teachers, they include restaurant workers, they include police, they include middle-class Albertans across the province. In fact, those other Albertans who would like the opportunity to engage in their constitutionally protected rights in this province should be able to have those rights, and that is what our government is going to ensure happens. [interjections]

The Speaker: Hon. members, caution. It's windy outside. We don't need to be windy in here.

The second main question.

Electricity Prices

Mr. Jean: This NDP government just doesn't get how important and how significant the impact of their policy decisions are. Yesterday we saw the NDP formalize their cap on electricity prices. One problem with their scheme, Mr. Speaker: for every cent the rate goes above 6.8 cents per kilowatt hour, the taxpayers, Albertans, will be on the hook for an extra – you got it – \$10 million a month. Where is this cash coming from? Well, it's coming from the funny money bank account funded by the NDP's carbon tax. Why does the Premier think it's okay to throw Albertans' hard-earned money away to compensate for her government's mistakes?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, when it comes to dealing with the challenges with our electricity

system, caused, in fact, by the fact that it was on the verge of breaking as a result of the wacky system that the previous government had put in place, there's a choice. Their plan would ensure higher bills, more market volatility for Alberta families. It would ensure burning coal even though everyone knows that it's not healthy, and it would ensure ignoring expert advice about how to best transition to a stable energy market. That's not the plan that we will follow. We will protect Alberta families, we will protect stability in their bills, and we will make sure that we get off coal.

Mr. Jean: Wacky system, Mr. Speaker? Consistently the lowest energy prices in North America.

Whether the Premier likes it or not, ratepayers and taxpayers are one and the same. A subsidy on an electricity bill is going to show up on the bottom line at tax time to all Albertans. I can't decide what's worse, the NDP trying to pull the wool over Albertans' eyes or that they just don't care and are doing this move for ideology's sake no matter what Albertans think or believe. Why does the Premier respect Albertans so little that she's willing to make them pay a lot more for electricity in the name of ideology?

The Speaker: The hon. Premier.

Ms Notley: Thank you, Mr. Speaker. When it comes to making short-sighted, ideological decisions, I have to tell you that the members opposite can school us all. They are so committed to a free-market, full-market system that they would move to the Texas model of putting the electricity cap from \$1,000 to \$10,000 just to keep that free-market system going, and they'd just let families deal with that volatility day in and day out because that's the way the market works. That's not what Albertans voted for. That doesn't give stability to Albertans. That doesn't make their life better, but we will.

Mr. Jean: Speaking of the NDP copying other jurisdictions that fail taxpayers and citizens, Mr. Speaker, just today Ontario's budget watchdog released a report that the Liberal government's plan to lower electricity bills artificially will ultimately cost Ontarians over \$21 billion. Their scheme to subsidize electricity rates is opposed by the Tories and, believe it or not, even the NDP in Ontario. Why? Well, they've seen how damaging the Liberal's electricity plan is, the same plan, by the way, that Alberta's NDP are now copying. Why won't the Premier face the facts, look out for Albertans, and cancel this NDP risky electricity plan? [interjections]

The Speaker: Stay calm, please.

2:00

Ms Notley: Well, Mr. Speaker, I'll tell you that there's one thing that the members opposite are very good at. I guess it's two, fearmongering and alternative facts. The reality is that our electricity system is nothing like the Ontario electricity system. What we've done is that we've moved to a capacity market as a result of the advice of independent experts who are leaders in their field in North America, and we are moving into a bidding process that will not create the kinds of cost overruns that you've seen in Ontario. The members opposite, one or two of them, might even understand that, but the member instead insists on making claims that people know aren't true. Albertans deserve better.

The Speaker: Third main question.

Educational Curriculum Review

Mr. Jean: Albertans don't trust the NDP government's mismanagement of the economy, and they certainly don't trust them when

it comes to the current curriculum review either. Parents are sick and tired of their children being treated like guinea pigs in the classroom, and the latest survey doesn't show anything is going to change under this government. Let me be clear. This is not what parents want or asked their government to do. Will the Premier please listen to the parents of Alberta and not impose her NDP world view on our school system and our children?

Ms Notley: Well, you know, Mr. Speaker, the fact of the matter is that a modern, 21st-century curriculum is the key to preparing our kids for success in a fast-changing world, and that's exactly the reasons why we're engaging in this curriculum review. We are consulting across the board – with kids, with parents, with teachers, with Albertans who don't fit any of those descriptions – and we are going to as a result move forward in a way that reflects the fact that we are now in the 21st century. I appreciate that the members opposite are a little uncomfortable with that fact, but you know what? We know that what's good for Albertans is to . . .

The Speaker: Thank you, hon. Premier.

Mr. Jean: Experts on the subject of curriculum review share my concerns about the current overhaul. The former director of curriculum review in Edmonton public schools has said what they believe of the Premier's modern interpretation, quote: knowledge outcomes don't figure very prominently in this curriculum. This is all about teaching opinions. It's teaching the opinion of the extreme left, an opinion of radical socialism. End quote. The Premier would be out organizing protests if extreme right or social conservative views were being pushed right now, so how on earth is the Premier letting this kind of thing happen in Alberta?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, the document to which the member appears to be referring actually includes the goal, this notion of encouraging the development of "engaged citizens." Somehow they've taken that phrase and converted it to some kind of socialist plot. Now, the reality, I believe, is that all Alberta parents want their kids to grow up to be engaged citizens: to engage in critical analysis, to question alternative facts wherever they might arise, and, in fact, to engage in their province. I am very hopeful that our kids will continue to do just that.

The Speaker: Thank you.

Mr. Jean: I know the Premier doesn't talk to everyday, normal Albertans, but I do, and I hear very valid concerns right across Alberta when I talk to parents that they want to go back to the basics in our education system. They want their kids to be grounded in math, reading, and writing and to have an understanding of the world, not learning how to become social activists like some people. Will the Premier agree that she's setting up Alberta students to fail and that, in the words of the former EPSB curriculum director, this curriculum will end up with very opinionated but poorly educated students?

Ms Notley: Well, Mr. Speaker, again, if the member opposite had engaged in this issue to any level of detail, he would know that our government has been very focused on improving those core learning outcomes and, in particular, that we asked for and received a review of our math curriculum that is actually going to be very much focused on improving the way we teach math and ensuring that the focus on math actually gets better in our schools. Indeed, at

the time a lot of people that you wouldn't expect to agree actually did agree on the direction that we're moving forward in. Being an engaged citizen doesn't negate understanding math and doesn't negate knowing . . .

The Speaker: Thank you, hon. Premier.

The hon. leader of the third party.

Mr. McIver: Thank you, Mr. Speaker. Let's see if we can get a better answer from the Education minister.

The proposed rewrite of the social studies curriculum is a travesty that could be foisted upon Alberta students. The NDP world view guidelines are pushing social change and not the usual focus on history. It seeks to turn students into agents of change. If students are not grounded in the fundamentals of where we came from, how can they be equipped to steer us where we're going to go in the future? To the Minister of Education: why are you downplaying the value of history and feel the need to re-engineer such a vital part of the curriculum with a narrow focus . . .

The Speaker: Thank you, hon. member.

The hon. Minister of Education.

Mr. Eggen: Thank you, Mr. Speaker. Thank you. I appreciate that. You know, questions like that make me realize that we need to redouble our efforts to teach these basic skills because, clearly, this member is lacking in many of those critical analysis skills that actually allow people to understand what we're doing. We're building a new curriculum, and we're doing a very good job of it. They left the curriculum for 30 years. We're getting the job done. Albertans will benefit as a result.

Mr. McIver: Mr. Speaker, indeed, it is the Education minister that needs to take a lesson. The fact is that Stuart Wachowicz, a former director of curriculum for Edmonton public schools, said that students under this system will graduate with opinions of the extreme left, of radical socialism. The government is trying to train children to fight their battles for them rather than get them ready for being successful in society. Minister, will you stop this madness? Will you actually care for children and help to prepare them through the curriculum to be successful in the world in which they must survive? [interjections]

The Speaker: Hon. members. [interjections] Hon. members.

The hon. Minister of Education.

Mr. Eggen: Well, thank you, Mr. Speaker. Certainly, as a former history teacher myself and as an English teacher, no, we're not going to stop teaching history. In fact, we will redouble our efforts to ensure that students have the critical thinking skills, the rational skills, the communication skills, the math skills to make sure that they can interpret history as it moves through the past, the present, and the future. We know that it's important to learn from history so that we do not repeat the mistakes of the past. We do that right here right now. We've voted a new government in because, certainly, the past was way past due.

Mr. McIver: Mr. Speaker, it's even more pathetic that the minister, a teacher, is going down this road. You know what? They're cherry-picking things on the flavour of the day, and they shouldn't do that, whether it's on the left or the right side of the political spectrum. They should be preparing kids for the future they choose and not choosing it for them. To the minister: will you stop this madness and send your officials back to change the planning documents and

widen the focus instead of narrowing it on the NDP world view, which seems to be the only dogma that you will pay attention to?

The Speaker: The hon. Minister of Education.

Mr. Eggen: Thank you, Mr. Speaker. Certainly, we have been working with literally thousands of Albertans building curriculum. We had 32,000 responses last time. We only started the new response this week, and we've already had 9,000 submissions. You know, it's very important to make informed decisions and to make sure that we're including what we need as 21st-century learners here in the province of Alberta. We're including such things as computer literacy, entrepreneurship, working with the oil industry, working with the forestry industry, with agriculture as well. So, you know, this sort of inflamed rhetoric, this sort of hyperbole, which is deliberate exaggeration, for anyone that needs to know . . .

The Speaker: Thank you, hon. minister.
The hon. Member for Calgary-Elbow.

2:10 Domestic Violence in Airdrie

Mr. Clark: Thank you very much, Mr. Speaker. Alberta has among the highest rates of domestic violence in the country, and 4 out of 5 victims are women. A very troubling report, released yesterday, shows that Airdrie's rate of intimate partner violence is four times higher than in the rest of the province. To the Premier: are you aware of this report, and what is your government doing to address this issue in Airdrie specifically?

Ms Notley: Well, thank you very much to the member for this very important question. It is, without question, a very, very important issue. No one should live in fear for their life, for their safety, or in fear for the life and safety of their children. Our government has been working on this issue. The minister has met with a group called Airdrie POWER, a nonprofit group committed to improving supports for survivors, and they'll continue to work with them. They are also providing funding to a number of programs to address family violence in the Airdrie area, and they also now have an outreach worker through the Calgary Women's Emergency Shelter Association. But I agree that we need to do more.

The Speaker: Thank you, hon. Premier.
First supplemental.

Mr. Clark: Thank you, Mr. Speaker. Now, perhaps even more troubling is the fact that Airdrie numbers are based on police-reported incidents, and we know that many instances of domestic violence go unreported. One of the challenges Airdrie faces is a lack of shelter beds. While similar-sized cities like Grande Prairie and Medicine Hat have dedicated shelters, Airdrie has no shelter at all, which means they rely entirely on overstretched services in Calgary. Again to the Premier. I know your government has made additional investments in women's shelters. Will any of this money flow to Airdrie?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. As the member opposite has indicated, our government has in fact been taking long-overdue action on this issue. As he knows, we've passed legislation to make it easier for victims of domestic violence to get out of these dangerous situations, we've increased funding to FCSS by \$25 million – some of that money, obviously, would have gone to Airdrie – and of course we've increased funding for women's shelters. I'm not able to answer the specific question

about women's shelters in Airdrie, but I do believe he's identified a very, very important area that needs to be in focus. We actually know that these numbers have been the case for Airdrie for a very, very long time, and we need to move on it more effectively.

The Speaker: Second supplemental.

Mr. Clark: Thank you, Mr. Speaker. Even better than shelters is preventing domestic violence in the first place. HomeFront is a unique collaboration between Calgary police and CFS that pairs an officer with a domestic violence caseworker. They provide early intervention for at-risk families, including counselling, risk assessment, and safety planning. HomeFront has been remarkably successful. Eighty-three per cent of families they work with report the reduction or cessation of domestic conflict, and domestic violence calls to police have been reduced by 70 per cent. To the Minister of Justice. All Albertans should have access to this service. What are you doing to ensure that they do?

The Speaker: The hon. Minister of Community and Social Services.

Mr. Sabir: Thank you, Mr. Speaker, and thank you, Member, for the question. I certainly agree that prevention needs to be focused on, and that's the reason we have increased funding to the FCSS organizations by \$25 million so that prevention-focused services can be provided. I certainly appreciate the work HomeFront and many organizations like HomeFront do across this province. We are continuing to have stable funding for these organizations so that we can deliver our services in the best way possible. Thank you again.

The Speaker: The hon. Member for Spruce Grove-St. Albert.

Environmental Programs for Municipalities

Mr. Horne: Thank you, Mr. Speaker. Municipalities provide leadership to Albertans on many issues, and when I meet with municipal leaders across Alberta, they have made it clear that they are eager to make use of alternative energy to reduce their greenhouse gas emissions and their operating costs. To the Minister of Environment and Parks: what has this government done to assist municipalities wanting to use alternative energy?

The Speaker: The hon. Minister of Environment and Parks.

Ms Phillips: Well, thank you, Mr. Speaker. There's no question that municipalities are leaders when it comes to renewable energy and energy efficiency. We have towns like Camrose, who installed the second-largest solar installation in Canada on the roof of the recreation centre last year. We are supporting those efforts. We've invested \$5 million in the Alberta municipal solar program. There will be more to come as we work with municipalities to ensure that they can lower their operating costs and make life better for all Albertans.

The Speaker: First supplemental.

Mr. Horne: Thank you, Mr. Speaker. Given that municipalities such as the city of Edmonton have committed to reducing greenhouse gas emissions from their operations, what programs can municipalities look forward to on this important issue?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker. Of course, we're committed to working with municipalities to reinvest the \$1.3 billion in green infrastructure that we have set aside for those

municipal leadership activities, whether it's transit, whether it's retrofits, whether it's smaller transit systems in smaller centres. We're open to all of those initiatives, and we'll be moving forward on them in the coming weeks and months. You know, it's really important that we reinvest in creating those jobs in energy efficiency, that we know those investments create, and in making life better as we invest in transit. [interjections]

The Speaker: Second supplemental.

Mr. Horne: Thank you, Mr. Speaker. I'm very troubled to hear that the opposition doesn't think this is an important issue.

Given that municipal leaders are not always clear on the programs available to them, to the same minister: how is the government working with municipalities to ensure they have the necessary information?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker. Of course, efficiencyalberta.ca is always a good source of information on new energy efficiency programs and new programs that we're moving forward with. Now, there's no question that the UCP would flush all of those programs and that they would reject all of that municipal leadership in solar, energy efficiency, transit, all of those things that make our daily lives better, but on this side of the House we are supporting that leadership.

The Speaker: The hon. Member for Drayton Valley-Devon.

Opioid Use

Mr. Smith: Thank you, Mr. Speaker. Quote: this is not the time for key messages. End quote. Those words come from an expert in the field tired of hearing NDP talking points about the opioid crisis. Two years ago the Auditor General recommended that this government display leadership and develop an action plan. This government has no co-ordination of services, no action plan, and ministry officials can't even identify three priorities. How many Albertans have to die before you'll stop being part of the problem, declare a public health emergency, and table a comprehensive action plan to address it?

The Speaker: The Associate Minister of Health.

Ms Payne: Thank you, Mr. Speaker and to the member for the opportunity to talk some more about the work that our government is doing to address the overdose deaths crisis in our province. Albertans want to know that their government is responding to the overdose crisis as a top priority. We are. We've expanded access to the take-home naloxone kit program, we're expanding access to treatment such as opioid replacement therapies, and we are doing everything that we can to support the opening of supervised consumption services in our province.

The Speaker: First supplemental.

Mr. Smith: Thank you, Mr. Speaker. Given that in 2014 Michael Trew, the former chief addiction and mental health officer, asked the government for a bigger role in fighting the opioid crisis or epidemic and given that Mr. Trew maintains that had he been given that role, quote, we would have been at least two years ahead of where we are today, end quote, and given that Mr. Trew was on the front lines of the opioid epidemic but that in 2015 this NDP government disbanded his office, Premier, why did you ignore

Michael Trew's advice and then act so short sighted in disbanning his office?

The Speaker: The hon. minister.

Ms Payne: Thank you, Mr. Speaker. The addiction and mental health officer position was specifically tasked with dealing with the aftermath of the 2013 floods, and that position wrapped up in 2015. Since then, the top-ranking medical officer in our province, the chief medical officer of health, Dr. Karen Grimsrud, has been leading this fight as she is the one with the appropriate expertise to support this work leading what is indeed a public health crisis. The previous government failed to recognize that addiction and substance use are medical issues. Our government knows that they are, and we're providing the medical supports that are needed.

The Speaker: Second supplemental.

Mr. Smith: Thank you, Mr. Speaker. Given that this government's mishandling of the opioid crisis is having deadly results and given that the government announced that a total of \$62 million in federal and provincial funding was going to help Albertans get the treatment that they need and given that Suboxone provides enough stability to allow clients to address issues that impact their mental and physical health but given that Suboxone may be too expensive for many who do not have health benefits, how much money has this government put aside for this critical first-line medication?

The Speaker: The Associate Minister of Health.

Ms Payne: Thank you, Mr. Speaker. I'm so grateful for the opportunity to talk about opioid replacement therapy in this House. Our government has done much work to expand opioid replacement therapy programs existing through Alberta Health Services. Currently Albertans who are on any of the low-income drug plans or the seniors' drug plan are covered for their Suboxone prescription, and our government is looking at ways that we can expand that access because we don't believe that the ability to afford your medication should be a barrier for treatment.

2:20

Government Policies

Mr. Gotfried: Mr. Speaker, this government has become masters of unintended consequences, and I'm concerned this trend will continue. From the minimum wage increase to the carbon tax and the Bill 6 fiasco, this government has demonstrated a lack of understanding of how their policies are burdening many of the small to medium-sized employers in Alberta. To the Minister of Labour: do you perform analyses which indicate the cost of any policy changes to small-business owners prior to implementing new policy?

The Speaker: The hon. Minister of Labour.

Ms Gray: Thank you very much, Mr. Speaker. I'm very proud of the relationship that we've developed with our small businesses, the consultations that we undertake through organizations like the Chambers of Commerce, CFIB so that when we're looking at making life better for Albertans, we can make sure that we are updating legislation like our labour legislation and employment standards so that it takes care of a strong economy, so that it makes sure that it's supporting families, so that we can have modern and up-to-date legislation in this province, which we are sorely lacking.

Mr. Gotfried: Mr. Speaker, nothing beats face-to-face consultation.

Given the government's track record of hiding poor policy within bills which contain justifiable changes, I'm concerned the government will once again use positive change as cover for their true intentions and given that a number of small and medium-sized businesses have reached out to our caucus to express their deep concern with the government's intentions, again to the minister: when drafting legislation, do you analyze and consider the effect your changes will have on the viability and sustainability of Alberta's private sector?

The Speaker: The hon. minister.

Ms Gray: Thank you very much, Mr. Speaker. I'm very pleased to hear the member opposite say that he's happy to support positive change because the bill that I will be tabling later today deals with a lack of action from the previous government, that has gone on for decades. I am so proud to be able to look at our work legislation, to talk to all stakeholders, to approach this with a fair and balanced legislation that will support a strong economy and will support families in this province.

Mr. Gotfried: Mr. Speaker, nothing beats face-to-face meetings with businesses.

Given that this government is very fond of singing the praises of a particular policy only for that policy to end up harming Albertans and given that the increase to the corporate income tax is a prime example given that a recent study from the U of C demonstrated that the 2 per cent increase in the CIT resulted in \$830 less in earnings for the average dual-income Alberta family, again to the minister: how can Albertans trust you to understand their reality when drafting policy given your government's track record of introducing changes which negatively impact their earnings and employment opportunities?

The Speaker: The hon. minister.

Ms Gray: Thank you very much, Mr. Speaker. I have personally met with the CFIB, with the Chambers of Commerce, with businesses across this province, and I have also personally met with individual Albertans who are benefiting from our policies like an increase to minimum wage so that they can put food on the table for their families. Making sure that we have Albertans' backs, that we are implementing policies that take care of individual families is a priority for our government, and I'm very proud to be part of that.

Air Ambulance Service Contract

Mr. Barnes: This week rural Albertans learned that the successful bid for operating the fixed-wing air ambulance was awarded. The winning bid, CanWest, does not have a local hangar at Medicine Hat airport or Peace River. Without a fixed-wing ambulance aircraft base timely medical care could be compromised. Rural Albertans need answers. Minister, why wasn't there more oversight? How did CanWest win the request for proposal without a hangar in Medicine Hat or Peace River?

The Speaker: The hon. Minister of Health.

Ms Hoffman: Thank you very much, Mr. Speaker and to the member for the question. Certainly, there was significant foresight in this process. One of the reasons why there was was because a number of years ago – it had been over 13 years since there had been an open RFP process, and when there was one under the former government, the RFP didn't require there to be local housing of that air ambulance. AHS learned from what happened under the

former government, and they moved forward in a way that would ensure that a contract would be assigned only if the successful component could secure local hangar space and be able to house those air ambulances locally. So please, as the Premier said earlier, stop the fearmongering on the other side.

Mr. Barnes: Mr. Speaker, if an aircraft has to first travel through a major hub to pick up a patient and then return to that hub, the critical window for patient safety is missed. Given that this means an unacceptable delay for the patient and will impact patient care and given the losses to the local economies of both Peace River and Medicine Hat, to the Minister of Health: will you commit to finally – finally – providing oversight by retendering the bid if CanWest cannot fulfill the obligations set out in the request for proposal?

The Speaker: The hon. Minister of Health.

Ms Hoffman: Thank you very much, Mr. Speaker. I have to say that the members opposite tout the free market, and then they light their hair on fire every opportunity they get. What's happening right now is that the concerns that were received are being reviewed. No contracts have been signed. They are moving forward and making sure that the terms of the RFP can be achieved, and if they can't, then we'll examine next steps. The members opposite should take it a little bit easy and rest assured that the terms of the RFP that went out ensure that we are going to have local air ambulance in those same communities where they are today.

Mr. Barnes: Mr. Speaker, the minister should light her hair on fire because this will greatly affect the economy and quality of care for rural Alberta.

Given that Medicine Hat's council has demanded answers from this Minister of Health and given that the request to meet with the minister has now been ignored for weeks, to the Minister of Health: will you commit here and now to meeting the Medicine Hat council and the mayor to solve this?

The Speaker: The hon. minister.

Ms Hoffman: Thank you very much, Mr. Speaker. As I said in my previous answer, the RFP is being awarded, but no contracts have been signed. It would be premature to assume that the RFP terms can't be met. I think that it's important for us to trust the companies that are involved to be able to work on the details, and if they aren't successful, I will happily be part of the discussion. At this point I think it's important to respect the parties that are at the table, that are in negotiations. Obviously, safety for all Albertans is my number one concern, and making sure that we spend health care dollars is also very important. The members opposite are asking for cuts. Then they're asking me to . . .

The Speaker: Thank you, hon. minister.

Central Alberta Concerns

Mr. MacIntyre: Central Alberta has been hit hard by this economic recession and this government's policies. Our big resource-servicing companies are at a standstill, many of our farmers face damaged 2016 crops, and local manufacturing is suffering under the onerous carbon tax. Central Alberta needs some hope. When will this government provide central Alberta with the tools they need for some serious economic development?

Mr. Ceci: Well, there is hope. There is hope. There's hope in the sense that Alberta is going to grow further than any province this

year. GDP growth will be 2.7 per cent. That will affect the people in central Alberta just as it'll affect people throughout Alberta.

Mr. MacIntyre: Well, Red Deer College services a community of 350,000 people, and given that this community is particularly affected by the accelerated coal phase-out and given the immense demand for retraining that is already bubbling to the surface in the outcries of desperate coal workers, when will this government be providing Red Deer College with the polytechnic degree-granting status that they need to service my community?

The Speaker: The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Mr. Speaker. Of course, we're quite proud of the work that Red Deer College does to support students in central Alberta, and we're quite pleased to have a new board chair at Red Deer College, Mr. Morris Flewelling, who is serving the people of central Alberta admirably in that role. If the members opposite were so concerned about providing education for the people of central Alberta, they would at least tell them how much their cuts would affect Red Deer College in their ability to deliver education to the people of central Alberta.

Mr. MacIntyre: The economic impact assessment of granting Red Deer College polytechnic status shows an addition of tens of millions of dollars to our local economy. Given that it is beyond the right time for this government to prioritize central Alberta as the right place, to the Minister of Advanced Education: are you sticking it to central Alberta by delaying the granting of polytechnic status so you can keep it in your back pocket as an election plum for a pair of floundering central Alberta MLAs?

The Speaker: The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Mr. Speaker. Of course, we are working with all of our universities and colleges in reviewing the roles and mandates, and we will make decisions about the future of Red Deer College later this year. The members opposite are campaigning on cuts that would close down Red Deer College and not just Red Deer College but colleges and universities all over this province. They should be ashamed of themselves for promoting those kinds of policies.

2:30 Registry Service Personal Information Collection

Dr. Starke: Mr. Speaker, last week I received a call from an 86-year-old constituent who had recently lost her husband of 66 years. Now, they both owned vehicles registered in both names, and when she went to renew the registration on her car, she informed the registry agent that her husband had passed away and that his name should be removed from the registration. The agent asked her to provide a copy of her husband's will. Afterwards she was very upset at what she feels is an invasion of her privacy. To the Minister of Service Alberta. Even the staff that we spoke with in your department feel that this policy is wrong. Why are registry agents being required to do this?

Mr. Schmidt: Well, I want to thank the hon. member for raising this question, and I'm pleased to, of course, represent the Minister of Service Alberta on this issue. I'm not familiar with the issue, and I will communicate this to the Service Alberta department, who will take this issue under advisement and get back to the hon. member.

The Speaker: First supplemental.

Dr. Starke: Thank you, Mr. Speaker. Given that registry offices are where Albertans receive key services from their government and given that high levels of courtesy, compassion, and customer service should be goals in all of these offices' interactions and given that asking a grieving widow to produce her late husband's will to be copied and read by strangers is a cruel and heartless invasion of privacy, to the minister: why isn't simply producing a copy of the death certificate sufficient in this sensitive situation?

The Speaker: The hon. minister.

Mr. Schmidt: Well, thank you, Mr. Speaker, and again thank you to the hon. member for the question. Of course, we expect all of our service agents to deal with everybody with kindness and empathy . . .

Mr. Cooper: You should deal with us with kindness.

Mr. Schmidt: . . . and we will continue to communicate that expectation to the service agents who are delivering this. On this particular issue, of course, we will contact the department and get back to the hon. member with some more information. Hopefully, we can rectify this situation.

The Speaker: Second supplemental.

Dr. Starke: Well, thanks, Mr. Speaker. I couldn't hear all of the answer owing to the jocularity going on on this serious matter. Given that there are growing concerns about the security of personal data that is stored on computers by government and other institutions and given that just last week a major malware threat caused significant disruption world-wide in a number of jurisdictions and given that these threats are growing in their scope and sophistication, to the minister. No one can absolutely guarantee the security of these personal and private documents. Why are you requiring registry agents to collect, copy, scan, and store all of this information?

The Speaker: Thank you, hon. member.

The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Mr. Speaker. Of course, as I mentioned in my previous answers on behalf of the Minister of Service Alberta, we will look into this matter further and reply to the hon. member with some advice on how we can rectify this situation.

The Speaker: The hon. Member for Red Deer-South.

National Inquiry into Missing and Murdered Indigenous Women and Girls

Ms Miller: Thank you, Mr. Speaker. The federal government's National Inquiry into Missing and Murdered Indigenous Women and Girls has been under way for some time. Given that my constituents in Red Deer-South have expressed frustration over the delays with the federal inquiry, to the Minister of Indigenous Relations: what actions has the government of Alberta undertaken to support this inquiry?

The Speaker: The hon. Minister of Indigenous Relations.

Mr. Feehan: Thank you, Mr. Speaker, and thank you very much for the question. As the member may remember, in September of last year we had an order in council that allowed us to bring the commission here into Alberta and for them to have full access to all Alberta records. In May of this year we also applied for standing to

allow ourselves to have records for the national inquiry. We met with many of the family members together to talk to them about their experiences of all of this process and to ask them about what it is they would like going forward. We are happy to announce this week that the family information liaison units will be open. I'll speak a little bit more about that in further answers.

The Speaker: First supplemental.

Ms Miller: Thank you, Mr. Speaker. Given that some of my constituents are involved in the federal inquiry, to the same minister: how will the family information liaison unit help these individuals and families during the inquiry?

The Speaker: The hon. minister.

Mr. Feehan: Thank you, Mr. Speaker, and thank you for the question. As you can well imagine, the circumstances for family members who have lost a member, murdered or missing, are quite difficult. As a result, trying to navigate the very many systems involved can be problematic. The family information liaison unit members will help them to gather specific case information from police investigations, court records, coroners' investigations, and inquests. They'll also have access to counselling elders and spiritual support to help them through this very difficult time, which this government is very concerned about, for the family members.

The Speaker: Thank you, hon. minister.
Second supplemental.

Ms Miller: Thank you, Mr. Speaker. Given that Albertans across the province will want to access the services provided by the family information liaison units, to the same minister: how will the families access these services?

The Speaker: The hon. minister.

Mr. Feehan: Thank you, Mr. Speaker. We're very concerned that the family liaison information workers actually have direct, face-to-face contact with family members. As a result, they'll be travelling throughout the province of Alberta and meeting people face to face, and we encourage family members to register with the system. They can call 780.427.3460 or 310.0000 and identify themselves so that they can have the individualized support they muchly deserve.

Child Protective Services and Death Reviews

Mr. Nixon: Today the Child and Youth Advocate released a report about the death of 15-year-old Levi. This is the story of another child who did not have to die. His mother stated many times that she could not take care of him. Levi himself asked to move to a safe home. In his home there was drinking, domestic violence, and unexplained gaps in his child intervention file. To the Minister of Children's Services: you say we need to do better, but how are we supposed to believe your ministry is taking this seriously when we keep hearing tragic stories like this one day after day?

Ms Hoffman: I want to thank the office of the Child and Youth Advocate for sharing these stories. I think it's important for us to hear them and have an opportunity to learn and be able to move forward. I know all members of this House feel for this young man and for his family. He faced unspeakable hardship and pain in his life, and it's tragic and in need of support. It's clear that the former ministry of human services did not do everything possible to support this young man. That is unacceptable. We accept the

recommendations, and we will move forward to make sure that we do better, Mr. Speaker.

Mr. Nixon: Given the minister has the gall to say that the government created the child intervention panel to help kids but knows full well the panel does not look at case-level data and given that I have no confidence that any meaningful change is going to happen for kids like Levi and given that Levi's story isn't new either – in the advocate's report into his death there are similar recommendations that have been made in three previous reviews. Minister, the panel isn't helping kids like Levi. When are you going to take some accountability and actually do your job, make some changes that the advocate is asking for?

The Speaker: The Deputy Premier.

Ms Hoffman: Thank you very much, Mr. Speaker. Again, we fully accept these recommendations. We believe that they are important, and we look forward to working closely with the advocate around implementation and further improvements. All young people should have their voices listened to and have access to the help that they need. When a young person asks for help, we need to do whatever we can to support them; however, it's clear that that did not happen for Levi. We expect that the committee is going to bring forward very good recommendations. We'll be able to act on them, and life will get better for young people. It needs to.

Mr. Nixon: Given that there were so many times in Levi's short life where he and others cried for help and he never received it, given that in the past police had found several intoxicated adults in Levi's home and him missing for large periods of time, given that it was documented that he missed a significant amount of school and that at age 12 he was found living in a tent because of his mother's drinking, and given that this is yet another case where there were clear cries for help from a child and those associated with the child that were ignored, to the minister: how will you make changes in the system so that when a young person asks for help out of a dangerous situation, they actually get it? Stop making excuses, stop saying it's the panel, because it's not, and tell us what you're going to do.

The Speaker: The hon. Deputy Premier.

Ms Hoffman: Thank you very much, Mr. Speaker. That's why I'm asking Alberta Health, Alberta Health Services, and the college of physicians to examine this heartbreaking situation, ensure protocols are in place to care for vulnerable youth. When children ask for help, they need it, and Levi deserved better. That's why we created a ministerial panel, to take a very serious look at child intervention systems and make recommendations for improvement. It's clear that significant changes must be made, and we await the panel's recommendations. We hope that they are supportive, and we look forward to moving quickly to make changes for Alberta's children and youth.

Mr. Nixon: Point of order.

The Speaker: Point of order.
The Member for Calgary-Lougheed.

2:40

Economic Indicators

Mr. Rodney: Thank you, Mr. Speaker. According to Statistics Canada monthly manufacturing in Alberta is down by over half a billion dollars since the NDP became the government, a nearly 10

per cent drop, but only \$30 million of that was in petroleum- and coal-related manufacturing. The rest came from industries such as food, fabricated metal, machinery, computers, furniture, and transportation equipment manufacturing. To the Premier: when will you stop using low oil prices as a false excuse for the negative impact that the NDP's misguided policies are having on Albertans?

Mr. Ceci: Well, it gives me an opportunity, Mr. Speaker, to talk again about how those oil forecasts are generated for the province of Alberta. We look at five private-sector averages, and we usually take the average of those five entities, but this year we took the lowest number, which was \$55 for '17 and '18. That same number is what Saskatchewan has brought forward for their budget, the same number or higher.

Mr. Rodney: Given that nondurable goods manufacturing, which includes oil and gas, was down \$139 million per month but durable goods manufacturing was down \$395 million and given that some Alberta industries have shrunk to the point of no longer even being reported by Statistics Canada, including primary metal manufacturing, down 40 per cent, and electrical equipment, appliances, and components, down 45 per cent, to the minister: how can the NDP claim that its economic diversification and export development plan is working when manufacturing even beyond oil and gas has been decimated?

Mr. Ceci: You know, I think that today is an example of the questions where the glass is half empty with that person over there. We know, Mr. Speaker, that, for instance, a Ford distribution warehouse is opening in Leduc. Champion Petfoods is building a 37,000-square-metre pet food facility in Parkland county. Tourism is up across this province. The GDP is going to be leading this province. The glass is half full, not empty.

Mr. Rodney: Perhaps the minister doesn't know that you don't even measure tourism anymore. We're asking about Albertans, not us.

Given that the value-added manufacturing exports that should be driving the economy outside our big cities are also down, with industries from animal food manufacturing to pulp and paper suffering millions of dollars in lower project activity, and given that agriculture, construction, and manufacturing are also down by tens of millions of dollars and given the impending devastation to the coal industry workers' families, who are often coemployed in the agricultural sector, how can the agriculture minister claim to be protecting and growing Alberta's ag industry when the numbers clearly show the exact opposite?

The Speaker: The hon. Minister of Agriculture and Forestry.

Mr. Carlier: Thank you, Mr. Speaker, and thank you to the member for the opportunity to talk about the good work that agriculture and agrifood processing are doing in Alberta. Currently agrifood processing is the largest manufacturing sector in Alberta, contributing about \$12 billion to the economy. It's a sector that continues to grow with the policies of this government. The Minister of Finance has highlighted some of the great work that has been going on: Champion Petfoods, Cavendish foods down in southern Alberta. There are a lot of great things happening in this province around the agriculture industry because of the policies of this government, because this government has Alberta's back.

The Speaker: Thank you, hon. minister.

In 30 seconds we will continue with Members' Statements.

Members' Statements

(continued)

The Speaker: The hon. Member for Calgary-Northern Hills.

RiverWatch Science Program

Mr. Kleinsteuber: Thank you, Mr. Speaker. Back in 1994 a group of three teachers envisioned taking lessons on aquatic ecosystems from the classroom to the outdoors so that students could experience their neighbourhood rivers up close. In the spring of 1995 Cal Kullman's grade 9 students from Louis Riel school piloted lessons, science experiments, and a raft route along the Bow River through Calgary. In this way RiverWatch was born, and by the fall of that year 22 teachers and nearly 600 students adventured out for the first season. Two decades later RiverWatch is now a nonprofit organization, an award-winning river monitoring program, and host to the 10,000 students which participate in the program annually from across Alberta.

Last Friday, May 19, I joined the Member for Calgary-Fort, the Member for Calgary-East, and many other Albertans on a RiverWatch expedition. We embarked from Pearce Estate Park in Inglewood and set off down the Bow. As we passed the Inglewood bird sanctuary, our guide surveyed the group regarding the health of the river, and the group assumed that it was about a 3 out of 5. Further down the river we beached the rafts to do a few science experiments. My partner and I checked the pH of the river and discovered that it was about 8.3, within the norms of a healthy river.

Relaunching the boats, we reached the Bonnybrook waste-water treatment plant, where students get to tour this state-of-the-art water treatment facility. Our group continued to the area where the treatment plant's effluent discharges into the Bow and where the students get a chance to consider the ways of how our water usage impacts the river's health. A full-day tour also includes a final science checkpoint across from the Beaverdam Flats park, where students repeat the same science experiment as earlier, and groups often decide that the river quality is, in fact, a 4 out of 5.

On behalf of myself and my MLA colleagues I'd like to thank Cal Kullman, Andrea Myers, and the RiverWatch team for an educational morning float down the Bow. RiverWatch helps students see that water connects us all and that whatever we do to the river, we do to ourselves.

Thank you, Mr. Speaker.

Red Deer's Lending Cupboard Society

Mrs. Schreiner: Good afternoon, Mr. Speaker. I am sure everyone in the House knows that I am immensely proud of the great city which I call home. Red Deer has earned the title of volunteer capital. That speaks to our strong sense of loyalty and community, and I never run out of reasons to sing its praises.

I would like to shed light on The Lending Cupboard Society, which embodies this strong sense of community. Established in July 2006, with services provided to 456 clients, the mission was to provide medical equipment to those in need. Today their tremendous growth supports a diverse model incorporating a more holistic approach, including wellness, mobility, independence, and dignity.

The Lending Cupboard Society helps make Albertans' lives better. As the only established nonprofit organization of its kind in central Alberta their mission has touched the lives of many family, friends, and constituents of many of our members in the House today. It is not only the services and equipment that make The Lending Cupboard such a success. The service it provides supplements Alberta Health Services by ensuring that Albertans

have access to the medical devices they need to maintain their independence and dignity.

On January 30 I had the pleasure of introducing the hon. Minister of Health to the gem that The Lending Cupboard is and to showcase the caring community that is Red Deer and its impact on central Alberta. With the dedication of many volunteers and phenomenal staff The Lending Cupboard Society meets a strong community need by supporting individuals when illness or tragedy strikes.

Mr. Speaker, today I applaud the great strides that have been made in supporting Albertans who are vulnerable, and I compliment The Lending Cupboard Society for the leadership and compassion that motivates the great work they do in the community I call home.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Bonnyville-Cold Lake.

Energy Policies

Mr. Cyr: Thank you, Mr. Speaker. I'd like to read a quote from the very first Alberta NDP election platform. "Alberta has among its many power sources: coal, water-power and petroleum. This is a substantial basis upon which to establish profitable industries within the province." It continues: "The development of coal-burning thermal units for electric power in coal mining areas of the province will be encouraged as economic aids to . . . depressed areas and as an added source of power for industry and domestic use." They actually advocated for an east coast pipeline, the same one that the Alberta Wildrose has urged them to advocate for.

But sadly, Mr. Speaker, these values have been replaced by this radical manifesto that the NDP has moved forward on, which is aimed at killing jobs and completely shutting down the petroleum sector. Instead of concern for hard-working families and the economy, the NDP are now more concerned with a 21st-century version of snake oil, also known as a social licence.

2:50

They have lost touch with regular, everyday Albertans and instead have decided to cozy up with their Trudeau Liberal BFFs from Ontario. That's shameful. We have seen the NDP demonize our energy industry and state that Albertans are the embarrassing cousins of Canada. We have seen the NDP shutting down the coal plants. We have seen the NDP hire antipipeline activists to key positions within their government. That also is shameful.

The real threat to Alberta right now is this NDP government. The NDP have departed from the principles that Albertans hold dear and that they once believed in, too. This is why Albertans are demanding a conservative government to move forward, to start working together to prevent this from ever happening again. But this . . .

The Speaker: Thank you, hon. member.

Introduction of Bills

The Speaker: The hon. Minister of Labour and minister responsible for democratic renewal.

Bill 17

Fair and Family-friendly Workplaces Act

Ms Gray: Thank you very much, Mr. Speaker. I'm honoured to rise and introduce Bill 17, the Fair and Family-friendly Workplaces Act.

With this bill our government is supporting family-friendly workplaces and giving Alberta workers and employers rights and protections similar to other Canadians. If passed, this bill will make changes to the Employment Standards Code and the Labour

Relations Code. The proposed changes to these labour codes are based on consultations with Albertans. With this input, Mr. Speaker, Bill 17 strikes the right balance between the needs of workers and employers and brings Alberta's workplace legislation into the 21st century.

I'd like to thank those in the gallery for being here to witness this today.

Thank you, Mr. Speaker.

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

[Several members rose calling for a division. The division bell was rung at 2:52 p.m.]

[Fifteen minutes having elapsed, the Assembly divided]

[The Speaker in the chair]

For the motion:

Babcock	Horne	Nielsen
Carlier	Jabbour	Payne
Carson	Jansen	Piquette
Ceci	Kazim	Renaud
Clark	Kleinsteuber	Rosendahl
Coolahan	Littlewood	Sabir
Cortes-Vargas	Loyola	Schmidt
Dach	Luff	Schreiner
Dang	Malkinson	Shepherd
Drever	Mason	Swann
Eggen	McCuaig-Boyd	Sweet
Fitzpatrick	McKitrick	Turner
Ganley	McPherson	Westhead
Gray	Miller	Woollard
Hinkley	Miranda	

Against the motion:

Anderson, W.	Gotfried	Orr
Cooper	Hanson	Pitt
Cyr	Jean	Rodney
Ellis	MacIntyre	Schneider
Fraser	McIver	van Dijken
Gill	Nixon	

Totals: For – 44 Against – 17

[Motion carried; Bill 17 read a first time]

The Speaker: Government House Leader, is there unanimous consent with respect to the Routine today?

3:10

Mr. Mason: We can try it, Mr. Speaker.

[Unanimous consent granted]

The Speaker: In addition, there's a request for unanimous consent for an introduction.

[Unanimous consent granted]

Introduction of Guests

(continued)

Ms Gray: Thank you very much to the House. Mr. Speaker, it's a pleasure to introduce to you and through you to all members of this House a member of the legal services team who was instrumental in helping to draft the Fair and Family-friendly Workplaces Act. I'd like to introduce Ms Chelsea Evans-Rymes, who's come with some family, perhaps, and some friends. Ms Evans-Rymes and I actually

were camp counsellors together, so it's been interesting to get reacquainted many, many years later. I'd like her to please rise and receive the traditional warm welcome of the House.

The Speaker: Welcome.

Tabling Returns and Reports

The Speaker: Hon. members, pursuant to section 5(3) of the Property Rights Advocate Act the chair is pleased to table in the Assembly five copies of the 2016 annual report of the Alberta Property Rights Advocate office.

The Clerk: Tablings to the Clerk.

The Speaker: The Member for Edmonton-Centre.

Mr. Shepherd: Thank you, Mr. Speaker. It's my pleasure today to table five copies of an article titled India Cancels Plans for Huge Coal Power Stations as Solar Energy Prices Hit Record Low, the article noting that India has cancelled plans to build nearly 14 gigawatts of coal-fired power stations. That's about the same as the total amount in the entire United Kingdom.

The Speaker: On a go-forward basis, hon. members – it's a procedural matter that I should have been more aware of – it's the Clerk that tables at that particular section. The document is accepted, but in the future we should avoid, as members, using that to table documents.

I believe we are at points of order. The hon. member for Olds – excuse me. Rimbey-Rocky Mountain House-Sundre.

Point of Order Language Creating Disorder

Mr. Nixon: That's okay. I spend a lot of time with the hon. Member for Olds-Didsbury-Three Hills, but you might have noticed, Mr. Speaker, that there is a slight height difference. Just slight.

I rise on 23(j), use of "abusive or insulting language of a nature likely to create disorder." During my questions to the Children's Services minister, which the Deputy Premier answered, the Deputy Premier during that time made some statements that do not accurately represent the facts. Several ministers have in the past, but particularly during those questions the minister continued to again make statements that do not accurately represent the facts, which creates disorder when the minister knows that her statements are not accurately representing the facts.

It is clear, without a doubt, and the minister is aware that the child intervention panel, that the minister continues to refer to in her answers to our questions, is not allowed – and the reason it's not allowed, Mr. Speaker, is because the NDP has blocked it – to deal with any case-level data, compare it to the Serenity or the Levi cases, which we were speaking about in particular today. When the minister keeps rising and telling Albertans and the opposition that we are allowed to refer to that and that that panel is actually dealing with that issue when in fact it is not, that is language that will cause disorder in the House. I would appreciate it if the minister would stop that.

The Speaker: The Acting Deputy Government House Leader.

Ms Ganley: Thank you very much, Mr. Speaker. Obviously, the member opposite is upset. There is a dispute as to what the facts are. I don't believe this is anything resembling a point of order. You know, saying that as we move forward, the entire child intervention

system is something that we should look at, saying that we should move forward and look at systemic issues that affect all children and that we should work as a House, all together, to make those systemic issues better: I don't know how that could possibly create disorder.

Mr. Speaker, I think that the way this panel has moved forward and the speed with which they are doing their work and the speed with which they are moving to create a better system for all children in Alberta, which is obviously desperately needed – and I think all sides of the House are going to agree on that – is pretty phenomenal. To say, you know, that the minister standing up and saying, "Of course we care about this issue; that's why we continue to invest money and that's why we have a panel that's going to deal with these systemic issues" is not, I think, likely to create any disorder amongst any reasonable individuals. Obviously, this is just a dispute as to the facts and whether or not there are systemic issues.

The Speaker: The House leader of the third party.

Mr. Rodney: Thank you, Mr. Speaker. There is one reason there is a panel, and that's because the hon. leader of the PC caucus asked repeatedly for it, and I really appreciate that the government agreed that it was indeed a good idea. I appreciate the input of all the caucuses on that panel, but as has been demonstrated by the hon. Official Opposition deputy House leader, this is an ongoing issue that needs to be addressed. We've asked on many occasions for the same rule to apply, so I'll thank you for your ruling.

The Speaker: Hon. members, I think that in this instance there is no point of order. It is a difference of opinion. However, let me remind all of the House that sensitive issues like this are very visceral to all of us. They impact considerably on this province, that we represent in this House. I ask all of you to be conscious of that when comments are being made in the House.

Orders of the Day

Private Bills Third Reading

Bill Pr. 1

Calgary Jewish Centre Amendment Act, 2017

The Speaker: The hon. Member for Calgary-Glenmore.

Ms Kazim: Thank you, Mr. Speaker. I move third reading of Bill Pr. 1, Calgary Jewish Centre Amendment Act, 2017.

This bill has been recommended by the Standing Committee on Private Bills, and I encourage all the members of the House to support it. Thank you.

The Speaker: Hon. members, would anyone like to speak to third reading of Bill Pr. 1, Calgary Jewish Centre Amendment Act? The hon. Member for Calgary-Northern Hills.

Mr. Kleinsteuber: Thank you, Mr. Speaker. I rise this afternoon to speak to Pr. 1, the Calgary Jewish Centre Amendment Act, 2017. As a member of the Standing Committee on Private Bills I was able to attend the presentation by Mr. Bruce Libin, the president of the Calgary Jewish Federation, on May 1 to understand the requests of the organization. The overall proposal of the request is to, one, change the name of the Calgary Jewish Centre Amendment Act to the Calgary Jewish Community Campus Corporation Act to better reflect the objects of the corporation.

The second part is to change the objects so that this organization can expand on their campus plans. I'll highlight some of the details here now.

- (a) To promote health by encouraging and facilitating general physical fitness by operating and maintaining recreational facilities . . . for the general public,
- (b) to advance education by operating and maintaining a daycare facility . . . [for] both Jewish and non-Jewish communities of Calgary,
- (c) to advance education and culture by providing educational programs . . . ,
- (d) to relieve poverty by providing free or subsidized educational, cultural and recreational programs to individuals in need,
- (e) . . . by providing specially adapted residential accommodation . . . and other support services to Jewish and non-Jewish seniors.

3:20

In the committee we were told that there had been talk for a long time about the opportunities and vision of expanding facilities on that land adjacent to the existing Calgary Jewish Community Centre, and the bill would allow for the development of that space. As a first step we were told that there are plans to expand and renovate the existing building and to expand the daycare at that facility.

Mr. Speaker, having listened to the presentation, witnessed the expansion diagrams, and seen the future potential of this campus, I will be supporting Bill Pr. 1 at third reading. I encourage all others to do the same.

Thank you.

The Speaker: Are there any other members that wish to speak to Bill Pr. 1?

Seeing and hearing none, the Member for Calgary-Glenmore to close debate.

Ms Kazim: Yeah. Thank you, Mr. Speaker. It is my honour to rise to support the bill. I would like to elaborate a little bit more on the contributions this particular bill will have in the constituency of Calgary-Glenmore as well as the entire city of Calgary.

The expansion is basically including more facilities, and it will be more inclusive for our communities. It serves not only Jewish people but others as well, as mentioned earlier. It's a very multi-faceted organization, and it has facilities that are catering to the needs of seniors, children, adults, young adults, and to all families and friends. People can utilize it for multiple purposes. It's a great venue. Whenever I visit the facility, I can see that it's a great venue to bring people together, and whenever people are together, that means that we are strengthening our communities. It is a hub for our communities, particularly when I look at Calgary-Glenmore.

I can't explain how happy I am to have this opportunity today to support this expansion because it is basically looking, with foresight, at how our communities are going to look in the next 20 years. Expanding this campus and having more senior care facilities offering kosher food and also having daycare facilities on-site, where we are basically bridging the generation gap that we face and bringing people together: it's a beautiful vision, and when I imagine it, it makes me happy. I'm looking forward to seeing this imagination become a reality soon. I'm more than happy to support this bill, and I would like to congratulate the Calgary Jewish Centre for such a great initiative.

Now I would like to close debate. Thank you.

[Motion carried; Bill Pr. 1 read a third time]

Government Bills and Orders

Second Reading

Bill 16

An Act to Cap Regulated Electricity Rates

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. I'm pleased to rise today to move second reading of Bill 16, An Act to Cap Regulated Electricity Rates.

This proposed act marks another step our government is taking to protect the pocketbooks of Albertans and to make life more affordable for all. Last fall we committed to fixing Alberta's broken electricity system, the volatile system we inherited, that exposes consumers to vicious price swings and no longer attracts investors. At that time we promised to cap electricity rates while we do the necessary and long-overdue work to modernize our system. This bill follows through on that promise.

If passed, Bill 16, An Act to Cap Regulated Electricity Rates, would protect Albertans from volatile electricity prices by capping prices at 6.8 cents per kilowatt hour on the regulated rate option, or the RRO, rate. The RRO rate is the default retail electricity option for most Alberta consumers.

Just to put that rate into perspective, since the start of 2017 the average rate charged by the major providers has been in the range of 4.2 cents to 2.9 cents per kilowatt hour, but prices have spiked more than double the 6.8-cent price cap in recent years. In the past five years we've seen the RRO spike as high as 15.3 cents per kilowatt hour, and it has regularly risen to over 8 cents, 10 cents, and even breaking 12 cents more than once in the years past.

This is unacceptable, Mr. Speaker. How can we expect families to afford those sorts of energy prices? How can we ask families to live from month to month afraid that their energy prices will spike suddenly and without warning? How can families plan and budget with this sort of uncertainty? How could any responsible government blithely stand by through months of price spikes like that and not have enough sense or enough compassion to address the problem? Well, this government won't give this dysfunctional electricity system the chance to wreak its havoc on Albertans under our watch.

With this bill Albertans on the RRO would have electricity price protection for a four-year period from June 1 of this year to May 21, 2021. This bill would provide those families and those small businesses with the assurance that they will never have to pay more than 6.8 cents per kilowatt hour for their electric energy. When they open their energy bill, they won't have to worry and fret about what part of the roller-coaster ride they're on. They'll have the certainty of knowing that their electricity rate will not be higher than 6.8 cents. That rate can be lower than the cap, just as it is today, but it will not rise above the cap.

Mr. Speaker, Bill 16 clearly sets the term and level of the price cap. Full details as to how providers will be paid should rates exceed the 6.8-cent price cap will be provided in associated regulations. When we announced our intention to cap electricity rates last November, we said that we would do so over a four-year period, beginning June 1 of this year. Our proposed legislation sets out this term. The cap would be in place, providing Albertans with stable rates while we make the necessary reforms to transition the province's electricity system.

This bill also outlines the operation of the price cap for the different RRO providers. For providers regulated by the Alberta Utilities Commission, the bill simply outlines the four-year term and the requirement that these providers charge their customers

either 6.8 cents per kilowatt hour or their approved RRO rate if it is lower than the 6.8 cents. For those providers not regulated by the Alberta Utilities Commission, specifically rural electrification associations and municipalities, the legislation is more detailed to address the unique nature of these entities. While it outlines the four-year term and the 6.8-cent level of the price cap, it also provides for some flexibility as to how the price cap is applied in the regulations. This is to ensure that government is not removing the independence of some municipalities and the rural electrification associations to set their own rates and to ensure that government will not be responsible for compensating providers for unreasonable rates.

Bill 16 also includes provisions for the city of Medicine Hat, which does not offer a regulated rate option, to be included in the price cap program once the appropriate arrangements are in place. Medicine Hat, as you know, Mr. Speaker, is in a unique situation in managing their own electricity system, and we are committed to working toward appropriate arrangements that maintain their independence. Our government committed to providing this price protection to all eligible Albertans, and with these provisions to include municipalities and REAs, we are doing just that.

Bill 16 would include amendments to two other pieces of legislation, the Alberta Utilities Commission Act and the Climate Leadership Act. The change to the Alberta Utilities Commission Act would give authority to the Market Surveillance Administrator to enforce the provisions of Bill 16. We believe strongly in the important oversight functions of the MSA, and this bill would expand them to enforce its effective implementation. [interjection]

The Speaker: Hon. member. [interjection] Hon. member.

Ms McCuaig-Boyd: May I continue, please, Mr. Speaker?

The Speaker: Please proceed.

Ms McCuaig-Boyd: The change to the Climate Leadership Act would enable funding for this program to come from the carbon levy if the funding is needed. Funding will only be required if the rates exceed the cap. The use of carbon funds is appropriate. It's a natural fit to use the carbon levy to protect consumers from any potential spikes in our current carbon-intensive system while we transition to a new electricity market system, a system that is not only more stable but is focused on using greener, healthier power sources.

3:30

Now, the regulations to define all the details of how this legislation would be implemented still need to be finalized. There are a number of complexities, and it is important to get them right. These regulations will establish the approach to account for any payments should rates exceed the price cap and the appropriate regulatory oversight from Alberta's regulatory authorities. In the case of providers whose rates aren't overseen by the Alberta Utilities Commission such as municipalities and rural electrification associations, the regulations will outline a mechanism that will ensure government does not reimburse providers for unreasonable rates.

Mr. Speaker, this proposed act would provide consumers with more predictable electricity bills as we work to reform Alberta's electricity system. For too long Albertans have been paying the price for a broken electricity system, and we are changing that. Many of us in our caucus have seen families struggle with energy bills and worry about how they'll make ends meet if the price spikes again next month. Some of us have even experienced these hardships ourselves. I remember back to when we ran a cattle operation, and from month to month the bills were quite steep.

Not to act in the face of these real challenges that we've seen in the past years was both senseless and heartless. It leaves one to wonder if previous decision-makers even noticed the problem. Well, we certainly did. In our respective places, in our communities we couldn't help but notice. That's why we're doing the necessary work, the work that was left undone, to get the electricity retail system and the broader generation system right to benefit both consumers and investors.

This proposed act would protect RRO consumers from sudden price spike increases while we do this work. Consumers would not be subjected to the wild price swings that have defined this province's electricity system, rates that have climbed to over 15 cents per kilowatt hour and rates that have increased by as much as 65 per cent in one month. The cap outlined in this act would make life more affordable for Alberta families and small businesses and farms by ensuring Albertans don't have to worry about price volatility as we transition to a cleaner electricity grid and a more stable electricity market.

I urge all members to support this bill. Thank you, Mr. Speaker.

The Speaker: Hon. members, those wishing to speak to Bill 16? The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Mr. Speaker. I think it's always important for all of us in this Chamber, whenever we're looking at any new piece of legislation, to ask ourselves: why is this bill necessary? What is the backstory? Why does this government think that this bill needs to be here?

Just to give us a little understanding of how we got to this point where this government thinks this bill is so very necessary, the tangled web this government has woven throughout the electricity file all began with an order in council just weeks after coming to power after the May 2015 election. Without any guidance from experts whatsoever, without any consultation with industry, the newly elected NDP launched their first missile at Alberta's job creators and rashly changed the old carbon tax under the specified gas emitters regulation. It was at \$15. It rose to \$20, then \$30. The percentage of emissions it applied to rose from 12 per cent of emissions, then to 15 per cent of emissions, and now to 20 per cent. Essentially, the tax on our generators rose 70 per cent in just one year. Starting next year, it'll continue at \$30, but it's going to apply to 60 per cent of emissions.

In hindsight, in real dollars that initial increase under SGER brought in revenue for this government that was something less than only a couple hundred million dollars, but, oh, the cost. The government's own estimates recently put the consequential damages of just that first ill-conceived move at something north of \$4 billion.

Mr. Rodney: Sorry. What?

Mr. MacIntyre: Four billion dollars. With a B. Yeah.

If you did a real simple return on investment calculation here, it doesn't wash too well. The result of just that initial move weeks after coming into power was the famous "or more unprofitable" clause, section 4.3(j) in the power purchase agreements. It was triggered, and a mass cancellation of power purchase arrangements flooded the Balancing Pool. Up until this point Albertans didn't even know what a balancing pool was. Today almost everybody understands what it is.

Initially the government claimed they had no idea this clause existed. Initially they even blamed their own officials for not telling them about it. It wasn't in the binder. Then they blamed, collectively, the government's own Balancing Pool, dozens of industry players and consumer groups who had a hand in designing the power purchase arrangements, and even PricewaterhouseCoopers

was blamed. I mean, they're an esteemed company. They were tasked with overseeing the appropriateness of the PPA design.

Mr. Rodney: You're making this up.

Mr. MacIntyre: Nah. This is a true story.

The government claimed this was all a secret deal, and they even raised the spectre of Enron, calling the clause the Enron clause in a vain attempt to convince Albertans they'd been swindled by a bunch of greedy crooks in a secret backroom somewhere.

The truth of the matter is that the only people who didn't know about this so-called secret clause was the new government. They didn't do their homework. To their credit the Alberta press did some research and discovered there were so many people involved in the design of these PPAs, and there were so many e-mails obtained through FOIP proving they knew full well about it. The NDP's attempt at pushing an Enron narrative failed miserably. Undaunted, the government went even further. They filed a lawsuit, a lawsuit to prove they didn't know about the clause 4.3(j), and absurdly asked the court to undo the PPA contracts, now 16 years old.

Mr. Rodney: Now you're making that up.

Mr. MacIntyre: Nah. It's a true story.

That one action – that one action – made by an order in council just weeks after coming into power without doing their homework sent shivers through the investment community. They were already fleeing this province with their capital because of this government's antibusiness attitude, a royalty review that ended up we didn't really need it. The court action named Enmax, wholly owned by Calgarians, TransCanada, and Capital Power, but it went further. Their court action also named the electricity generator ATCO and their own Balancing Pool, which is a public body and its own power regulator. They were all named as defendants in this action. They were suing anybody and everybody.

In effect, the government was suing Albertans and even its own departments because a small group of ill-informed politicians at the top, who did not and in many respects still do not understand the nature of our electricity system or the value of a free-market approach to an economy – they simply did not do their homework, and they did not listen to the warnings that were repeatedly given to them from within the department and within the industry.

Now, I would be remiss if I did not point out that from the moment this government attacked our power industry, these job creators tried and tried desperately to warn this government of the consequences of their ill-conceived moves. Industry stepped up with a variety of proposals in the fall of 2015 to address the issue, even to reduce capacity voluntarily, to reduce emissions without job loss, without asking for subsidy or compensation, but still this government strangely refused to listen. These consequences were even noted in submissions to the climate leadership panel in the fall of 2015, and there were countless meetings between companies and departments. We have documents and e-mails showing interdepartmental communications and more from the chairman of the Balancing Pool warning the ministers and Premier's office about the consequences, but, no, the politicians ignored every warning and rejected every solution presented to them.

Even after realizing their error, the NDP still had six months to undo the rash changes to the specified gas emitters regulation, but in spite – and I say in spite – of the consequences, this government, knowing full well that companies would have the right to terminate their contracts if the NDP didn't undo their decision to force the generators into the margins of more unprofitability, forged on anyway. Ideology once again came before common sense, and it came before Albertans. We've seen this repeatedly throughout their

dealings with our economy and our job creators. Remember Bill 6? Remember the cap on development of our oil sands? Remember Bill 27, which prohibits the MSA from investigating wrongdoing when it comes to renewable developments? Over and over again, Mr. Speaker, ideology trumps common sense in the world of economics, with the NDP world view, anyway.

3:40

Well, the NDP didn't back down on their tax hike to our generators, and, as warned, the generators exercised their right to turn back the PPAs to the Balancing Pool. Enmax, owned by Calgarians, was the first to receive a ruling from the Balancing Pool that indeed the government's actions had triggered section 4.3(j), and Enmax had the right, not privilege but right, under that contract to turn back their PPA. But the government instead started a smear campaign, of course, evoking the name of long-discredited Enron in a pathetic, desperate attempt to divert attention away from the previous disregard for the economic well-being of Albertans.

But the Balancing Pool recognized Enmax's right to terminate, and I should point out to this House and to Albertans that that was the last time the Balancing Pool exercised their independence. That was the last independent act that we can see from them. This government has been meddling ever since. In fact, their meddling in the independence of the Balancing Pool was caught by the pool's own banker, the Toronto-Dominion Bank. They chopped the Balancing Pool's line of credit down from, I believe, \$70 million to just \$4 million, and they cited in their letter that the reason is the fact that the Balancing Pool could no longer, quote, demonstrate independence. They could no longer demonstrate independence, Mr. Speaker, from the political meddling of the Department of Energy.

Even the Auditor General is looking into the meddling by the government in the Balancing Pool's independence and financial decision-making. Specifically, he is assessing whether or not the Department of Energy, through its recent actions, controls the Balancing Pool for financial reporting purposes. Control for financial reporting purposes means the ability to govern the financial and operating policies of another organization with expected benefits or the risk of loss to the government from the other organization's activities. Let's take a look at that last line from the AG: with expected benefits or the risk of loss to the government from the other organization's activities.

We had a bill come before this House called Bill 34. I called it the blank cheque act. It is a bill extending an open-ended line of credit to the Balancing Pool to cover its losses, losses which would never have been incurred had it not been for this government's meddling in PPAs in the first place, hence the AG's statement that they're looking into the meddling of this government into the financial and operating policies of the other organization, the Balancing Pool, with expected benefits or risk of loss to the government from the other organization's activities.

The Balancing Pool was originally mandated to be at arm's length from the government, free from political interference. Its mandate was to operate independently and in the best interests of Albertans and, furthermore, specifically to operate its assets in a commercial manner. It has not been permitted to do that. There is communication from the chair of the Balancing Pool to the minister asking for permission. Should never have had to ask for permission.

There is another document, a letter from the pool to the minister citing that because the minister had delayed responding to the pool, the pool was now subject to a \$29 million penalty, a penalty that they had to pay because of delays in waiting for the minister to make a decision. That is not acting independently, nor is it acting in the best interests of Albertans, nor is it acting in a commercial

manner. Well, the meddling in the financial affairs of the pool was so acute that e-mails obtained through FOIP indicate the pool's officers actually communicating with accountants and lawyers to explore ramifications from the pool declaring bankruptcy. This minister stood in this House and talked about how broken the electricity system was before she showed up on the job. Frankly, that is being extremely economical with the truth. It was not broken until this government started meddling with it. We had reasonable prices for electricity and no utility debt. We're never going to be in that position again under this government.

Then along came Bill 34, essentially writing a blank cheque to the Balancing Pool to prevent it from going bankrupt. A few short months ago, when the blank cheque act, Bill 34, passed, the expected cost was a mere \$600 million, but weeks ago costs skyrocketed to over \$4 billion. Now we have the Balancing Pool being investigated by the MSA for using money from the blank cheque act as an open-ended, taxpayer-funded subsidy to undermine the competitive power market.

It's just one catastrophe after another after another, and this minister runs from crisis to crisis to crisis with Band-Aids. The fact of the matter is that the entire fiasco began by an order in council just weeks after this government came to power, making an order in council to amend SGER without considering the ramifications of it, without listening to industry's concerns, without even listening to their own departmental memos coming to them warning them: don't do that. Well, the fateful decision to change SGER, by the government's own estimates, is going to be \$4.437 billion. Making life more affordable for Albertans, indeed.

The taxpayer and the ratepayer – I have said it many times – are the same person. They really are. The government says: well, we're going to pay for some things out of the carbon tax for some of the problems we're experiencing in the electricity sector. Well, who in the world pays the carbon tax? It's the electricity ratepayers and the taxpayers that pay that, too. They're going to be taking money out of our pockets over here, running it through the government, and saying: "Oh, well, your electricity bill is too high. Here. We'll give you some of your own money back. Don't you feel better about that?" I'll tell you what. I'm not going to feel better about that.

Moving charges to a tax bill instead of to the more politically dangerous monthly electricity bill doesn't help struggling families, doesn't make life more affordable for Albertans at all. This government does not get to play hero for protecting Albertans from the very harm this government inflicts on us. It doesn't work that way. They should be ashamed to support this misguided action.

They've got this bill here, Bill 16, that's going to cap the regulated electricity rate at 6.8 cents as though there is nothing else in the whole wide electricity system to protect consumers. Well, news flash: we've been able to get fixed-rate contracts for years. There have been dozens of energy retailers in this province offering all kinds of deals. You can lock down your electricity price right now. The current 13-month average for fixed-rate contracts is 6.8 cents – 6.8 cents – per kilowatt hour. That is cheaper than the cap on RRO. Retailers within the free market of our electricity market have had offers like that for years, where people could lock down their price of electricity to prevent volatility. If you listen to this government's narrative, it's like: oh, my God, we could be seeing spikes tomorrow.

I wonder why. Why would we be seeing spikes in the first place? Our electricity market is already some 30 per cent oversupplied. When you're in an oversupply situation in a free-market enterprise, prices stay low. If you look at your electricity today and you're on an RRO, you're probably paying something around 3 cents. The reason for that is because we have an oversupply of electricity in a free-market economy right now.

3:50

Those prices will go up as the available electricity supply goes down. The only way those prices will go up is by that reduction in supply, and the only way we're going to see a reduction in supply is for this government to artificially start shutting down generation. This government is purposely forcing shortfall to increase the price of electricity, putting a cap on the RRO so that their actions don't show up on people's monthly electricity bills and they start getting 1.6 million phone calls. That's about how many people are at least eligible to be on the RRO.

But this cap does nothing to protect our job creators. Users of greater than 250,000 kilowatts don't get any protection under this at all. Furthermore, should the price of electricity exceed 6.8 cents, for every cent it is above 6.8, the government is going to have to shell out about \$10 million a month. But where does that come from? It comes from the very people they say that they are trying to protect.

An Hon. Member: No. They borrow it from fairyland.

Mr. MacIntyre: No. They take it out of the carbon tax, they said. In fact, they're having to amend the Climate Leadership Act so that they can do it.

An Hon. Member: Hey, you read it.

Mr. MacIntyre: Yes, I've read it. I shall not tell you where it went.

Really, this bill is an admission. It's an admission that sometime over the next four years because of this government's actions retail electricity prices are going to go up. As I've said, we're sitting at about 3 cents right now on the RRO, and this cap is at 6.8, so we're going to see power prices going up at least to 6.8.

They keep saying: "No, we're not following Ontario. No, no, no, we're not following Ontario." Yet every little footie print in the sand sure looks like an Ontario footie print from this government.

They really need to turn back the clock. They need to turn back the clock on their reckless and expensive transition to renewables. They need to start standing up for Albertans. They claim that they're solving issues with power price volatility, but as I've said, we have had options for a long time to bring stability to our electricity prices.

Furthermore, if you look at your electricity bill, the actual power price, that amount of money we pay for the electricity that we consume, is just a small piece on your electricity bill. There are multiple line items there that are not directly connected to consumption. There is nothing here in this bill for that, and there won't be. In reality, what's the need for this bill? Well, in my opinion . . . [Mr. MacIntyre's speaking time expired] I have an opinion.

The Speaker: The hon. Member for Calgary-Klein.

Mr. Coolahan: Oh, sorry. I want to speak to the main bill.

The Speaker: There is no 29(2)(a) in this situation.

Mr. Coolahan: Oh, well, then I'm up. Thank you, Mr. Speaker. I'm pleased to rise today and speak in support of Bill 16, An Act to Cap Regulated Electricity Rates. Our government is working to make life better for Albertans, and this does include capping electricity prices. This bill is one part of our plan to ensure a reliable, sustainable, and affordable electricity system. It protects Alberta's families, farms, and small businesses from sudden spikes in electricity prices and sustained high electricity prices. [interjections] This part is key. Listen. It helps the province transition to a more stable and greener electricity system.

Beginning June 1, consumers will be protected through a four-year, 6.8 cent per kilowatt hour regulated rate option, the default electricity contract available to most Alberta households, farms, and small businesses. With this cap, should the market price rise above 6.8 cents, consumers will not see an increase on their bills. This protection gives Alberta households peace of mind that there is no shock on their electricity bill – pardon the pun – and it gives entrepreneurs and small businesses the stability they need to move their businesses forward without having to worry about electricity price spikes.

Let's be clear. Albertans have seen price spikes over the years, Mr. Speaker. In the past six years alone consumers on the regulated rate option, RRO, have paid as much as 15.3 cents per kilowatt hour.

Mr. MacIntyre: They didn't have to.

Mr. Coolahan: They really have. Well, it was long before us.

Should the RRO go above 6.8 cents per kilowatt hour, funds from the carbon levy will be used to support this program, and I suggest that it is an appropriate use of the funds given that it supports Albertans as we transition to a more stable and greener electricity system.

Mr. Speaker, many seniors call the amazing communities in Calgary-Klein home, and when I speak with them, explain to them the climate leadership plan and the carbon levy and they see what they've received in rebates and now that there's a cap on the RRO, well, they're extremely happy. They're extremely happy with the certainty about what they will be paying. Of course, in many cases these are people living on fixed incomes.

In addition to protecting Albertans from high electricity prices, the other cornerstone of this bill is helping the province transition to a more stable and greener electricity system. Now, Mr. Speaker, I worked in the utility industry for a decade before being elected, and I can tell you that the system that we inherited as a government was broken. Changes are needed, and the changes are needed for several reasons. They're needed not only to protect consumers and to create investment but also to transition to a greener future. Our current electricity system does not benefit consumers or investors. It is a volatile system that relies on price spikes, which we actually heard the member from the opposition say, and, you know, that's not good news for Albertans.

You know, we need a reliable system with stable, predictable rates, and our move to a capacity market will get us there. Moving to a capacity market has been done in jurisdictions all over North America, and we're slow in getting there. This moving to a capacity market was actually a recommendation by the AESO, the Alberta Electric System Operator, several years ago. Several years ago they said that we should consider moving to that market as a result of the volatility in the generation market. There have been indications for several years that the current generation market was not only volatile in terms of price but that it was not reliable and wasn't serving the needs of Albertans, and it won't work for the future.

In the summer of 2012 there was quite a heat wave, and there was a huge demand for electricity. For various reasons, including unscheduled shutdowns, the system could not keep up, and there were rolling blackouts, and prices spiked. In the wake of this, the then Premier appointed a committee of PC MLAs to implement changes to the retail electricity market to reduce the volatility. Now, clearly, they recognized that something was up, that something was wrong, that something needed to change. I have no idea if a report ever came out of that. I don't know. Perhaps some of the members of the third party who are still here would know that. I'm not sure.

But released or not, I sense that nothing would have been done anyway, Mr. Speaker. Let's face it. You know, the previous government demonstrated that it was in a state of sort of legislative paralysis for many years, so I doubt anything would have happened. And when they do consult with people on what we should do with things as important as the electricity system, it's a very limited audience – very limited – so I doubt that they would have had the wherewithal to actually move forward with anything that might have impacted Albertans positively.

But on the other side of that, Mr. Speaker, I'm proud that in this government we make hard decisions like this that positively impact the majority of Albertans and have the prescience and the understanding and courage to implement a move towards a capacity market and greener generation and to decrease emissions and position Alberta for a greener future.

4:00

But this isn't just an Alberta movement, Mr. Speaker. It's the way the world is moving, to both cleaner technology and to capacity generation. By taking action now, we're staying ahead of the curve to ensure that we remain competitive now and in the future.

Mr. MacIntyre: It ain't working.

Mr. Coolahan: This is a very difficult concept for those over there. It's very difficult. Doing this is going to help ensure prosperity for our children and generations to come. This bill is one example of how we do take action, how we are taking action on this file.

Through the climate leadership plan we outlined the blueprint to develop more renewable energy. The unpredictability in electricity rates is one illustration of how the system isn't working. Consumers are paying the price every time they open their monthly electricity bill, not knowing what to expect or what household decisions to make. Mr. Speaker, we've seen the RRO for electricity as high, as I said, as 15.3 cents per kilowatt hour and as low as 2.7 in just the last six years. If that's not volatile, I'm not sure what is. We've heard time and time again how this uncertainty takes a toll on the average Albertan household and the small-business owner, but this unpredictability isn't just impacting the average homeowner in Calgary or Lethbridge or the restaurant owner in Cold Lake or Red Deer. It has a wider economic impact.

What we're doing is we're changing the system so that we will have a system that can attract new investment. This investment is crucial because it's what drives innovation in the entire system. It also transitions the system for the future to support economic growth and an increasing population. This is why last fall we made a commitment to fix Alberta's broken electricity system, starting with a cap on electricity rates, while we do the necessary and long-overdue work to modernize our system.

This bill shows how we're acting on our promise by implementing a price cap of 6.8 cents per kilowatt hour on the RRO. This cap will take effect on June 1 and ensure that Albertans on the RRO have electricity price protection for four years. Funding will only be required if the provider rates exceed the cap and does not reimburse – I'm sorry. Hold on a sec. If it goes well over, we will only reimburse for reasonable rates. This bill also outlines the operation of the price cap for the different RRO providers. With the cap in place we're doing the work necessary to get the electricity retail system and broader generation system right.

One key component of this work is developing more renewable energy, as we know. The renewable energy program will add 5,000 megawatts of new electricity capacity by 2030.

Another key component of developing greener electricity is empowering Albertans to generate their own power. To encourage

more owners and small businesses to generate electricity, our government amended the rules for microgeneration last December. That's going to increase capacity size and allow for more flexibility in the system. We're currently exploring ways to develop small-scale community generation as well, which is really the big next step in renewable energy. Underpinning this transition is the movement to a capacity market, that will attract new investment and provide the foundation needed to increase renewable energy.

Mr. Speaker, with that, I will say that I am proud to support this bill and proud to be able to speak on behalf of hard-working Albertans, who deserve affordable electricity rates and deserve an electricity system that works for them and all Albertans.

Thank you, Mr. Speaker.

The Speaker: Hon. members, are there any questions under 29(2)(a) for the Member for Calgary-Klein? Edmonton-Whitemud, under 29(2)(a)?

Dr. Turner: Thank you, Mr. Speaker. Yes, under 29(2)(a). I did really appreciate the Member for Calgary-Klein's exposition of the actual facts behind this bill. I mean, we were exposed to a litany of very biased observations by the previous speaker, and I really appreciated the balanced and thoughtful approach of the Member for Calgary-Klein.

My question actually relates to terminology used in describing the rolling blackouts of 2012. I actually feel sorry for my Calgary colleagues. Edmonton, actually, wasn't affected by those blackouts to any degree, and one of the reasons that we weren't affected by them was that one of the major power suppliers to the Calgary market had unscheduled maintenance. It just happened to be, I think, at midnight on a Sunday or something like that, the unscheduled maintenance.

You know, as I understand it – and I liked the comments from the MLA for Calgary-Klein – in this great system that the Member for Innisfail-Sylvan Lake espoused, there was a term called “economic withholding,” which basically meant that a company could do this at exactly the right time to maximize their profits and at exactly the right time to cause discomfiture to the citizens of Alberta. Am I correct in that analysis, MLA?

The Speaker: The hon. member.

Mr. Coolahan: Well, thank you, Mr. Speaker, and thank you for the question. My recollection of that time period was this. I believe there was one generator that did go offline like that. It is well known that price-spiking volatility is what makes these companies money, right? I don't necessarily want to get into that. It's a bit of a legal grey area. Certainly, it's been done. That's for sure.

However, my recollection of that blackout was that, I believe, there was one generator that went down like that as a result, but I believe three went down as a result of malfunctions. So, yes, they were unscheduled blackouts, but they were malfunctions. That just goes to show you, as I've been saying, that this system is not supporting Albertans the way that it needs to. We need to have a better system, a more green system, and have better equipment, that isn't subject to these unscheduled shutdowns because, you know, living through a blackout is tough on everybody. It's tough on the economy, as we know.

Yeah. I think moving towards the system that we're going towards, the capacity market, is going to mean that we will always have electricity in the hopper ready to go, and we shouldn't have these blackout issues when it comes to unscheduled maintenance.

Thank you for the question.

The Speaker: Any other questions or comments for the Member for Calgary-Klein under 29(2)(a)?

Seeing and hearing none, the Member for Calgary-South East.

Mr. Fraser: Thank you, Mr. Speaker. You know, I think I can speak with certainty and with truth. If I recall, the wind farms in southern Alberta have been there for quite a long time. In fact, I can also speak with truth that Alberta was the first jurisdiction to put a price on carbon on heavy emitters, before this government. For anybody who's actually tuning in, they know that if they are paying an electricity bill right now, they are also the taxpayer. They're likely paying taxes.

An Hon. Member: Are you sure?

Mr. Fraser: I'm pretty sure.

At the end of the day, Mr. Speaker, let's be honest. The member talked quite a bit about a capacity market. Well, if he goes back in the books, he will see that under Premier Redford and Premier Prentice there was a move to move to that capacity market to, yeah, support more renewable energy, which is – come on – abundant in this province.

4:10

Now, the member also talks about a broken electricity system. Let's remember that those investors who built those coal-fired generation plants took losses many times but still provided reliable electricity to Albertans. Even when you have the green electricity grid, Mr. Speaker, you still have to have a baseload. You still have to have something there, whether it's natural gas, which this government is moving to, and I say that with certainty.

When we're talking about this today, the other part, too – you know what? We in the former government, without a doubt, made mistakes, and without a doubt we look back and we see where we could have done better. Now, my heart goes out to every senior citizen, every single person on a fixed income, a low income that struggled with spike volatilities. But, Mr. Speaker, let's also be honest. The companies that provided this electricity for generations in this province also came up with a plan to help those folks.

This is nothing new. In fact, Mr. Speaker. This is the government saying that they're fixing a problem that is not a problem. There is already something out there provided to consumers to get on that. It is no different with your city taxes. What's next? You know, it is important for our children to drink milk, to have balanced food, so are we going to put a price stop on the cost of milk and some of those necessities?

My problem with this, Mr. Speaker – and I understand the intent. It's a good intent. But, at the end of the day, it's almost like we're telling the companies: charge 6.8 cents. It's almost like insider trading. We've set the market when right now prices are so low and have been so low for a long time.

I understand the intent, but let's be honest. The electricity system – and let's be really clear. For a long time this province has been and I still believe is, even though I disagree with this government on a lot of their economical policies, number one in Canada over and over and over again, generating wealth for Albertans and Canadians over and over again to support social programs right across this country. When that government says that we don't champion Alberta – Mr. Speaker, this government talks like Alberta was in the Stone Age and didn't contribute anything, that the former government didn't contribute anything, which is a falsehood. A lot of the good things that these members grew up under they can attribute to people like Peter Lougheed, Ralph Klein, and former MLAs.

The system wasn't broken. You don't get that kind of investment, you don't get that kind of growth in oil sands, in fact, you don't get the green energy companies wanting to come here if the system is broken. You don't actually become the hub. Long before this government ever came into power, we already were the hub in western Canada for distribution when you look at the Walmarts, when you look at the Home Hardwares, when you look at all those distribution plants, the Canadian Tires. We are the gateway to the west, Mr. Speaker, and those companies don't come here if there is a grid that's not reliable and affordable. You don't have constituencies like mine, that grow twice in size, with young families, progressive families.

These members should be careful when they speak in this House, when they speak to me with disrespect, saying that I don't know anything. Mr. Speaker, I'm the conduit to my constituents. It's their voice that I champion in this House. When I speak right now, it's their voice. It is not my own. My goal, unlike maybe this government, because they are scratching the bottom of the barrel right now trying to get re-elected – it's not my job to get re-elected. It is never my job to step in this House to try to get Rick Fraser re-elected. It is my job to do my job for the constituents in Calgary-South East.

Mr. Speaker, I'm going to end with that. The system wasn't broken. We have many things in this province to champion, things that went very well. This province, many of the systems, many of the institutions were not broken. As representatives in this House we should always be looking to try to improve, to take steps forward, to work collaboratively, to not laugh every time a member steps up and speaks in this House.

Mr. Speaker, I will say this. At one point I sat on those benches, I sat in cabinet, and I said to myself, with the same arrogance that I'm getting from this government – and I failed. I failed myself with that arrogance. Now I proudly sit in the third party, representing my constituents with conviction. This government, these MLAs: may they be so fortunate in the next election.

Thank you, Mr. Speaker.

The Speaker: Are there any questions under 29(2)(a) to the Member for Calgary-South East?

The hon. Member for Calgary-Mountain View.

Dr. Swann: Thanks, Mr. Speaker. I'm pleased to speak to Bill 16, An Act to Cap Regulated Electricity Rates. I think it's important to call it what it is. A cap suggests that there's a limit. Indeed, the government is putting a limit on what people will pay in the short term, but clearly they're hiding the real price of electricity from consumers when it goes over 6.8 cents.

When it goes over 6.8 cents to produce, somebody's going to have to pay it. So why not be honest with people? Why not send them the true price of electricity so that we will all change behaviour if we need to? We will start to look at more efficient appliances. We will start to look at different ways of using our electricity and, potentially, make the changes they say that we're needing to make instead of hiding it and passing it on through taxes and through, I guess, whatever's left of the carbon levy, although it's been relegated to so many different areas, I'm not sure how that will go.

[Ms Sweet in the chair]

Frankly, Madam Speaker, it's disingenuous to pretend that we're actually going to protect people. If we really are trying to protect vulnerable people from high electricity prices, help them financially, those who need the help, but don't fail to give Albertans the true cost of our electricity. That, I think, troubles me as much as anything because we're already racking up other debts, but here

we're hiding a debt instead of being honest with people about where we're going with this.

Since 2001 Albertans have been able to choose to receive their electricity either from a retailer that's regulated by the AUC or from a competitive retailer. The regulated rate option was established to provide a default option for consumers who decide not to choose a competitive retail product. To be clear, the regulated rate option does not ensure a single low rate; rather, rates change from month to month depending on the real price of power.

In 2006 the regulated rate regulation was changed to encourage customers to switch to competitive retail products and foster development of the competitive retail market. But retail statistics from the Alberta Market Surveillance Administrator indicated that as of last year about half of residential customers had switched to competitive contracts and half remained on the regulated rate option. That means that despite the availability of the product from competitive retailers, consumers did not choose that option. Fair enough. However, the problem with the current regulated rate option is that it actually leads to higher electricity costs for consumers.

When the electricity market was deregulated, the promise that was made was one of low energy costs and reduced price volatility. However, the deregulated market clearly did not deliver that in all cases. Something definitely needs to be done. In fact, over the many years that I've served here as MLA, one of the most frequent concerns of constituents was the high cost and volatility of energy bills. Clearly, the default option for electricity needs to be affordable and protect consumers, but it also has to send an honest price to people so that they can change their ways.

4:20

I support the government's efforts to create a market for renewables and diversify our electricity generation. However, simply putting a cap on the regulated rate option is not the answer. It could potentially, I believe it will, cause serious problems down the line, as prices inevitably increase with all of our expensive new infrastructure. Consumers should always have a price reference based on the actual costs in order to make efficient and effective consumption and investment choices. If energy costs are deemed to be too high, vulnerable folks can be reimbursed with rebates and subsidies, but we should never mask the true price signal. Otherwise, we could end up moving much closer to Ontario's reality.

A price cap will not reduce the cost of electricity. It merely defers payment to another pocket, to our children, to our grandchildren. It will undoubtedly have a negative impact on the viability of the competitive market. It basically sends the wrong message to real competition and incentives for people to build new stuff and to try and get into the game of producing electricity and getting some income in a business. As I said, it won't change behaviour and it won't change purchasing if we stifle the real price.

Funding the RRO from carbon revenue is the worst possible policy that the NDP government could have picked. The RRO retailers will continue to get what they always got, which is quite high revenue, but rather than reforming the RRO, which is what I suggested in Motion 502, the government took the political way out, hiding the real price from Albertans. The four-year time frame of the regulated rate option cap appears to be more about political expediency than fixing the system. The only change that happens is that the NDP government removes the risk of a price spike during the next election. I think that's disingenuous.

The important question is: what is the NDP's real motivation? It must be contemplating other changes such as turning back the PPAs to the owners, converting the coal plants to gas, which would significantly increase prices in the next four years. It has to because

making these changes will be expensive. Fair enough. But let's start paying it now and not pass it on to our children and our grandchildren and take it out of a new tax. We're going to have to start paying some of these extra expenses.

Specific recommendations that I think I've made before in relation to the regulated rate option. Number one, preserve and enhance the integrity and operation of some competitive retail. Most economists believe that competition rather than regulation has the best chance of achieving economic efficiency. I'm one of those. A competitive market will force down prices and encourage innovation and change behaviour.

Alberta has embarked on a program to restructure the electricity market by setting an objective of 30 per cent of renewable energy by 2030 and implementing a capacity market. I applaud that. A highly competitive retail market will help ensure that the benefits of changes in the wholesale market will be transferred to retail customers.

The second recommendation: preserve the ability of consumers to choose the retail service that best meets their needs. Don't treat Albertans like ignoramuses. It's very unlikely that a single product or service can meet the needs of all consumers, so let people choose what is best for them. It's because of their interests, needs, and preferences that we have new businesses in Alberta who can meet some of the unique needs of every person.

Funding the RRO from the carbon revenue: I've said that already.

Electricity is no different from any other product. For example, some consumers prefer fixed prices and are willing to pay a premium to eliminate volatility, some prefer variable prices to obtain the lowest costs, and some consumers simply don't care and are price takers. That's their choice. Consumer choice is a key feature of Alberta since it was regulated in 2001, albeit not as well as it could have been managed. I've made some suggestions about how the regulated rate option, in particular, could save people \$12 a month if we did a flow-through option instead of the current approach.

It's worth noting that consumers already have the ability to protect themselves from volatility and can choose a retail product that best serves their needs. The implications of the government's strategy is that it eliminates the incentive for consumers to make any decision or to make any changes. That's not really what we want. It makes consumers who don't choose a competitive retail product for whatever reason into free riders. In other words, the regulated rate option people will get subsidized by the carbon tax if the price goes over 6.8 cents. The rest of us will be paying for those on the regulated rate option. Guess what people are going to choose? It unfairly penalizes consumers who have made the effort to educate themselves and try for more efficient, competitive retail options.

The third recommendation: drop the requirement that consumers should know the price of energy in advance of consumption. The RRO is based on the presumption that consumers should know in advance the price of energy before it's consumed. While this is an important principle for virtually all other consumer products, it is not for the purposes of electricity prices. Electricity is an essential good that consumers cannot function without. I know of no consumers who can monitor the RRO price prior to consumption. As a result, consumers tend to be price inelastic and consume electricity regardless of price. Consumers tend to respond more to price trends and price spikes when making decisions about the purchase, management, and consumption of their energy.

The fourth recommendation: the RRO should be renamed the default rate option. The name of the RRO is a misnomer. RRO is

not a regulated price in the traditional sense. Default rate is a more appropriate description and reflects exactly what it is, a rate that applies when consumers decide not to choose a competitive option.

The fifth recommendation: the default rate should be based on the pool price. As I spoke about in Motion 502, the pool price is the actual cost of power and ultimately is the price paid by consumers. All other prices are derivatives of the pool price. Because the pool price is the cost of power, it will tend to be the lowest price over time.

While other prices may be lower from time to time, particularly the forward price, the long-term tendency is for the pool price to be the lowest price because it represents the actual cost of power. The price differential between the pool price and the forward price fluctuates and is based on the time value of money and other factors related to varying perspectives amongst buyers and sellers concerning the future price. The spot power floating rate likely includes adjustments for its consumer load profile and other costs related to the risk of supplying the floating rate, and the RRO rate includes the risk and return premium that increases the cost of power.

There are many reasons supporting the use of the pool price as the default rate, but three reasons stand out. Number one, the pool price will tend to be the lowest cost over time. Number two, the pool price will serve as a benchmark. It will allow consumers to accurately compare the cost of energy products among different retailers. Number three, the pool price is the closest thing we have to a price signal that will guide consumers in terms of making effective energy efficiency decisions and policy-makers in terms of resource allocation in the Alberta energy economy.

The number one issue related to the use of the pool price as the default rate is the fact that it is the most volatile price. As I said, if it's too volatile and vulnerable people need to be supported, then let's support the vulnerable people. Let's not compromise the whole system on the basis that volatility might compromise our most vulnerable.

Government has implemented two structural changes in the electricity market that will have a profound impact on reducing future pool price volatility. This will happen because the transition to renewable energy will likely be financed by capacity payments to cover the fixed cost of generation. As the reliance on capacity payments grows, it will change the composition of the pool price into a weighting of capacity payment plus energy costs. In effect, the pool price will be self-stabilizing and will substantially contribute to the realization of the government's pricing objective.

One possibility that could accelerate the transition to a capacity market is the recent proposal by ATCO and TransAlta to convert coal-fired generating plants to natural gas. If adopted, this proposal would accelerate the phase-out of coal plants, thus achieving our transition to a low-carbon economy sooner than anticipated, but the method of financing this transition is still unknown. Using capacity payments for this has the benefit of providing a way to facilitate project financing that is acceptable to financial lenders. In addition, this will benefit consumers in terms of helping to stabilize the pool price.

The proposal is not without its challenges, however. For example, how will the capacity payment be determined in an environment where a fair competitive price might not be available in this particular instance? The capacity market will take time to develop. In the short term there are, fortunately, several very effective and low-cost ways of mitigating the volatility inherent in a pool price. Two of these methods are price caps and fixed prices.

A final comment on the use of the pool price flow through as the default rate is the significant reduction in regulation burden. The regulatory process surrounding the review and approval of the RRO

is complicated and time consuming. It requires significant commitment by stakeholders, consumers, retailers, and regulators in terms of money and staff. Adoption of the pool price as the default rate will eliminate all of that requirement.

4:30

Madam Speaker, I am once again appealing to this government to reconsider eliminating all price signals to our people. It may not be a perfect system that we have, but let's retain some element of the price signals so that people actually get real, honest feedback on how their use of energy is costing them and costing the environment in that sense. You don't have to eliminate the deregulation completely. You have the best of both worlds right now. By putting a price cap and not taking advantage of a different way of calculating the regulated rate option, I don't think you're getting what you want. I haven't been able to get that through, but I hope the government is listening and will consider those options further.

Thank you, Madam Speaker.

The Acting Speaker: Great timing, Member. Thank you so much.

Are there any other members wishing to speak to the bill? The hon. Member for Bonnyville-Cold Lake.

Mr. Cyr: Thank you, Madam Speaker. This bill is definitely an interesting bill. This is a bill that the government has been promising to bring forward, and we've been awaiting it to see exactly how they were going to implement it.

Now, for me, what I like to do is that I like to go through the bill – and you can see that I've got notes and stuff – and get my thoughts down, and then I like to see what the government has to say about the bill, because, really, what's important is saying: do the government releases match what actually is within the bill?

I'd like to just go through a release that was done on May 23, 2017. The title of it is Taking Action to Protect Electricity Consumers. What I'd like to go off is a quote that our hon. Minister of Energy put in this release. I'd like to actually break down the parts of the quote and give my thoughts on exactly what it is that she said and how, in this case, they may not be achieving what their intentions are. I'm going to read through the entire quote and then break it down by sentence from there.

With this bill, we're following through on the promise we made last fall to protect Albertans from electricity price spikes. Volatility and uncertainty have been hallmarks of our electricity system for years. Electricity is a basic necessity and Albertans shouldn't have to worry about their power bills spiking from one month to the next. This cap would help make life more affordable by ensuring Albertans aren't burdened with price volatility as we transition to a cleaner electricity grid and a more stable electricity market.

All right. The first one. "With this bill, we're following through on the promise we made last fall to protect Albertans from electricity price spikes." Now, what's important – and I'll go to another document that is on the government website. For *Hansard's* sake I will read out the address. It's <https://www.alberta.ca/electricity-price-protection.aspx>. The title of it is Electricity Price Protection.

On that one website there what we've got is a wonderful little graph. For illustration purposes you can see that it's got lots of peaks, but what's important here is that it's got a line going through the graph at 6.8 cents per kilowatt hour. When we look at this, if you look at from about, I would say, the middle of 2014 all the way back to about 2006, there are significant spikes that go through that 6.8-cent average. And what happens here is that – and we've heard this from the government – as things come forward like a shutdown to maintain a plant, suddenly we have less supply for the market,

and that means that in the end what happens is that the price spikes. What happens here is that we see significant spikes.

Now, at the very bottom here in a little box below the graph we've got:

Historically, regulated electricity rates have been extremely volatile – increasing by as much as 65% . . . in a single month . . . It actually says in brackets "April 2011."

. . . and crashing by as much as 42% . . . in a single month. And it goes with "June 2014."

Now, I would like to move, and then I'll go back to the graph. What I've got is an article by the *Globe and Mail*. It's written by Kelly Cryderman, and the title of the article is TransAlta Reaches Tentative Deal to Settle Power Price-fixing Charges. All right. This is a quote from the article.

In 2014, the province's Market Surveillance Administrator alleged that TransAlta engaged in "anti-competitive conduct" in 2010 and 2011 by taking three coal-fired power plants off line on four cold days, during high-demand hours and in periods when other players in Alberta's competitive power market were the least likely to be able to pick up the slack. This, the administrator said, drove up electricity prices and allowed TransAlta to reap millions in additional profits.

Now, using the example here from the graph again, that that is a typical power spike, I think, is a little misleading, especially when we had an intentional act to make profit. In the end there was, I believe, a \$56 million settlement. They got caught doing it. We had our watchdogs. They did their job. They did the profit out of there. It went back to the consumers. This is terrible stuff, right? But using that one example to justify that these spikes are the norm in Alberta, again, is definitely misleading.

If we look at this graph again and we look at just after 2014, actually closer to the beginning of 2015, we're going to see that the power rates stabilized, didn't actually go beyond the 6.8 cents per kilowatt hour. It's not a coincidence because, from what I understand, we had Enmax Calgary bring on a plant, a generating plant, and what happened is that they added more supply to the market. Now, this is what a healthy market looks like. As there is profit-taking, people build plants, and then what happens is that the profits go down, and in the end we end up with lower charges for our electricity.

So to go back to where the Minister of Energy says, "With this bill, we're following through on the promise we made last fall to protect Albertans from electricity price spikes," I question whether there was actually a crisis here because in the end it appears that the market sorted itself out. The market sorted itself out, and we actually haven't seen a price spike over 6.8 cents.

Now, it makes sense that the government will look at this and say: wow, that looks terrible over the last few years. You know what? Giving the ability for more power to get into the market was definitely the goal the government should have been on. They should have been saying: there is the ability to be able to make money at this; let's make this happen. And maybe diversification through dams or other, different ways of going about it would have been a great way of going about it. Again, the market was taking care of itself. This first sentence: it seems like we're correcting something that had already corrected itself.

4:40

"Volatility and uncertainty have been hallmarks of our electricity system for years." Well, again, if you look at this graph – and it doesn't go beyond 2002, so maybe it was more volatile back then – what I'm looking at is only a couple of years here and a few months there that it was actually volatile. Again, when we're looking at the free-market system, what we end up seeing is that the market will

correct itself, and that's what you see here. You see the markets correcting themselves. I'm going to speculate that you are going to be able to say that there were coal plants brought on or gas plants to help fix these spikes in power costs.

Now, what we're looking at here is a government that is saying: we are going to regulate something because we believe that we need to prevent something from happening. Okay. That makes sense. You know what? I don't want to see a vulnerable Albertan be hurt anymore by volatile power prices. I don't think anybody in this Chamber does. Everybody wants to make sure that our seniors and our disabled are able to go through their lives able to pay for their power bills and able to have a life that we would all want them to have. So when we look at this and we look at the government saying, "We are trying to bring uncertainty out of the market" – I don't believe you can ever do that because in the end what we're looking at here is a government that is relying on actual machinery. That machinery breaks down. That machinery needs to be fixed, maintained. So in the end what we need to say is that there's always going to be some volatility there.

Now, we look at the coal plants in this province, and from what I understand, anywhere from 50 to 55 per cent of our power is generated by coal right now. What happens is that as we phase out coal for Alberta, we're going to see more volatility in the system, and the reason that we're going to see that is that – guess what? – when the sun doesn't shine, we don't make power; when the wind doesn't blow, we don't make power. So what ends up happening is that we're going to see spikes, and we're going to see lots of spikes, which is why I believe the NDP are bringing this in. They already know that this is coming. They already know that we're going to see massive spikes that are going to have to be addressed someday. So what do they do? Well, they hide it. They cap it.

You know, I will say that it appears that they have taken on a lot of the Ontario approach, if you will, on how to deal with the power markets. Now what we are seeing is volatility in their markets, seeing price spikes. And guess what? People are angry there. People can't afford their power bills. Energy poverty is a real thing over there – a real thing – and that is something that we were going down the road to, but our fix is to hide it, to hide it by making sure that somebody else pays it, to hide it from the taxpayer. Again, my colleague who's the shadow minister for renewables has repeatedly said that the ratepayer and the taxpayer are the same person – the same person – so if we take away from one, we're putting it on the other.

Now, the third sentence in this is: "Electricity is a basic necessity and Albertans shouldn't have to worry about their power bills spiking from one month to the next." I agree with the fact that electricity is a basic necessity. Cheap power brings prosperity. We all heard today that the first platform that the NDP brought forward in this province was very clear: power brings prosperity, brings business. Yet somehow this government has decided to deviate from that.

Now, when we start looking at this and we start treating this like a pet project, then we end up with the blackouts or the brownouts, that the government was talking about before, because we don't have a stable system. We have nothing to back this system up. So we end up having more brownouts, we have volatility, and we have incredibly high power spikes. And guess what? We end up with extreme profits going to our generators.

An Hon. Member: It's a free market.

Mr. Cyr: Well, that isn't a free market because you're limiting coal.

The government said: well, that's a free market. Well, when you go after something that is actually creating more than 50 per cent of our power right now, how exactly is free market involved in that? There is no such thing as free market when you restrict players from getting into the market at the point – now, we hear all these things about justification and why we need to move in this direction. But we have heard consistently over and over that, actually, this decision has nothing to do with coal. It has to do with an ideology, a radical ideology at that.

Now, to go on with the fourth point here: "This cap [will] help make life more affordable by ensuring Albertans aren't burdened with price volatility . . ."

The Acting Speaker: Thank you, hon. member.

Are there any members wishing to speak under 29(2)(a)? The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you. Well, I've enjoyed very much listening to my esteemed hon. colleague from Bonnyville-Cold Lake. He is a bean-counter by trade, just to be clear, and of course graphs are exciting to him. I'm glad that they are. There were some things in his speech here that did catch my attention, and I wanted him, if he wouldn't mind, just to expand a little bit. Please correct me if I'm wrong, hon. member, but is it true that what you saw in that graph was price spikes that led to more generation without a government insisting it happen, that the investment community saw that as something worth while to invest in, and that no government law had to be passed to create that generation? Please correct me there if I got that wrong.

The other thing. It's amazing – is it not? – that these price spikes actually attracted investment, yet this government claims that the current energy-only market was not attracting investment. According to the graph that you have, was there not some investment happening? Could you please expand on that a little bit?

Also, I'd be curious to hear your thoughts on these fixed-price contracts that have already been available to vulnerable Albertans for a long time. I don't know. You have an REA in your area. I'm aware that most REAs also have programs – do they not, hon. member? – protecting vulnerable co-op members from electricity pricing and helping them to pay their electricity bills, again with no law coming from a government forcing them to do so. They just do it out of the goodness of their hearts. Could you expand on that?

The Acting Speaker: Thank you, hon. member.

The hon. Member for Bonnyville-Cold Lake.

Mr. Cyr: Thank you, Madam Speaker. I have to thank my colleague for his really great questions when it comes to reviewing these graphs. I will tell you that when you start looking at this, if we look at the logic that the NDP has used, saying that this system is broken and it's not working and they need to fix it, this graph would be going up, would be going all the way up. It wouldn't be going up and down. It wouldn't be consistent. There wouldn't be a 6.8-cent average, if you will, that they would be able to put on here. What we're looking at here is a system that was correcting itself. It was working very well.

We have a system that always can improve. There's no doubting that. But the industry itself was the partners and the ones that were wanting to make this happen. I don't believe that any Albertan wants pollution. I don't believe any Albertan wants to see anything that's leading to health problems. So you were seeing the industry itself start to move in these directions, bringing safety onto work sites. We're hearing that that is a big thing today, with the labour bill. We're hearing all these different things, but what we aren't hearing is that the system itself was working. We're fixing it.

4:50

Now, when it comes to the fixed prices that the hon. member was bringing up, I believe it is at 6.8 cents where we can get a contract right now. It's ironic that what we're seeing as a market right now is 6.8 cents as a fixed one. That actually brought out the volatility altogether. If you are on a fixed income and you were saying, "You know what? This volatile price environment is something that I need to deal with," it already had the mechanism. Guess what? The industry did that. The industry saw that they could actually bring volatility out and still be able to make profits with it.

Now, myself, I like the variable market. In the end I was willing to take the risk that I would pay less over time because I believed in the market. In the end what happens here is that – in these last two years I've won. Now, I might not have been very good in, say, 2009. There was a spike there. But I believe that when we look at it, that is the consumer's choice, to go on a variable plan or a fixed plan. That's the beauty of the system.

Thank you, Madam Speaker.

The Acting Speaker: Thank you, hon. member.

Are there any other members wishing to speak? The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Speaker. Well, this has been an interesting discussion. It's really, really nice to be speaking on the Energy portfolio again. It's very nice.

Well, the supposed green shoots of the government are starting to turn into a bit more of a tangled web of onerous and deceptive weeds. This unwieldy garden is growing faster and taking over the seeds of a once prosperous and high-functioning energy-only market.

What is a little bit more than concerning is the smoke and mirrors that this capacity-market model falls underneath. What continues to amaze me is the perspective that somehow it's going to protect consumers from price volatility. That truly is misrepresentative of the market and the way that Albertans use electricity, but that would require that the government would understand how the market was working before in order to understand the difficulties that this capacity market is going to bring forward. The fact that the government continues to perpetuate the myth that the capacity market reduces wholesale price volatility, including the spike in prices, which we've heard about over and over again – to his credit, my colleague from Bonnyville-Cold Lake has explained very, very well why those spikes occurred and the mechanism that actually creates them in the first place. As we've said a couple of times, there are mechanisms in the system that actually help to mitigate those spikes.

I feel that when we're speaking about this particular situation, especially when we're talking about the capacity market and the myth that is coming from the government, it's extremely disrespectful of the government to Albertans and to their needs when it comes to electricity and the cost of electricity in this province right now. As has been said by many of my colleagues on this side of the House, electricity is at low prices right now, and the cap that is being put on is artificial and does nothing to protect Albertans. In fact, if anything, it's going to cost Albertans a whole lot more money.

One thing I want to ask this government is: do you really think that you can hide the cost of what you're trying to do with this cap? That's actually the question I want to know. You really, really believe that Albertans are not savvy enough to understand what you're trying to do here. Believe me, it's not a possibility. They know. This bill actually tells all and is exactly the missing piece of the puzzle to all of the other bills that came before: 34, 27, all of those other bills together. This is the descriptor.

This cap in itself is exactly – we knew it was coming, and Albertans knew it was coming. It's extremely disrespectful to Albertans. The reason is because the government is actually going to more than double the costs to the ratepayer/taxpayer. To reiterate what my colleagues have said, they are the same person, the consumer. These people are going to see more than double the costs within the next four years. Maybe somebody can answer for me how that's going to make life better for Albertans. I'd like to know.

Some of our colleagues on the government side were saying that they had spoken to people and that they had heard from people that this cap is good. I would love to understand how it was that that was explained to them given the fact that right now electricity is as low as it is and given the fact that in the next little while we're going to see massive jumps. The worst part is that once this cap is done, Albertans are going to get slammed by the capacity market. That's the most interesting part of all of this, but I'll get to that.

If the government was willing to look historically at the deregulated market – and, again, we've heard this before. The free market actually provides signals, and those signals are to invest or not to invest. That is the question. Those are the signals. We had places like the Shepard facility, to name one. It's one of the largest gas-powered facilities of its kind in Alberta, 800 megawatts. This happened as a result of the industry understanding the signals that are put out by the free market.

Right now this is a market that benefits the consumer. Investors are going to look at the models at any given time and say: this is a time to invest. When prices are low, it completely benefits the consumer. An investor is going to look at those signals and find out what is the best decision for them at that time, and it actually draws in investment, which is contradictory to what is on the government website, saying that "investors like the stability, predictability and familiarity of capacity markets" and that this capacity market is going to have "Albertans have reliable, affordable electricity in the future" and help "facilitate the transition away from coal-fired." Well, actually, investors need to understand how the market is working, Madam Speaker, in order to understand when it is a good time to invest. The Shepard facility is a good example of that because they made one of those investment decisions, and Calgarians benefit from understanding those signals.

We've continually said to this government: stand up for Alberta. We were already on track to phase out coal and bring natural gas online. That would have reduced, actually reduced, emissions by 50 per cent per megawatt hour generated. This was already in the works. The accelerated phase-outs – and I won't go into everything that my colleagues have already spoken about and the events, this domino effect, but it's quite amazing to watch the whole puzzle get put together. Even when we were debating bills 34, 27, and 25, it was disconcerting to see how much damage was being done by government all at one time, and then to see this little piece get put on is the icing on the cake.

Just to be clear, before this government started on its warpath against our energy industry, people – the taxpayer, the ratepayer – had the ability to manage the way that their electricity bills came to them. Again, I know I'm reiterating a few of the things that we've talked about already. Just to give an example, a fixed-rate option, that actually protects the consumer from volatility, was one of those ways. It was a choice that the ratepayer/taxpayer/consumer could make, a decision as to how they would have their electricity delivered to them. This is choice. This is what Albertans want.

5:00

Now, that volatility, the one that the government keeps talking about: guess who that falls on now, Madam Speaker? That falls on the shoulders of the consumer because – guess what? – the providers

no longer bear the risk. They don't bear the risk anymore. In the past they bore the risk, which is why we were able to have the low-cost electricity that we've had in the past.

We have zero utility debt right now. Zero. That is amazing. Do you even understand what that means? That is unique across Canada, zero utility debt. Now the government, Madam Speaker, is creating debt where there was none. I mean, that speaks oodles about what's been going on in all sorts of things.

Again, I just can't understand why the government would feel in any way that they can pull the wool over Albertans' eyes. Albertans are way too intelligent. They're way too savvy. Believe me, since we started down this path with this government, they know way more about the electricity models and the capacity models and deregulation and their bills and everything else than, I'm sure, any of us ever probably thought we would know. I am impressed and absolutely humbled every single time I talk to a person because they know. They know. They know what this cap is, let me tell you. They know a lot more than I know. I am constantly educated and amazed by the people that I have the privilege of meeting. I guarantee you, Madam Speaker, they're not going to fall for it.

You want to hide your intentions. The government wants to hide their intentions from the people who elected them to be here. Does the government intend to take advantage of what the government feels and believes to be a lack of knowledge regarding how people understand their bills? I don't know how else to ask the question because, to me, that's what it feels like.

Well, understand this. When that cap is removed and that capacity market hits with a full swing to the pocketbooks of Albertans, they will be slammed, Madam Speaker. Slammed. We here in the opposition will have made sure that every Albertan that we come in contact with is fully informed and educated, every single one of them, and that they understand that the Balancing Pool is a blank cheque that this government gave to them, that the government under Bill 27 decided to take away the ability for the electricity police to be able to do their job, to actually make sure that Albertans cannot be overcharged for electricity.

These are the kinds of things. We brought amendments forward. We brought all sorts of ideas on how to change that and to strengthen some of that legislation. But, no, now the minister is able to make changes on renewable electricity in those bills, with this one being the cream of the crop, without ever asking a single Albertan how they feel about that or what's going to happen to their bill. Every single Albertan will understand that.

We will not hide behind smoke and mirrors, Madam Speaker. The government keeps saying that the industry is aligned with you. Well, maybe you should explain to Albertans why some of the major industry giants are onside. Because they no longer bear the responsibility of the volatility of the market. In other words, they bear no risk. Alberta families do, along with the burden of the carbon tax, a tax on the energy industry; environmental activists running amok and being paid and defended by this government to lobby against our natural resources; the cap on the oil sands; one thing after another.

Again I bring up Bill 34, a blank cheque, which, I might add, shortly after it was brought forward was used, and dollars were disbursed into the Balancing Pool already. I mean, again, look at the domino effect. The government cannot hide from this. This cap is simply smoke and mirrors until this capacity market comes in, and, whammo, every single Albertan will be impacted. That is the unintended consequence of what happened to this market when we were first elected.

The government, by the very nature of this bill and the other bills, is mandating the end of the competitive and fair pricing that happens in an energy market, straight up. When you put the cap where

there did not need to be one, this tells us, tells every Albertan, in fact, that the prices are going to be crazy high, through the roof. Somebody has to pay the piper, folks, and now that is burdened on every single Albertan. Every single one. Again, I need to have it explained to me as to how this is making life better for Albertans.

Let's talk about volatility for a moment. This is the word that, you know, probably best describes the way that this market is at times, and I understand that. But it's also the government's favourite word to use when describing the industry, and it adds a few more puffs of smoke to bring this illusion full circle. That's what this is. If you're wanting to harm investment, Madam Speaker, this is the way to go about it because volatility – and I'll say this again – provides signals to the industry for them to understand how to invest, when to invest, what to invest.

On top of that, we also have the fact that under Bill 27 the minister now has the purview to be able to bring renewables online, and we will have absolutely no idea how much it's going to cost. None. There is zero accountability. Accountability was taken out. The actual word "accountability" was taken out of the bill. It was amended in Bill 27 in order for the minister to be able to make changes without having to ever – ever – let Albertans know the impact.

The Acting Speaker: Thank you, hon. member.

Are there any members wishing to speak under 29(2)(a)?

Seeing none, are there any other members wishing to speak to the bill? The hon. Member for Olds-Didsbury-Three Hills.

Mr. Cooper: Thank you, Madam Speaker. It is an absolute pleasure to rise today and speak to Bill 16, An Act to Cap Regulated Electricity Rates. This bill does little more than scare the industry about high costs of electricity coming because of bad NDP policy and showcases that instead of fixing the problem of high electricity prices, this government wants to shove it under the rug, hiding the high cost of electricity in the tax bill of Albertans.

The good news, Madam Speaker, is that this government has an opportunity to correct its path. I know that you will be familiar with an amendment that I like to move from time to time about referring pieces of legislation to committee. I think this afternoon we've heard from my colleagues, who have done a very, very good job of discussing some of the very significant challenges that you'll find inside this particular piece of legislation. I will pass the amendment to the pages. I'll speak broadly until you have a copy and they're distributed, and then I'll be happy to read the amendment into the record.

We've heard from my colleague from Chestermere-Rocky View, however brief it was. I know that she's looking forward to being able to speak to this particular amendment. We've heard from my colleague from Innisfail-Sylvan Lake and others in the House about a lot of the challenges, a lot of the self-inflicted pain that this government is experiencing. Whether it's through the cancellation of the PPAs, whether it's suing Enmax, whether it's shaking investor confidence, the NDP has just done so, so much damage on the electricity file that it's impossible to list it all here today, but I know that it's important that we still talk about that. There are some very specific reasons why this particular piece of legislation should go to committee, and I'll speak about those briefly in just a moment.

5:10

But why don't I start by just reading into the record that I move a motion that second reading of Bill 16, An Act to Cap Regulated Electricity Rates, be amended by deleting all of the words after "that" and substituting the following:

Bill 16, An Act to Cap Regulated Electricity Rates, be not now read a second time but that the subject matter of the bill be

referred to the Standing Committee on Resource Stewardship in accordance with Standing Order 74.2.

Madam Speaker, it is very, very, very critical, not just because referring legislation to committee makes good sense and not just because virtually every other jurisdiction in this fair land of ours refers legislation to committee. I know that you've been paying such close attention and know that this is, I believe, my first referral motion of this session. I know that you've been waiting for this to happen because you'll know that it's an important part of this process. We could send this piece of legislation to committee, have experts come and provide expert testimony and witness and discuss a lot of the things that we've heard here today from our colleague the independent Member for Calgary-Mountain View and leader of the Liberal Party.

We have a wide range of opinions on this particular piece of legislation, and committee would allow not just the opinions of members to be heard but the opinions of experts. I'm certain that the government would roll out some of the folks that they have consulted, and it would provide the opposition and members of the Assembly and, perhaps more importantly than those folks, Albertans with a much clearer picture of the consequences of this legislation.

I'm certain that the government will rise and talk about how the opposition just wants to delay this, but nothing could be further from the truth. We have been waiting for a period of time for this legislation, and I'm certain that if we were to do a thorough review over the summer and come back in the fall – and I'm just speculating on what might happen in the House over the next couple of days with respect to other referral motions, particularly around some labour legislation – my guess is that it would be a really, really good idea for us to send this to committee and then consult more thoroughly instead of the 36 days that the government has offered up as their consultation on a 124-page bill. But I digress for the time being.

This isn't about just delaying this piece of legislation; it's about making sure that we get it right. One of the things that is very, very, very problematic that is included in Bill 16 and a very, very good reason why we ought to be sending it to committee is some of the powers that it changes around the ability of the minister. In section 6(1) it states:

The Minister may make regulations . . .

- (f) adding to, clarifying, limiting or restricting any powers, duties or functions of the Commission or the Market Surveillance Administrator as the Minister considers necessary or advisable to enable the Commission or the Market Surveillance Administrator to exercise powers, duties or functions for the purposes of this Act.

Madam Speaker, we have a situation where Bill 16 is providing the minister additional abilities to change regulation that could restrict any powers or duties or functions of the MSA, the Market Surveillance Administrator. The big challenge with this is that less than two weeks after the MSA launched their investigation into the Balancing Pool, the government with this legislation has the potential to intervene to restrict the MSA's very power and duties and functions in ensuring the electricity market is fair. So we have the MSA currently investigating the Balancing Pool, and then you lay on top of that a piece of legislation that could potentially restrict the MSA's ability to get to the bottom of exactly what was happening at the Balancing Pool.

It's not just the MSA who has expressed some concerns. We heard from my colleague from Innisfail-Sylvan Lake about the Auditor General's concerns with respect to what's happening at the Balancing Pool. We have an incredible amount of FOIPed information that clearly lays out political meddling from this government. The optics, if nothing else, for the government on this

should be concerning. One of the great ways to clear that up is to refer this to committee. We can have members of the MSA come. We can have members of the Balancing Pool come. We can have a discussion around what potential risks there are to the MSA's ability to do their job if by the very clause in section 6(1)(f) the minister now has the ability to say, "Uh-uh; the MSA can't do any of these sorts of investigations any longer," or they can limit the scope of the MSA or otherwise.

It is critically important for the government's reputation, for the MSA's ability to provide light and shine light on this particular situation that we do take time and not rush another piece of legislation through this House in the dying days of a session, just like we saw in the last session, with the power bills, just like we saw two sessions ago, with Bill 6. The government is putting together a really concerning track record of rushing legislation through this Assembly.

Now, I wouldn't want to guess what's going to happen with Bill 17, but it seems to me that the government introduced a piece of legislation that's 142 pages long with a mere 36 days of consultation with less than eight days left in the legislative session. It sure appears to me that they're not only going to do that to Bill 16 but also to Bill 17. The only thing that stands between bad legislation getting passed is the opposition, so we have this duty to ensure that good legislation is passed.

Right now there are a ton of things in Bill 16 that present a challenge. Instead of doing a rush job, we ought to send it to committee and take the time to make sure we get this right over the summer, hear from the Balancing Pool, hear from the MSA, hear from the Auditor General, and ensure that the government actually isn't interfering with the process, that we're not seeing a consolidation of power into the minister's office and into the regulations, and that we can move forward in a way that is open and transparent because one thing that this bill doesn't do is provide the same sort of openness and transparency to the consumer. Even my colleague from the Liberal Party – we don't necessarily see eye to eye on all things. We do on this, that the government is trying to hide the true costs of electricity to the consumer.

Committee is a great spot for folks to be able to hear about that, for Albertans to be aware of exactly what's taking place. So I encourage all members of the Assembly to support this amendment and send this bill to committee so that we, too, can get to the bottom of the very important details, particularly the one that I highlighted in this speech but also the ones that have been highlighted by members of the opposition, from all parties in the opposition. Any time that that happens, the government ought to touch the brakes, heed the advice of the opposition, and move forward in a much more cautious manner. Now, I'm not very optimistic that that's going to happen, but I would encourage all members of the Assembly to vote in favour of this amendment.

5:20

The Acting Speaker: Thank you, hon. member.

Are there any members wishing to speak to the referral amendment? The hon. Member for Calgary-Klein.

Mr. Coolahan: Thank you, Madam Speaker. I do appreciate the member's enthusiasm for committee work. That's great. But this bill has been drafted with input from industry experts, and it's being done in the best interests of Albertans and the actual electricity system. And let's not forget that we will be going to Committee of the Whole with this, so there'll be an opportunity for a lot more fulsome discussion on this bill.

With that said, I'll say that I cannot support this amendment. Thank you.

The Acting Speaker: Thank you, hon. member.

Any comments or questions under 29(2)(a)?

Seeing none, any other members wishing to speak to the referral amendment? The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Speaker. I thank my hon. colleague from the outstanding riding of Olds-Didsbury-Three Hills for giving us some wise words on the benefit of referring this bill to committee. This government has a bad habit of not doing that, not taking full advantage of the processes within this Legislature that are there, intended to do two things: improve legislation but also to allow everyday Albertans to come and address those pieces of legislation that are going to impact their lives, for Albertans to have a say. I think that it behooves any government in power to take every opportunity to hear directly from Albertans regarding legislation that is before this Assembly. This government, as I said, doesn't have a real good track record in that regard.

There are some organizations, I believe, that would want to come and address this Legislature in a committee setting to talk about this legislation and the impact that it may have on them. It's interesting to note that over time our electricity system, which this government claims is so broken, that this government claims needed help directly from this government in order to make the transition to renewables – it's interesting that if you look at the historical record, the truth comes out. If you go back through the history of our electricity system, you have a number of players that are currently in our market, and I believe that every single one of those players would have something to say about this legislation before us and others as well.

[Mr. Hinkley in the chair]

But I want to just bring to the House's attention who some of these players are. I know that for a lot of people if you were to take a poll right here in this room or even amongst Albertans and ask, "Who are the people in the electricity system; who are the players?" they would probably list off TransAlta, ATCO, Enmax, Capital, EPCOR. They might struggle getting beyond the big five into any of the other players that are out there. Frankly, we have many, many companies involved in our electricity system, and they all have opinions, and they all have a lot of skin in this game. The majority of their investors are everyday Albertans, people with pension funds, people with RRSPs, mutual funds. I believe that every piece of legislation and the policies from this government that we have seen come through this House that have impacted our electricity system – I believe that every single one of those players has an opinion that should be heard, should be heeded, should be taken under advisement in all that is being done by this government to completely overhaul what was an electricity system that was actually working quite well. Was it perfect? No. Did it need to be completely destroyed? No.

I want to just let everyone here know who some of these players are that I think would want to see this bill go to committee and come and talk to us about what they've done. I'm not sure if people are aware that we have a power station in Balzac. It's natural gas, and – guess what? – no government had to force them to build it. The signals that my hon. colleague from Bonnyville-Cold Lake talked about indicated to them that there was an opportunity for them, and they built it. It came online in 2001.

[Ms Sweet in the chair]

We have the Bellshill power centre at Galahad. It, too, is natural gas. Came on stream in 2015. Again, no government had to force

them to do this. No government had to force them to do it. I believe they would have something to say about this.

I believe that our rural electricity associations would have a great deal to say about, well, practically every bill regarding electricity that's come through here.

There are pages and pages of natural gas systems coming online. Anyone ever heard of the MacKay River power plant in Fort McMurray? It's natural gas. Came online in 2003. No government had to tell them to do it. They made a business decision to do that. Imagine that.

Then this government is saying: well, you know, we have to do this in order to get renewables to come online. Oh, really? In 1993 Alberta-Pacific Forest created a biomass plant in Athabasca, 131 megawatts of capacity, way back in '93. No NDP government in power at that time. No government had to force them to come online, and there was no debt thrown on the backs of Alberta taxpayers on account of it.

Another biomass plant: 2002, Bear Creek steam turbine in Grande Prairie. TransCanada owns that. They built that. Again, no debt on the backs of taxpayers. I would reckon that they might have something to say to this government, especially in relation to an electricity bill like this.

How about waste heat recovery in Medicine Hat? Waste heat recovery came on stream in 2000 right in Medicine Hat. TransCanada owns that. A great alternative energy plant. Again, no taxpayer debt on there. Imagine that.

An Hon. Member: Waste heat recovery in Joffre.

Mr. MacIntyre: Yes, as my hon. colleague is pointing out, waste heat recovery in Joffre.

Another waste heat recovery in Caroline, the Caroline gas complex, 20 megawatts of capacity. No government had to tell them to do that. They did that because it was a good business model to do that. If you allow the free market to be free, people will innovate. We've had tons of innovation.

Another biomass, 25 megawatts in Grande Prairie.

Another 50 megawatts – oh my goodness – came online in 1985. Hinton. No NDP government in power at that time. Nobody had to tell them to do that, and no debt on the backs of taxpayers.

Another waste heat came online in Swan Hills.

Another biomass in Peace River. Fifty two megawatts at the Peace River pulp mill. My goodness.

To listen to the minister and the members opposite, you would think that there was never a renewables plant that came online until this government, this NDP government, came to power in May 2015, yet nothing could be further from the truth. They claim that it was broken and there's no way they could attract investment for renewables. That is an untrue statement that has come from this government repeatedly. I'm reading you renewable projects, alternative energy projects that came online without the government having to force it, without taxpayers having to bear the burden.

Now this government is running through this Legislature Bill 16, and let's get 'er through. Let's get it done lickety-split. Let's not look at it, and, for goodness' sake, let's not invite Albertans to come talk to us about it.

5:30

The hon. member is claiming: no, I don't think I can support this going to committee. This government has repeatedly indicated their fear of having Albertans talk to them about their legislation. We saw that with Bill 6. We saw it with bills 27, 25, 34. We're seeing it again with Bill 16. It's shameful.

Another biomass project, 48 megawatts, came online in 2011, the Grande Prairie pulp mill. Weyerhaeuser, again, made a business decision because it was sound business economics to do so. If you allow the free market to do its job, it will always correct itself.

We also had some hydro happen. TransAlta has got a number of hydro assets at Barrier, Bearspaw, going all the way back to 1991. In 1972 it was Big Horn. At Brazeau it's 355. Again, no government had to order them to do that. TransAlta did it because it was a great business decision to do so. They approached their shareholders, and the shareholders said: yep; sounds like a good plan; let's do it. No government came. There was no NDP government then. Look at all the hydro in Raymond and Cochrane and Seebe and Kananaskis, page after page. ATCO owns some. TransAlta owns most.

And then wind power. Oh, my goodness. We actually had wind power in this province before this NDP government came along. Can you imagine?

An Hon. Member: No way.

Mr. MacIntyre: Yeah. It's true. It's actually true.

We had 66 megawatts come on at the Ardenville wind farm, owned by TransAlta, down by Fort Macleod. No government had to order them to do that. They did it because it was a good business case. Then they built 66 more megawatts, Blue Trail, down by Fort Macleod again. At Pincher Creek 44 megawatts came online in 2000; at Drumheller more wind power, 77 megawatts; the Castle Rock wind farm, owned by Enel. No government had to order them or tell them or try to coax them to do it. They did it because it was a good, sound business decision. The government didn't have to artificially create an environment that attracted investment. It happened naturally in a free-market enterprise.

But this government doesn't understand basic economics. They think that they have to force things, they have to create a false environment, they have to forcibly shut down perfectly good coal generation to create a shortfall, to make some kind of business case for renewables to come in when we're already over capacity, to build generation we do not actually need right now, to try to protect consumers from some sort of price spike, that they know full well is coming when they short the power system.

Look at all the wind power. We've got 150 megawatts installed in Halkirk. It came online in 2012 from Capital Power. In 2012 it came online. This government claims that the system was broken, that we couldn't get any renewables investment. There are at least 40 renewables projects in my hand that somehow or other these investors thought were a great idea, without the NDP government trying to entice them with a false market that they're creating. No. They did it because it was a sound business decision. And it was all kinds of companies: Enmax, TransAlta, Capital Power, Nextera. These companies all have something to say.

This government needs to put this bill to committee so that everyday Albertans can come and talk to them. Consumer groups are going to have a lot to say about this. Rural electrification associations are going to have a lot to say about this. Alberta's retailers of energy are going to have a lot to say about this. This government has not fairly consulted with the people of this province and the energy providers in this province. They cannot sit there or even stand there with a straight face and say: yeah; we've talked to everybody, and they're all good to go. No.

The purpose of having a committee is so that we can talk to Albertans. They can come and talk to us, and we can hear what they've got to say about this piece of legislation and others. I'm a firm believer in having bills go to committee so that Albertans and business owners in our province can come talk to us. There are other segments of our economy that are going to have words of wisdom,

and this government is not availing themselves of it. It's shameful. I would hope that every member of this Legislature would look forward to hearing from Albertans on every piece of legislation so that we get it right.

Either this is a democracy or it isn't. If we're going to claim to be a democracy, then that means we need to listen to the people. We need to listen to them more than once every four years during an election cycle. They need to have a continual conversation with their representatives in this House, informing us of what they think about particular pieces of legislation, especially legislation like this, that directly impacts their pocketbook, that has the potential of doing harm.

Thank you, Madam Speaker.

The Acting Speaker: Are there any members with questions or comments under 29(2)(a)?

Seeing none, the hon. Member for Lacombe-Ponoka.

Mr. Orr: Thanks. Yes, I would like to speak to the referral motion. I really do think that we need to take the time to hear the people who are going to have to pay for the consequences of this. The opportunity to refer it to committee really gives a little bit of time to give some sober second thought and allow people to express their fears and their concerns.

I'd like to focus a little bit on the human side of this, why it's urgent. We've heard all of the technical stuff. We've heard lots of detail. But the reality is that there is a human price to misguided policy on electrical legislation. There's a human price to the overpricing of power. For that reason, I think the people that have to pay for it and live with it need an opportunity to speak, an opportunity to express their fears and their concerns.

I'd like to share a bit of a story of where this misguided power and policy leads to from a current article, actually today, an opportunity just to look at what's actually happening in other jurisdictions as a warning to us about the human cost of all of this. This isn't some imaginary dystopian future. It's what's actually happening, reported today in a paper, of what happens when government introduces policy after policy with harmful and predictable consequences of increasing electricity prices.

The article comes from the *Recorder & Times* in Brockville, Ontario.

Nearly 500 local jobs will be lost within three years after Proctor and Gamble announced Wednesday it will close its Brockville operations [in] 2020.

Employees of the Brockville site were informed at a meeting early Wednesday of the decision.

And they've attributed it to a review of their North American supply network design.

So they are going to relocate to West Virginia, out of Ontario and actually out of Canada, which will impact their business immensely. Mostly what I want to focus on is that it will impact the 480 or so people who actually work in this plant. The transitions are announced. They've been feared for some time. But the result will be the permanent closure of this Brockville plant by 2020, and these people will be out of work.

5:40

I think in order to bring that a little bit closer to home, we need to very carefully relate this to exactly what the federal government has done in closing down their office in Vegreville. The families there have suffered their future loss of income, the fear of the loss of real estate values in that town, the emotional trauma. The anxiety that that has caused in Vegreville is no different than what happens in Brockville when a plant closes down and 480 people, who all represent families, are thrown out of work. That's the human

consequence of what happens with endlessly escalating power increases.

These people, Procter & Gamble, had been doing a study of their North American supply network for several years, and the reality is that the supply of electricity is part of that equation. For them, they just realized that there were much better opportunities elsewhere, so they decided to close down the plant and move.

Jeff LeRoy, a Procter & Gamble company communications spokesperson, said exactly what you would expect him to say. He said that the decision to close production in Brockville was difficult. But the reality is that excessive costs always trump the difficult emotional realities of these kinds of decisions. While it's difficult, they do it anyway, and people are put out of jobs. Their lives are thrown against the rock, so to speak. They have no ability to pay their mortgage. Maybe their real estate prices drop. Their whole lives are seriously impacted. We need to think about the human costs of this, which is why we need to take the time to send this to committee and give it some sober second thought.

Brockville Mayor David Henderson said that the news is a blow that was not entirely unexpected. Why not entirely unexpected? They knew that the price of power was forcing these kinds of reviews. Other companies in Ontario have done exactly the same thing. He said that everybody has been on the edge of their seats for some time, waiting for this whole thing to happen. Then he said that when it actually happens, it's brutal. That's the human pain of driving up electricity costs by bad regulation and by misguided policy. That's the reality of lives that need to be considered.

The news of the pending plant closure was devastating to all of these people, and I think it's something that we really need to take into consideration when we think about a bill like this because the facts are quite simple. We are following essentially in the same direction as Ontario, and Ontario, ahead of us, has actively driven away manufacturers and businesses with overpriced electricity and in the same way has driven away jobs, prosperity, family security, and all that goes with it. The results are heartbreaking for the families that depend on these things for their livelihoods.

Ontario has gone from at one point in time having some of the most affordable electricity in North America to now having some of the most expensive, and there is a true human cost to this. From 2013-15 alone, just a couple of years, industrial electricity rates rose 16 per cent in Ontario. Now here in Alberta we're probably going to see a policy that's going to drive electricity rates to more than double.

The high cost of electricity is unavoidably harmful because – I mean, it's something that can be managed differently. Electricity is not one of those things that you can not use. It's an essential item in our lifestyle. The reality of the cap that we're here debating today and the need to send it to committee is that the businesses that provide jobs for people and a lifestyle and an income, these industries, especially the bigger industries, are not protected from this cap. They are going to get hit with the price of this, and when they re-evaluate the realities of their economic survival in a particular jurisdiction over time, if it becomes unbearable, they do exactly what's been happening in Ontario. They pack up and move somewhere else and leave the people behind with no hope. There is no hope in this when your job walks away from you.

Our heavy industry in Alberta provides the employment that families need to pay their bills. These are our job creators, and this bill is an admission that retail prices will probably more than double in the next four years due to this crazy kind of policy and legislation that we're pushing forward here. So we need to take a step back. We need to take a breath. We need to allow the people to come

before us and share their heartbreaking stories and fears of what's going to happen in their lives.

This is just one, this story that I've shared with you, of many more warning signs to our industry that prices will drive out business, will leave families suffering, will leave families without income, without the ability to provide for their living, and businesses will consider other jurisdictions. The high cost of electricity puts Ontario businesses at a severe disadvantage, and now we're importing exactly the same thing into Alberta with all of these policies.

The reality is that I have to support the motion because I cannot support the bill. The truth is that by pushing this forward without going to committee, this government doesn't have Albertans' backs. You're hiding the real price of power behind their backs. You haven't got their backs. You're hiding it behind their backs. You're not making life better for Albertans; you're going to be making life a whole lot more bitter for Albertans. You're going to be driving them into power poverty. They're going to be losing their life-giving jobs like Ontario's thousands of people with no power supply because they can't afford to pay their bill and they can't afford to live with a permanently spiked power price. When you follow these kinds of policies, what happens is that the power price spikes and it stays spiked. People can't afford to pay for that, so then there are thousands of people in Alberta who have no power at all. Then the government has to come along – well, we won't even go there.

Like Ontario, businesses are going to be going away. Economic diversity is destroyed by high power prices. Economic opportunity is denied. The economy shrinks. Prosperity vanishes. When you double and quadruple the price from the current 3 cents – this is complete doublespeak. You are not protecting people. You are exposing them in extremely serious ways.

We need to send this to committee. Thank you.

The Acting Speaker: Thank you, hon. member.

Are there any members wishing to speak under 29(2)(a)?

Anybody wishing to speak to the referral amendment? The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Speaker. I just wanted to speak to what my colleague from Lacombe-Ponoka was speaking about and specifically to Ontario.

But before I get to that, I just want to also mention that my colleague from Innisfail-Sylvan Lake was bringing up a whole bunch of different companies that were already investing. If you actually look at TransAlta's history of what they've invested, I mean, they own wind, solar, natural gas, and 27 hydro facilities that have a total capacity of 936 megawatts. That was long before this government ever came into being. Again, it's imperative that that free market is there so that renewables, when they do come online, are economically viable and we can actually afford to pay for them and give people the choice and the opportunity to choose how they want their electricity brought to them.

But of note in Ontario – and this is from the financial accountability office – Ontario will spend \$45 billion to save ratepayers \$24 billion on their electricity bills. This is from their watchdog, which, I might add, on renewables on our side of things has kind of been undercut here. What it says here is that Ontario's budget watchdog says that the Liberal government will spend \$45 billion over the life of its hydro plan, Madam Speaker, to save people \$24 billion on their electricity bills. This report from the financial accountability office says that this means there will be a net cost of \$21 billion to Ontarians over the approximately 30 years of the plan. This is

because of the rebates. Through the debt the cost to the province could balloon up to as much as \$93 billion. Take note. Here we go.

An Hon. Member: It sounds like Bill 34.

5:50

Mrs. Aheer: It does sound an awful lot like Bill 34, doesn't it? There is your Balancing Pool, and there is your blank cheque. It's identical, just to be clear.

The Premier of that province is spending again in the same way that Ontario got into trouble the last time. Maybe we could learn a thing or two from that mistake. The legislation to cut electricity bills by 17 per cent on average on top of the 8 per cent rebate is before the House, and if this passes, this is what they're going to be looking at.

I don't understand. The whole point of referring this to committee is to try and avoid these kinds of boondoggles. If you actually talked to the industry that's been involved up until now, that, I would have to say, has a whole lot more expertise than I do in this House – I would certainly like to be able to hear from them so that as legislation comes forward, we actually can make good legislation, that is not going to hurt the families that the Member for Lacombe-Ponoka was speaking about.

Is it the government's intent to erase all competition so that it can control supply and demand? Well, again, it didn't work, did it? No, it didn't. Again, just in case you didn't get this message, the shift of the burden goes to the taxpayer and the ratepayer, from the investor to my shoulders, to our constituents' shoulders, to the taxpayers' shoulders. That's where this goes. I personally am going to spend every single day making sure that Albertans understand this, especially if we don't even have a chance to go to committee and talk about this reasonably in a place where we can actually hash out some of the details. I will personally make sure that everybody I come in contact with knows what they're doing and help them understand how this is going to negatively impact them because – let me tell you, Albertans better get ready for this onslaught. It will be huge once it hits.

The NDP wants a centrally planned system, with no consumer input, obviously, if we're not going to even refer it to committee. We're not asking for the moon here. We're asking for a little bit of time to actually discuss this legitimately, to find out the direction that this needs to go. The government has purposely created this mess. The government and the industry have zero risk. You know why? Because it's not their money. The government keeps forgetting. This is a privilege that you have, spending hard-earned tax dollars. This government is going to be responsible for future generations of debt, destroying industry, and our children and grandchildren will inherit this mess. So send this bill to committee. Here's an opportunity to fix this before it gets off the ground.

The transition from coal-fired has already happened. We already know that. Investors were onboard with that transition. We knew that, too.

But on top of the billions lost on the PPA debacle – the fact that accountability has been removed from the minister's purview as to Bill 27 gave her all the ammunition she needs to build new infrastructure without ever having to speak to Albertans, whether there's a need for it or not. That demands a motion to go to committee. The MSA can no longer take complaints about renewables

unless the minister decides she wants to do that. She can go whichever direction she wants to go. The MSA has also been demoted and can no longer take investigative action against the minister with respect to bringing renewables online. Another reason to go to committee. But the bill goes even further. Now the minister can actually direct the MSA to go against filling its own mandate, which is policing the industry. Yet another reason to go to committee. I think Albertans will be very interested in understanding that the government has zero – zero – accountability to them when it comes to bringing renewables online.

This cap is a deliberate deception, and the consumer takes all of the risk, Madam Speaker. The energy-only model was competitive. The auction goes to the lowest bidder winning, thereby protecting the customer.

The renewables target of 30 per cent: why that number? Again, maybe we should go to committee.

The carbon tax is not a bottomless pit. It comes from our taxpayers. The carbon tax comes from Albertans. Then the government is going to subsidize the generators with our money.

You claim to ride in on a white horse to save us from the evil of price volatility and the evil twin of the deregulated market, but the Balancing Pool has no accountability because of Bill 34, and then the taxpayers are going to pay for that. Twenty billion dollars is actually the price tag for that. You might want to go to committee.

Plus, there's the \$600,000, that Terry Boston wrote the four-page letter about confirming this boondoggle. You might want to go to committee.

Now the government will determine the price, and we will pay for it. That's how the government intends to make life better for Albertans.

The Acting Speaker: Thank you, hon. member.

Are there any questions or comments under 29(2)(a)?

Seeing none, are there any other speakers to the referral amendment?

Seeing none, I will call the question.

[Motion on amendment to second reading of Bill 16 lost]

The Acting Speaker: Are there any members wishing to speak to the bill?

Seeing none, I will recognize the hon. Minister of Energy to close debate.

Ms McCuaig-Boyd: No. I'm good.

The Acting Speaker: Okay.

[Motion carried; Bill 16 read a second time]

The Acting Speaker: The hon. Member for Banff-Cochrane.

Mr. Westhead: Thank you very much, Madam Speaker. I think we've made some excellent progress here today, with some vigorous debate. Seeing the time, I move that we call it 6 o'clock and adjourn until tomorrow morning.

[Motion carried; the Assembly adjourned at 5:57 p.m.]

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