



Province of Alberta

The 29th Legislature
Third Session

Alberta Hansard

Tuesday afternoon, May 30, 2017

Day 41

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature

Third Session

Wanner, Hon. Robert E., Medicine Hat (ND), Speaker
Jabbour, Deborah C., Peace River (ND), Deputy Speaker and Chair of Committees
Sweet, Heather, Edmonton-Manning (ND), Deputy Chair of Committees

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Anderson, Hon. Shaye, Leduc-Beaumont (ND)	Luff, Robyn, Calgary-East (ND)
Anderson, Wayne, Highwood (W)	MacIntyre, Donald, Innisfail-Sylvan Lake (W)
Babcock, Erin D., Stony Plain (ND)	Malkinson, Brian, Calgary-Currie (ND)
Barnes, Drew, Cypress-Medicine Hat (W)	Mason, Hon. Brian, Edmonton-Highlands-Norwood (ND), Government House Leader
Bilous, Hon. Deron, Edmonton-Beverly-Clareview (ND), Deputy Government House Leader	McCuaig-Boyd, Hon. Margaret, Dunvegan-Central Peace-Notley (ND)
Carlier, Hon. Oneil, Whitecourt-St. Anne (ND), Deputy Government House Leader	McIver, Ric, Calgary-Hays (PC), Leader of the Progressive Conservative Opposition
Carson, Jonathon, Edmonton-Meadowlark (ND)	McKittrick, Annie, Sherwood Park (ND)
Ceci, Hon. Joe, Calgary-Fort (ND)	McLean, Hon. Stephanie V., Calgary-Varsity (ND)
Clark, Greg, Calgary-Elbow (AP)	McPherson, Karen M., Calgary-Mackay-Nose Hill (ND)
Connolly, Michael R.D., Calgary-Hawkwood (ND)	Miller, Barb, Red Deer-South (ND)
Coolahan, Craig, Calgary-Klein (ND)	Miranda, Hon. Ricardo, Calgary-Cross (ND)
Cooper, Nathan, Olds-Didsbury-Three Hills (W), Official Opposition House Leader	Nielsen, Christian E., Edmonton-Decore (ND)
Cortes-Vargas, Estefania, Strathcona-Sherwood Park (ND), Government Whip	Nixon, Jason, Rimbey-Rocky Mountain House-Sundre (W), Official Opposition Whip
Cyr, Scott J., Bonnyville-Cold Lake (W)	Notley, Hon. Rachel, Edmonton-Strathcona (ND), Premier
Dach, Lorne, Edmonton-McClung (ND)	Orr, Ronald, Lacombe-Ponoka (W)
Dang, Thomas, Edmonton-South West (ND)	Panda, Prasad, Calgary-Foothills (W)
Drever, Deborah, Calgary-Bow (ND)	Payne, Hon. Brandy, Calgary-Acadia (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC), Progressive Conservative Opposition Whip	Phillips, Hon. Shannon, Lethbridge-West (ND)
Eggen, Hon. David, Edmonton-Calder (ND)	Piquette, Colin, Athabasca-Sturgeon-Redwater (ND)
Ellis, Mike, Calgary-West (PC)	Pitt, Angela D., Airdrie (W), Official Opposition Deputy Whip
Feehan, Hon. Richard, Edmonton-Rutherford (ND)	Renaud, Marie F., St. Albert (ND)
Fildebrandt, Derek Gerhard, Strathmore-Brooks (W)	Rodney, Dave, Calgary-Lougheed (PC), Progressive Conservative Opposition House Leader
Fitzpatrick, Maria M., Lethbridge-East (ND)	Rosendahl, Eric, West Yellowhead (ND)
Fraser, Rick, Calgary-South East (PC)	Sabir, Hon. Irfan, Calgary-McCall (ND)
Ganley, Hon. Kathleen T., Calgary-Buffalo (ND)	Schmidt, Hon. Marlin, Edmonton-Gold Bar (ND)
Gill, Prab, Calgary-Greenway (PC)	Schneider, David A., Little Bow (W)
Goehring, Nicole, Edmonton-Castle Downs (ND)	Schreiner, Kim, Red Deer-North (ND)
Gotfried, Richard, Calgary-Fish Creek (PC)	Shepherd, David, Edmonton-Centre (ND)
Gray, Hon. Christina, Edmonton-Mill Woods (ND)	Sigurdson, Hon. Lori, Edmonton-Riverview (ND)
Hanson, David B., Lac La Biche-St. Paul-Two Hills (W), Official Opposition Deputy House Leader	Smith, Mark W., Drayton Valley-Devon (W)
Hinkley, Bruce, Wetaskiwin-Camrose (ND)	Starke, Dr. Richard, Vermilion-Lloydminster (PC)
Hoffman, Hon. Sarah, Edmonton-Glenora (ND)	Stier, Pat, Livingstone-Macleod (W)
Horne, Trevor A.R., Spruce Grove-St. Albert (ND)	Strankman, Rick, Drumheller-Stettler (W)
Hunter, Grant R., Cardston-Taber-Warner (W)	Sucha, Graham, Calgary-Shaw (ND)
Jansen, Sandra, Calgary-North West (ND)	Swann, Dr. David, Calgary-Mountain View (AL)
Jean, Brian Michael, QC, Fort McMurray-Conklin (W), Leader of the Official Opposition	Taylor, Wes, Battle River-Wainwright (W)
Kazim, Anam, Calgary-Glenmore (ND)	Turner, Dr. A. Robert, Edmonton-Whitemud (ND)
Kleinsteuber, Jamie, Calgary-Northern Hills (ND)	van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
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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Deron Bilous	Minister of Economic Development and Trade
Oneil Carlier	Minister of Agriculture and Forestry
Joe Ceci	President of Treasury Board and Minister of Finance
David Eggen	Minister of Education
Richard Feehan	Minister of Indigenous Relations
Kathleen T. Ganley	Minister of Justice and Solicitor General
Christina Gray	Minister of Labour, Minister Responsible for Democratic Renewal
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Brian Mason	Minister of Infrastructure, Minister of Transportation
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Ricardo Miranda	Minister of Culture and Tourism
Brandy Payne	Associate Minister of Health
Shannon Phillips	Minister of Environment and Parks, Minister Responsible for the Climate Change Office
Irfan Sabir	Minister of Community and Social Services
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STANDING AND SPECIAL COMMITTEES OF THE LEGISLATIVE ASSEMBLY OF ALBERTA

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Deputy Chair: Mrs. Schreiner

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Dang	Taylor
Ellis	Turner
Horne	

Standing Committee on Alberta's Economic Future

Chair: Mr. Sucha
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Carson	McPherson
Connolly	Orr
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Standing Committee on Families and Communities

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Aheer	Miller
Drever	Pitt
Hinkley	Rodney
Horne	Shepherd
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Hanson	Rosendahl
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Kleinsteuber	

Legislative Assembly of Alberta

1:30 p.m.

Tuesday, May 30, 2017

[The Speaker in the chair]

The Speaker: Good afternoon. A beautiful day out there, folks. Please be seated.

Introduction of Guests

The Speaker: The hon. Premier.

Ms Notley: Thank you, Mr. Speaker. It is my great pleasure to introduce to you and through you to this Assembly a group of 26 students from the combined grade 5/6 class of Hazeldean elementary school in my constituency who are here with educational assistant Jennifer Soon and parent volunteers Rita Djukich, Amanda Serbu, and Nikki Mauer. These bright young Albertans are in the public gallery, and question period comes at the end of a very busy day. They learned about a number of things today, including participating in the mock Legislature and touring this venerable building. Now they are here to watch the Legislature in action and, I'm sure, to go home thinking they could do this job better than all of us. I ask that these students rise and that all members give these young Albertans our traditional warm welcome.

The Speaker: Welcome.

Hon. Member for Athabasca-Sturgeon-Redwater, I believe you have two.

Mr. Piquette: Yeah. Thank you, Mr. Speaker. I would like to introduce to you and through you to all members of the Assembly two grade 6 classes from Landing Trail intermediate. This is the same school that I had the pleasure of having visitors from yesterday, and I had a chance to speak to these young people, and they're just as sharp and nice as the group yesterday. They're accompanied by their teachers Jeff Semenchuk and Jennifer Jones as well as their chaperones Stacey Taylor, Alice Tieulie, and Lorelei O'Brien. Could students and teachers and chaperones please rise and receive the customary warm welcome of the Assembly.

The Speaker: Welcome.

Another introduction, hon. member? Not a second one?

Mr. Piquette: Oh, I put them together.

The Speaker: Good. Efficiency.

The hon. Minister of Health.

Ms Hoffman: Thank you very much, Mr. Speaker. As part of Paramedic Services Week it's my pleasure to introduce to you and through you a number of veteran front-line paramedics who are seated today in your gallery. I ask that each of them rise as I introduce them: Mark Carson, peer support team lead and paramedic addressing PTSD among first responders; Delanie Spangler, an advanced care paramedic I first met in my constituency on a tour of Edmonton Glenora station; Lisa Swanson, an advanced care paramedic and supervisor of the critical care transport team; Amy Benson, a community paramedic who works with vulnerable populations in Edmonton. Thank you for your combined 80 years of service to Edmonton residents and those who are in crisis, and as one of our Edmonton students wrote recently: you are superheroes. Indeed, you are. Please join me in extending the warm welcome to our guests.

The Speaker: Welcome and thank you.

The hon. Member for Calgary-West.

Mr. Ellis: Thank you, Mr. Speaker. It's my honour to introduce to you and through you to all members of this House Tim Dixon and Karen Munkedal. These two Calgary-West constituents have worked hard on behalf of their fellow residents to advocate for the government to address health and safety concerns related to the southwest Calgary ring road. Tim even spearheaded a 724-name petition, which I will table later on today. My guests are seated in the public gallery, and I ask them to stand and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Fort Saskatchewan-Vegreville.

Mrs. Littlewood: Thank you, Mr. Speaker. It's my absolute pleasure to introduce to you and through you to the members of the Legislature members of the Josephburg Agricultural Society, who I will be talking about later in my member's statement. We have – and if you don't mind rising as I speak your names – Joanne Heckbert, who is a member of Josephburg Presents, who has been a key member, doing the work for her community there. Also, we have Billie Borys, who is a director and has taken numbers in T-ball and softball from 20 to 95, from what I understand; and Sharon Loughheed, who is a director and has been doing that for a number of years; as well as her husband, former MLA Rob Loughheed, who served three terms from 1997 to 2008, representing first Clover Bar-Fort Saskatchewan and later Strathcona. It's my absolute privilege to be able to have them here with us in the House, and I ask everyone to extend the traditional warm welcome.

The Speaker: Welcome.

The hon. Member for Edmonton-Decore.

Mr. Nielsen: Thank you, Mr. Speaker. It's a real privilege to rise today and introduce to you and through you to all members of the Assembly a group from the Millennium Pavilion Seniors' Lodge, one of the buildings in my riding that is part of St. Michael's Health Group. Since 1990 the Millennium Pavilion Seniors' Lodge has provided a 75-unit supportive housing facility for the elderly who wish to live in an independent, apartment-style setting with full services. I have the honour of attending numerous events at Millennium Pavilion, and I can truly tell you that Edmonton-Decore has the best seniors in the province. I would now welcome all of my guests, and if they are able to stand, please rise and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

The hon. Member for Calgary-Foothills.

Mr. Panda: Thank you, Mr. Speaker. I rise to introduce to you and through you to all members of this Assembly over a hundred members of the group of unemployed energy workers. The NDP government is not making their lives better, and many of these new Canadians now find themselves out of work. The engineering design of new projects is not happening. My colleagues here on this side will help me to introduce some of those guests. I have some names here. If we pronounce any of their names with a little bit of difficulty, please excuse us, because there are so many of them from different countries. I'll take a first stab here. I ask that as I read these names, they stand up and receive a warm welcome here.

The Speaker: Hon. member, is it your intention to introduce all 100?

Mr. Panda: No.

The Speaker: Thank you.

Mr. Panda: Some of them can't make it because school groups are there. As they come in, we'll catch them all at the end of QP. Thank you, Mr. Speaker.

Isaac Bernard, Anilkumar Madhava, Ravi Selvarajan, Santhanam Swaminathan, Muhammad Asim Farooqi, Muhammad Yasin, Naresh Pasalkar, Roopendra Singh, Rajan Pallipat, Kuldeep Sodhi, Sri Valsan. Please stand up and receive the warm welcome of this House.

The Speaker: Welcome. Thank you, hon. member.

The hon. Member for St. Albert.

Ms Renaud: Thank you, Mr. Speaker. It's my pleasure to rise and introduce to you and through you to all members Tom Genore, a constituent and also the president of my constituency association. He served for six years, two tours, with the Princess Patricia's Canadian Light Infantry and is currently employed as a heavy-duty mechanic and heavy equipment technician. Please join me in welcoming him to this House.

Thanks.

The Speaker: Welcome.

The hon. Member for Cypress-Medicine Hat.

Mr. Barnes: Thank you, Speaker. I rise to introduce to you and through you to all members of the Assembly another group of unemployed energy workers. I have engineers who have made the trip from Calgary, engineers who for eight months have been trying to get a meeting with this government, and their requests have been totally ignored. I would like to introduce eight of them. As I say your names, please rise: Arun Mukherjee, Narayanan Marath, Vikas Sood, Jinju Antony, Bhavik Trivedi, Naresh Kumar, Ravi Injal, Sivarkamani Karatholuvu, and Kulandaivelal Manickavasakam. Please rise and accept the traditional warm welcome of the House.

1:40

The Speaker: The hon. Member for Fort McMurray-Wood Buffalo.

Mr. Yao: Thank you, Mr. Speaker. I rise to introduce to you and through you to all members of the Assembly some unemployed energy workers. I was wondering if anyone here can give them a job. I ask that as I say your name, you rise and stay standing. Their names are Kumaragurubaran Palanisubramaniam, Balamurali Babykrishnan, Velappa Reddy Bala, Srivalsan Kochugovindan, Norm Ferguson, Irfan Chughtai, Usman Choudhry, Deepu Chandran, and Hoshiyar Singh Panghal. Thank you very much. Everyone, give them the warm welcome of the Assembly.

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

Mr. Hanson: Thank you very much, Mr. Speaker. It's my pleasure to rise and introduce to you and through you to all members of the Assembly more highly skilled technical energy workers from Calgary who are looking for work. Their names are Vikaskumar Bhatt, Rajan Pendharkar, Rizwan Khan, Xuequin Zhu, Xeujun Zhu, Tamar Bourne, Sureshbabu. If they'd all please rise. These are the faces of real people. These are the faces of Alberta. Please join me in welcoming them with the traditional warm welcome.

The Speaker: The hon. Member for Fort Macleod-Taber-Warner.

Mr. Hunter: Close. Mr. Speaker, I rise to introduce to you and through you to all members of the Assembly the next group of unemployed energy workers. Their names are Kuljeet Dhillon, Swaminathan Jayaraman, Akshat Agrawal, Jaison James, Alex Lechadores, Sanjay Chaudhari, Sanjoy Das, and Chandrasekhar Ramalingam. I'd like to have them please rise and receive the traditional warm welcome of this Assembly.

The Speaker: My apologies to the member. Your electorate is Cardston-Taber-Warner.

The hon. Member for Airdrie.

Mrs. Pitt: Thank you, Mr. Speaker. It's my honour to rise today to introduce to you and through to you to all members of this Assembly some unemployed energy workers from the wonderful city of Calgary and area who have travelled up here today to put a real face to the NDP's disastrous policies that have led them to be unemployed here. Would you please stand as I call your name: Mr. Rajesh Somaya, Mrs. Maheswari Atchudda Reddy, Diwakar Selva Ravi, Mrs. Harjeet Sodhi, and Mrs. Beena Jaison. Please receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Little Bow.

Mr. Schneider: Thank you, Mr. Speaker. I rise to introduce to you and through you to all members of the Assembly more highly skilled technical energy workers that feel that they are getting a raw deal from the NDP government. They travelled from Calgary today to sit up in the gallery and watch question period for a while. Their names – and I ask you to rise as I say your name – are Ashok Kumar, Krishan Kathuria, Alex Villamayor, Shrikant Kalyankar, Harish Kulkarni, Prabhu Mishra, and Harshad Baraiya. Sorry if I butchered them, folks. Please join me in welcoming these folks.

The Speaker: Welcome.

The hon. Member for Calgary-Greenway.

Mr. Gill: Thank you, Mr. Speaker. I rise to introduce to you and through you to all members of the Assembly more highly skilled technical energy workers who are, unfortunately, out of work and are looking for work. Their names are Prabir Adhikari, Paramjit Bhatia, Oonnikrishnan KR, Sudhakar Vallala, Kaushik Gupta, and Shagufta Tasneem. Please join me in welcoming them with the traditional warm welcome of the Assembly.

The Speaker: Welcome.

The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Mr. Speaker. It is my absolute honour to introduce to you and through you to all members of the Assembly some more of these incredibly highly skilled technical energy workers from Calgary who have gathered here to let the NDP know what is going on and so that we can honour them here today. If you could please stand as I say your names: Maheep Pamma, Amitava Mukherjee, Narayana Swamy, Mohan Palanisamy, Khalid Hussain Khan, Rakesh Kumar, Vipul Panchal, and Noel Ranido. Thank you so much.

The Speaker: Welcome.

The Member for Red Deer-North.

Mrs. Schreiner: Thank you, Mr. Speaker. It's my pleasure to rise today and introduce to you and through you to my fellow members in the House several members of Alberta's union of public employees, that represents nearly 100,000 employees. Present today is Karen

Weiers, AUPE vice-president, Rose Read, Nancy Woods, Brian Cook, José Osmel Reyes, Thelma Ogden, and Bill Erickson. These individuals work hard every day ensuring the flawless execution of services our Albertans rely on from health and long-term care to utilities, building maintenance, and more. I ask that my guests rise and receive the traditional warm welcome of the House.

Thank you.

The Speaker: Welcome.

The hon. Member for Grande Prairie-Smoky.

Mr. Loewen: Thank you, Mr. Speaker. It's my honour to rise today to introduce to you and through you to all members of the Assembly what I believe is the final group of unemployed energy workers that are here today. If they could rise as I read their names and stay standing until we give you the appropriate response: Mrs. Radha Narayanaswamy, Mrs. Supriya Pendharkar, Serena Pendharkar, and Mrs. Nalini Vallala. If you could join me in giving them the traditional warm welcome of this Assembly.

The Speaker: Welcome.

Members' Statements

The Speaker: The hon. Member for Fort Saskatchewan-Vegreville.

Josephburg Agricultural Society

Mrs. Littlewood: Thank you, Mr. Speaker. For more than 100 years agricultural societies, including the Josephburg Agricultural Society, have been working to make life in rural Alberta better. Yoga, T-ball, softball, minor hockey, Christmas in the heartland, scholarships, Josephburg Presents: this group puts true sweat equity into our community.

May 28 and 29 marked the UFA Country Classic, a broad-based event welcoming families from across western Canada and giving young people a chance to compete in Josephburg. The annual north country classic horse show held at Birch Bay Ranch was attended by over 50 participants, with exhibitors showing in halter, English, and western riding classes and competing for high points awards in five age divisions. It was the first circuit show of the season, where judges foster the love and enthusiasm of these young equestrian riders.

The UFA Country Classic is also a major stop on the junior show circuit, where participants come to cut their teeth before going on to the summer cattle shows. They learn research, genetics, biology, and how to make mistakes and learn from them. Each youth receives an award or prize to encourage them to stay engaged and feel successful. This year marked the first Elaine Hiller memorial herdsman award, handed out to Bailey Deitrich, a youth who embodies that same love and passion for agriculture as Elaine did in her own life and who puts his efforts into the cattle industry both inside the rink and out.

Mr. Speaker, shows like this are a major cultural component of how we achieve sustainable agriculture in Alberta and encourage the next generation of farmers, teaching the ropes of business and agricultural science. These youth learn how to be entrepreneurs and create the best beef for our own plate here and across the world.

I'd like to thank Kelsey Knott for chairing this year's event and the entire executive of the Josephburg Agricultural Society.

I invite all members of the Legislature to venture out east and check out everything that Josephburg has to offer and to mark their 2018 calendar with the UFA Country Classic.

Thank you, Mr. Speaker.

Energy-sector Unemployment

Mr. Barnes: Today we are joined by 94 energy workers and engineers, many of whom are struggling with unemployment due to NDP government policies that have not put Albertans first. There are many more outside. I urge the members of this House, especially those in government, to look their way and to really see them. These men and women are the backbone of our nation's economy, and they have been for decades. They possess good Canadian values, a tireless work ethic, and specialized technical skills. The work they do is so important. But still they find themselves the targets of unfair attacks from radical environmental groups, groups who are funded by foreign interests like the Tides Foundation and who want to see our province fail.

Today I rise to tell these workers and engineers thank you. You have not been forgotten. Thank you for making Alberta a lighthouse of economic opportunity for families in search of a better life no matter where they're from. Thank you for creating good jobs that allow countless Albertans to buy homes, vehicles, and hockey equipment, all those ties that bind our communities. Thank you for supporting the essential services we hold dear like health care and education. Thank you for providing job training to our aboriginal youth, which for many is a gift that will keep on giving. Thank you for being a leader in land reclamation and never compromising on human rights in the name of higher profits.

1:50

I want the NDP to stop treating this Legislature like a safe space. Face the Albertans hurt by your policies such as the oil sands caps, the carbon tax, the doubling of the LMR, the royalty review, and higher business taxes. These are some of our finest citizens.

This NDP government needs to understand that actions have consequences. This war on energy, the deliberate weakening of our own economic position just to satisfy NDP cohorts in B.C. and elsewhere is irrational and needs to end. Stand with the engineers of our province and stop apologizing for our industry. The hard-working men and women who joined us are the lifeblood of Alberta.

The Speaker: Thank you, hon. member.

Oral Question Period

The Speaker: The Leader of Her Majesty's Official Opposition.

Kinder Morgan Trans Mountain Pipeline

Mr. Jean: Since forming government, the NDP have tried to have their cake and eat it too when it comes to pipelines. From day one they have failed to realize that pipelines in every single direction would be good news for Albertans. They protested Keystone XL, they were complicit in the tanker ban that absolutely killed Northern Gateway, and now their brothers and sisters in the B.C. NDP are determined to block the Trans Mountain pipeline. Does the Premier realize just how much pain her waffling on pipelines is causing our province?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, there they go again: sound and fury signifying nothing, hoping against hope that Alberta will fail, making the Green Party's case for them for their own political gain, folding at the first hint of opposition. Pipeline opponents don't need friends; they've got the Wildrose. This pipeline will be built. Albertans fought for it,

Albertans won approval for it, and they won't let the Wildrose Party or anyone else stand in the way. [interjections]

The Speaker: Hon. members.

Mr. Jean: Pipelines are happening in Alberta despite the NDP and the Premier, Mr. Speaker. The Premier and Prime Minister are setting themselves up for failure when it comes to pipelines. They've tried to sell Albertans the snake oil of the 21st century, social licence, with the myth that it will get pipelines built. News flash: social licence doesn't get pipelines built; our world-class NEB approval process does. But the Premier has given an inch in the name of social licence, and now the B.C. NDP, the B.C. Greens, and ecoradicals are taking a mile. Will the Premier please wake up to the facts and realize her social licence . . .

The Speaker: Thank you, hon. member.

Ms Notley: Well, you know, Mr. Speaker, when it comes to pipelines, the Leader of the Opposition is a sheep in sheep's clothing. Every time he stands in this House, pipeline opponents cheer. Here's the bottom line. The twinning of the Trans Mountain pipeline was approved by the federal government, and guess what? Those are the people that get to approve it. The pipeline will get built. Albertans will benefit. So I ask the member opposite to stop taking this sky-is-falling routine, to stop talking down Alberta, and to instead stand with Albertans.

Mr. Jean: Baloney, Mr. Speaker. It's not just the B.C. NDP and Green parties that are showing their true colours on pipelines. There's also the antipipeline celebration of the Premier's closest oil sands advisers, Tzaporah Berman and Karen Mahon. You can't make this stuff up. Berman is actively celebrating the likely demise of Trans Mountain under the NDP's and the Greens' watch all while collecting a healthy paycheque from – you've got it – Alberta taxpayers. They are an insult to our province and to everyday Albertans. An insult. Will the Premier do the right thing today and fire Berman and Mahon? Yes or no?

Ms Notley: Well, you know what, Mr. Speaker? What our government will do is continue working on the climate leadership plan and the emissions cap, which is fundamental to the approval that this government received from the federal government for the Trans Mountain pipeline. That is exactly what we will do. I know the Wildrose panics easily, but Albertans don't. We are getting this done, our economy is growing, and this pipeline will get built.

The Speaker: Second main question.

Mr. Jean: Mr. Speaker, we could make a huge sandwich with all the baloney coming from the Premier today.

Auditor General Recommendations on Health Care

Mr. Jean: Alberta's health care system should never be about dollars spent but should be about people cured. When you put money over people, it means patients get left behind. It's the story of my family and thousands of families right across Alberta. The Auditor General made it very clear in his report released last week that, quote, pumping more money into the most expensive health care system isn't the answer; change is needed. End quote. I agree. When will the Premier show Albertans that we'll get to see real reforms instead of billions of dollars just being poured into a system that, obviously, is very . . .

The Speaker: Thank you, hon. member.

Ms Notley: You know, Mr. Speaker, when we ran in the last election, we said to Albertans that it is time for people to stop experimenting with ideology in our health care system, that instead what they need is stable, predictable funding and supportive planning, and that's exactly what we've got. Two per cent a year is not shovelling money into the system. Moreover, you know what we won't do? We will not privatize our health care system. We will not create a two-tiered health care system. We will not create opportunities for the rich to buy better services while others get sicker. That is absolutely what this government will never do.

Mr. Jean: Mr. Speaker, this Premier and this government are failing Albertans when it comes to health care. The fact is that despite the NDP boasting about record levels of spending across our health care system, they have absolutely nothing to show for it. No improvements. Nothing. Wait times for key procedures in Alberta remain embarrassingly long. If you need a cataract surgery or a knee replacement, you're waiting almost – get it? – 240 days, far too long, almost a year. Two hundred and forty days is too long. The Auditor General has a novel idea. How about linking funding to outcomes, not just volume? Will the NDP stand on the side of patients and make this reform, or will they continue to put the quality of life of Albertans at risk?

Ms Notley: Mr. Speaker, what our government will continue to do is the work that we have been doing, which is making slow, progressive improvement on a number of different wait times in a lot of different areas.

You know what else our government is doing? Just today we announced that we will be opening up a new hospital in southern Edmonton, the first hospital built in over a generation. I wonder if the member opposite plans to tell Edmontonians that they are not going to get that hospital.

Mr. Jean: It's the management, Mr. Speaker. The waste across our health care system is excessive, with duplication and layers of managers managing managers that manage managers. It is, as the AG put it, "an orchestra without a conductor." You can imagine the sound. It would be nothing but disaster. Here's an example. If it was run like a bank, our health care system would have 1,300 separate IT systems totally incapable of communicating with the other 1,299. Today we are spending over \$600 million on IT, with no plan to get it working properly or to keep it up to date. This is incompetence.

The Speaker: Thank you, hon. member.

Ms Notley: Well, Mr. Speaker, one of the other things that the Auditor General pointed out is that the administrative costs at AHS are the lowest per capita in the country. It's not the doom and gloom that the members opposite keep talking about.

2:00

But you know what would be doom and gloom, Mr. Speaker? The election platform of the members opposite, creating new systems for the wealthy and shutting other people out, taking billions of dollars out of the health care budget, which is what those folks over there thought they could do with no plan put in place. They would have laid off nurses, they would have laid off care workers, they would have closed beds, and they would have hurt Albertans all across the province. We won't do that.

The Speaker: Third main question.

Mr. Jean: A record today, Mr. Speaker: I have enough baloney for a couple of sandwiches.

Energy-sector Unemployment

Mr. Jean: Today we are joined at the Legislature – and today we're enjoyed by them as well, Mr. Speaker – by unemployed oil and gas workers and engineers. They are the faces of women and men that are too often forgotten by all levels of government. When oil was crashing, they got a carbon tax. Then they got caps on the oil sands. Then they got Ottawa piling higher taxes on oil and gas exploration. These folks aren't feeling any sort of recovery. They're hurting right now. What does the Premier have to say to them about the damage her economy and policies have had on their livelihoods?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. I want to begin by welcoming our guests to the House today. We understand that the collapse in energy prices is hurting workers, families, and communities across the country. That's why our government has chosen to stand with workers and families. For instance, a year ago we introduced the PDP program. As a result of that, just a few days ago they announced that they would be tendering a hundred million dollars' worth of engineering design work in weeks to come. That is the kind of thing that will put folks like this back to work, and it's a direct result of the PDP program that our government brought in.

The Speaker: Thank you, hon. Premier.

Mr. Jean: One of the people in the gallery today is a recent engineering graduate. His is the story of many young Albertans. He worked and studied hard but now, after leaving university, can't find a job. Times are tough. Alberta isn't the same place it was even when he started his education. Young Albertans deserve better than seeing antipipeline activists like Tzaporah Berman, the Premier's good friend, serving as an oil sands adviser. They want to see the government fight harder for our oil and gas sector than they do for new carbon taxes, as they're doing. When will the Premier start to give Albertans and unemployed Albertans a break?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. As I've been saying repeatedly, our government is absolutely focused on the need to promote job growth and to promote economic recovery in this province. That's why we have been a very big advocate for the Kinder Morgan project instead of predicting its demise, as the members opposite want to gleefully do, and that's why we've been working on a number of projects like the one I just announced, the PDP program, which will create jobs for exactly the folks who are here today.

Overall, Mr. Speaker, our plan is working. Drilling is up. Capital investment is up. Jobs are coming back. Is there more work to do? Yes. But the members opposite have no plan and would only have made things worse.

Mr. Jean: Making things worse, Mr. Speaker? I don't think anybody could make the economy worse than what this NDP government has done. The NDP will pretend that all is good and that the economy is just fine, but these are real people who are hurting, real people, real Albertans that are hurting. Sixty thousand full-time jobs have vanished, and these people laugh about it. Carbon taxes, tax hikes, credit downgrades, new regulations and red tape, all from this government: none of these things are helping. They are making a bad situation much worse. When things start to stabilize, they've strangled our full potential to grow. This government's policies

have made it harder for Albertans and the people who came here today . . .

The Speaker: Thank you, hon. member.
The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, the Leader of the Opposition and their new friends' plan would have made a tough situation much worse for working families. Those folks over there drove the economy into the ditch and did nothing to prepare for a potential oil price collapse. We've taken a different approach. We're investing in apprenticeship and training, we're working with the industry to connect workers to opportunities, and we're keeping postsecondary education affordable because we believe that in a tough economy the government needs to stand with people, not fire them, not fire their family members, not pull back services, not shut the doors on them. We'll be there for them.

The Speaker: Thank you, hon. Premier.

Hon. members, I've seen a note. I did not hear this myself, but I'm sure that no hon. member would say this, that nobody in the House would say, "Not telling the truth," and I just want to make sure. I don't know who that would be. I didn't hear it.

The leader of the third party.

Kinder Morgan Trans Mountain Pipeline

(continued)

Mr. McIver: Mr. Speaker, the Premier has paid lip service to supporting the Kinder Morgan pipeline. The problem is that the B.C. NDP Party, which is the Premier's party, will be in a position to interfere with the construction. The federal NDP, which is the Premier's party, are opposed to Trans Mountain. The Premier is outnumbered in the family. No wonder her minister is running away from unemployed engineers today. To the Premier. It is time for you to stand up for Alberta. Will you ask your party, the Alberta NDP Party, to divorce themselves from the national and B.C. parties so that you can actually support Albertans? Right now most of your family doesn't.

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. Let me begin, of course, by correcting the record. The Minister of Energy did meet in March with a number of the people who are here today, and the minister of economic development will be meeting with more of them.

To the member's question, let me just say this. I don't believe that there is a government in the country that has done more work to get the Kinder Morgan project approved, Mr. Speaker, than ours. Moreover, the people that we have lobbied are the people who actually have the authority to make the decision, the federal government. When the federal government approved the Kinder Morgan project, they did so on the basis of the work that this government had done, not on . . .

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

Mr. McIver: Thank you, Mr. Speaker. The Premier finally admitted that the Prime Minister, who treats Alberta like a doormat, in this case approved the pipelines. She tries to take credit when the news is good and runs like a rabbit when trouble rears its head, like her minister running from hundreds of unemployed engineers today – yes, minister of postsecondary – who are looking for work. The

Premier continues to employ Tzeporah Berman to attack Alberta's interest with the B.C. wing of her party. Premier, when will you match your actions with some support by firing Berman and have your ministers talk to unemployed engineers?

Ms Notley: Well, you know, Mr. Speaker, I appreciate that the members opposite believe that question period is all about theatre, but I really wish that they would just listen to the answers a little bit, because, as I've said already, the Minister of Energy has already met with some of these workers, and the Minister of Labour and the minister of economic development will be doing so again. I think that part of the question has been answered twice now.

In addition, Mr. Speaker, as I've already indicated, what our government did to get the approval of the pipeline from the federal government was develop a climate leadership plan which included an emissions cap. The work on that must be done, and it must be finished, and we will make sure that happens.

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

Mr. McIver: Thank you, Mr. Speaker. The Premier continues to appease Alberta's enemies. She's invited activists onto the oil sands advisory panel, she's burned Alberta with a job-killing carbon tax, she's sacrificed whole towns where coal jobs are to make her fancy friends in France happy, and now she refuses to divorce herself from the national and British Columbia NDP parties, who cheerlead against Alberta every single day. She's breaking the backs of Alberta families. To the Premier: will you finally admit that your policy of appeasing Alberta's enemies is not working and actually stand up for Albertans?

The Speaker: The hon. Premier.

Ms Notley: Thank you, Mr. Speaker. I am very proud of our government's record with respect to standing up for Albertans on a whole range of issues, also including this pipeline. We worked to get a plan in place that would ensure that the federal government could move forward with approving this pipeline, and that decision stands. I know the members opposite want to join together with their little friends over there and hope, gleefully, for the potential failure of the pipeline for their own political interests. Quite frankly, it is utterly shameful, and unemployed Albertans should be watching the politics that these folks are playing.

The Speaker: The hon. Member for Stony Plain.

2:10 Coal-fired Electric Power Plant Retirement

Ms Babcock: Thank you, Mr. Speaker. Having grown up in an oil and gas family, I understand the concerns of boom-and-bust cycles. Many of my constituents in Stony Plain have built their livelihood around coal plants, and it is understandable that they are very worried about transitioning off coal-powered electricity. To the minister of economic development: how is the government creating stability for families such as my constituents to support them through this transition?

The Speaker: The hon. Minister of Economic Development and Trade.

Mr. Bilous: Thank you very much, Mr. Speaker. I want to start off by thanking the member for being a tireless advocate for her constituency. First of all, coal communities have helped make our province a prosperous and industrious place, where many people

have come to build good lives for themselves and their families. Canada is one of the many countries that are moving away from coal-fired electricity. During my visits to these communities and in a town hall the Minister of Municipal Affairs hosted earlier this month on my behalf, we had an opportunity to talk to a lot of the community members, workers, and municipal leaders about what this is doing and looking at opportunities for economic growth and development in the future.

The Speaker: Thank you, hon. minister.

It seems that today there are small, little details that I just need to reinforce. I want to remind the members of a reminder that I gave them – and today will be the third time – that the use of electronic equipment, putting earplugs in, except for communicating, is not acceptable.

The first supplemental.

Ms Babcock: Thank you, Mr. Speaker. Given that this issue crosses jurisdictions and that the federal, provincial, and local governments all need to sit at the table as partners to build an end result that works for all, to the same minister: what is this government doing to make sure we have a plan and a process that work for Albertans?

The Speaker: I want to just clarify the point I made. I'm not referring to the earplugs that are provided with the Chamber. It's other electronic material. [interjections] Hon. members. [interjections] Hon. members, are we ready to continue?

The hon. minister.

Mr. Bilous: Thank you, Mr. Speaker. I think it's important to clarify that back in 2012 the opposition leader along with his Ottawa BFF, Jason Kenney, were part of a federal government that passed regulations to close Alberta coal plants and prevent them from converting to natural gas. They were turning out the lights and their backs on Albertans and Alberta communities. Our government has been working respectfully and collaboratively with the federal government to allow coal plants to convert to natural gas producing facilities here in Alberta. The Minister of Environment and Parks has been working diligently to get this done, and we did. We are working with the communities to ensure that they can . . .

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

Ms Babcock: Thank you, Mr. Speaker. To the same minister: what is being done to ensure that the impacted companies aren't leaving the Alberta energy market?

The Speaker: The hon. minister.

Mr. Bilous: Thank you, Mr. Speaker, and I'll thank the member for the question. Our government has reached agreements with TransAlta, Capital Power, and ATCO in order to ensure that they're going to fulfill their obligations, first and foremost to workers, including severance pay and pensions. They're going to keep their head offices here in Alberta, and they're going to continue to generate power for Alberta's electricity grid. At the same time, we are moving toward a capacity market that will help maintain reliability in our electricity system as we transition off coal and at the same time ensure that electricity remains reasonable as far as pricing and that we'll continue to be competitive in our province.

The Speaker: Thank you, hon. minister.
Calgary-Foothills.

Energy-sector Unemployment (continued)

Mr. Panda: Thank you, Mr. Speaker. It seems this government wants to enact a brain drain to foreign countries. The Calgary engineers and design forum has asked for a meeting with the ministers of Energy and Economic Development and Trade. They were redirected to the Minister of Labour, who would not meet and directed them to the Labour workforce strategies team, who cannot answer the questions and redirected them back to the ministers. To the Premier: will you stop this merry-go-round and make yourself available to meet with the unemployed engineers, who are here at your convenience, in Calgary or in Edmonton?

The Speaker: The hon. Minister of Economic Development and Trade.

Mr. Bilous: Thank you very much, Mr. Speaker. I want to start off by welcoming our guests and acknowledging that they've travelled up here. The Minister of Energy, including representatives from my Ministry of Economic Development and Trade and representatives from Labour, did sit down with them in March and talked to them about a number of programs. I'm sure the Minister of Labour will tell the House of the work that she's been doing to ensure that jobs go to Albertans and Alberta engineers first and foremost. We met with them. Today after question period the Minister of Labour and I will be sitting down with them again. I can tell you that Alberta is the best place in Canada to be an engineer.

The Speaker: Thank you.
First supplemental.

Mr. Panda: Thank you, Mr. Speaker. Given that the unholy alliance next door in British Columbia does not shed crocodile tears over pipelines not achieving social licence and given that the carbon tax and 100-megatonne cap on oil sands production is creating an oligopoly in the oil sands, as predicted by Wildrose, to the Minister of Advanced Education: what message are you sending to the new engineering graduates from the universities if you can't stop to speak to your former colleagues protesting at lunch?

Mr. Bilous: Mr. Speaker, because of our government we are having a historic infrastructure build that will create 10,000 jobs per year, and – guess what? – we need engineers to do detailed design work for those projects. We have two pipeline approvals that will create 22,000 jobs. We need engineers to do the detailed design work. As the Premier mentioned, we have two successful petrochemicals diversification program applicants. One will have shovels in the ground this fall. The other just announced that they will be putting out a tender for \$100 million worth of contracts for engineers to do detailed design work here in Alberta. The Conference Board of Canada is . . .

The Speaker: Thank you, hon. minister.

Mr. Panda: Mr. Speaker, given that when the Premier was in China over a month ago, the Chinese ambassador to Canada was saying that Chinese enterprises are not interested in the oil sands anymore and given that last session when Bill 1 was introduced, the minister of economic development was all smiles about going to spend us \$100 billion into debt and create 100,000 jobs, how about the minister stop paying Albertans lip service and tell everyone and those in the gallery today where the 100,000 jobs are that you boasted about a year ago? These engineers want to meet their Premier. They want to meet . . .

The Speaker: Thank you, hon. member.

Mr. Bilous: You know, Mr. Speaker, I wish that members opposite would stop running down our province, our employers, our workers and actually stand up for them the way this side of the House is. Last year we led the country in private-sector investment. We're on track to lead the country again this year. Drilling in the province is up 100 per cent over last year. Our exports are up 68 per cent over the same time last year. Wholesale trade rose for the sixth month in a row and reached its highest level since June 2015. Manufacturing is up. Housing starts are up. I wish that the . . .

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

Calgary Southwest Ring Road Construction Concerns

Mr. Ellis: Thank you, Mr. Speaker. My caucus colleagues and I have been assisting residents living along the route of the southwest ring road as they attempt to convince this NDP government to address their health and safety concerns. Once again let me remind this government that they are all in support of this project. They just don't want gravel-crushing and asphalt operations over their back fence for the next four years, and they need noise and safety issues addressed. These are all reasonable concerns. Minister, time is ticking. Do you believe the residents' concerns are valid or not?

The Speaker: The hon. Minister of Transportation and Infrastructure.

Mr. Mason: Thank you very much, Mr. Speaker. Well, building the ring road is very important to Alberta, and it's something that the government takes very seriously. But we also want to make sure that neighbouring communities are protected, as much as that is possible, and we are working to mitigate any impacts of gravel crushing. I've been meeting regularly with the department on this matter. We're looking at new locations for the asphalt plants so that the nuisance odours will be minimized, and in certain cases we're going to be working to reduce the amount of dust and so on through various mitigation . . .

The Speaker: Thank you, hon. minister.

2:20

Mr. Ellis: Given that the minister has been invited to attend a meeting organized by numerous communities along the construction route and given that they are offering the minister a broad timeline to confirm his attendance and then they will set the date to take care of all the other meeting logistics and given that they are only asking the minister to attend, Minister, will you meet with the communities in the June 12 to 23 window that they have provided? Yes or no?

Thank you.

The Speaker: The hon. minister.

Mr. Mason: Thank you very much, Mr. Speaker. Certainly, we're very concerned about minimizing the impact and making sure that we have good communication. We have been working through the MLAs in the area. Officials from our department have been available as well to interact with the communities, and that's going to continue.

The Speaker: Second supplemental.

Mr. Ellis: Those same residents have been contacting me, Minister.

Thank you, Mr. Speaker. Given that my request to meet with the minister to discuss the residents' concerns was ignored and given that the residents have also written directly to the minister to invite him to attend a public meeting to hear their common-sense solutions and given that I am now asking the minister to just let the residents know if he intends to meet with them or not, Minister, will you or will you not attend a meeting on one of the many days the residents are offering to you to hear them?

Mr. Mason: Mr. Speaker, it's not true that I've refused to meet with the hon. member. In fact, I have met with him. I went down to Calgary to meet with him, as a matter of fact, on the ring road and the construction, so it's simply not true. With respect to residents we are having good communication with them through the MLAs and through department officials, who are available to talk to the community on the issues that are of concern to them.

The Speaker: Bonnyville-Cold Lake.

Kinder Morgan Trans Mountain Pipeline (continued)

Mr. Cyr: Thank you, Mr. Speaker. My riding of Bonnyville-Cold Lake is the home to many unemployed energy workers, who can't believe what they're seeing. The Premier's top oil adviser, Tzeporah Berman, is actually cheering a new agreement between the B.C. NDP and the Greens, which is built on their election promise to kill the Kinder Morgan. On Twitter she called for the deal to be a turning point for our climate. It is time for the Premier to pick a side. Is she with Tzeporah Berman, or is she with Alberta jobs?

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

Ms Phillips: Thank you, Mr. Speaker. Of course, making life better means a strong oil and gas industry. That is why we are committed to ensuring that Albertans get full value for their resources through pipeline approvals, of which we have secured two. That is also why we're committed to working with industry on a strong clean-tech component to our climate leadership plan, and that is why we are moving forward with innovation investments. It's also why we are working with industry with respect to oil sands emissions. When we conclude that work with industry, we'll be moving on. In terms of the detail around our innovation investments I'm happy to speak about those in the sup.

The Speaker: First supplemental.

Mr. Cyr: Thank you, Mr. Speaker. The Premier is subsidizing Ms Berman's activities with Albertans' money. Hundreds of engineers are here today to say that this is disgraceful. Given that the Premier is refusing to stand up for Albertans and fire Ms Berman, is she willing to bear the responsibility if some of her oil sands advisers are successful in killing our pipeline?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker. Of course, the oil sands advisory group is made up of companies like Cenovus, Athabasca, CNRL, MEG Energy, Suncor. They've endured endless reputational attacks from the Wildrose. They've endured conspiracies, having their names dragged through the mud, all for the alleged crime, for the Wildrose, of daring to say that, yes, we can grow our investment in the oil sands, but we can also reduce our emissions. For that, the Wildrose talks them down. For that, the Wildrose says

that, you know, we need to drag their names through the mud. It's simply not acceptable.

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

Mr. Cyr: Thank you, Mr. Speaker. Those are companies that I respect in my constituency.

Given that this government has a long history of environmental activism from the environment minister, who helped edit a book called *An Action a Day: Keeps Global Capitalism Away*, and the Education minister, who stood on the steps of this very Legislature and chanted, "No new approvals," why should energy workers in Bonnyville-Cold Lake trust this government when it's so painfully obvious that this government wants to shut down our oil sands?

Ms Phillips: Well, you know, Mr. Speaker, there are a number of oil sands companies that have told us and have told the public that they would like to reduce their emissions while continuing to produce oil sands, and when they say those things, we believe them. That is what we have done on this side of the House. When those companies come to us and say, "Yes, we can be a global leader," we don't shout them out of the room. We believe them. When they say to us, "We want to work with environmental groups, with communities, with First Nations, with the government in order to move this province forward," we don't shout Cenovus or Athabasca or Suncor or CNRL out of the room. We don't drag their names through the mud. The Wildrose does that.

Provincial Credit Rating and Fiscal Policies

Mr. Fildebrandt: On Friday I was in Toronto to meet with the DBRS credit-rating agency. It was illuminating. These agencies are not conservatives nor liberals nor socialists. They are sober-minded analysts who take a dispassionate view of the hard numbers. On the same day that I was meeting with DBRS, Standard & Poor's handed Alberta its fifth credit downgrade under the watch of this Finance minister. His response was to blame the creditors and anyone else with even an elementary understanding of finances as having a conservative agenda. Does the minister take his latest credit downgrade seriously?

Mr. Ceci: Mr. Speaker, we take everything on this side seriously, and we work for Albertans. We are making life better in this province as a result of our investments for capital, our investments for infrastructure across the province, including a new hospital announcement today in Edmonton. That particular credit-rating agency wanted us to cut \$3.5 billion out of our budget or raise taxes. We won't do either because we have Albertans' backs. We're going to get through this into recovery, and we're doing that now.

Mr. Fildebrandt: Given, Mr. Speaker, that when the Premier appointed this Finance minister, she knew that he had virtually no background in economics, in finance, or in any serious understanding of government budgets and given that the minister's shortcomings could have been somehow overcome with the advice of people who know better but so far he has shown an unwillingness to listen to economists, to fiscal experts, to credit-rating agencies, or even most Albertans, this leads me to wonder: is he taking his advice from Kathleen Wynne?

Mr. Ceci: You know, Mr. Speaker, before I got elected to the government of Alberta, I was on city council for 15 years – 15 years – with that member over there. I served together with that member.

The hon. member asking me the question was an outreach worker for an agency that looked at small businesses. He was an outreach worker. That's his background.

An Hon. Member: This is your second job.

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

Hon. members, I just want to caution about making personal references.

Mr. Fildebrandt: Given, Mr. Speaker, that nothing seems capable of making this minister listen to sound advice or take the finances of this province seriously and that if he is going to start acting competently, then clearly he's going to need a little motivation and given that the number one job of the Minister of Finance is to responsibly manage the finances of Alberta – and if he can't do that, then he's not doing his job right – my question is: if Alberta receives yet another credit downgrade, will this minister take a pay cut?

The Speaker: The hon. Minister of Finance.

Mr. Ceci: Thank you very much, Mr. Speaker. On to more germane things, you know, the finances of the province. The people of this province are struggling right now. We're coming into recovery. This government is supporting Albertans, and we are going to grow fastest in the nation, 3.3 per cent. That's an upgrade of half a per cent, from 2.8 per cent, from the Conference Board of Canada. We're on the right track. They would put everything at risk.

The Speaker: The hon. Member for Calgary-South East.

2:30

Carbon Levy Revenue

Mr. Fraser: Thank you, Mr. Speaker. Since the inception of this government's climate leadership plan we've seen a steady stream of spending announcements and subsidies. The majority of these announcements were to be funded through the collection of the carbon tax on all Albertans. Now that we've had a year living under this government's climate plan and some time for the government to evaluate and estimate the yearly revenue of the carbon tax, to the Minister of Environment and Parks: how much of that money is expected to be collected by the carbon tax, how much of it has been spent or committed so far, and does your government anticipate needing to dip into general revenue?

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

Ms Phillips: Thank you, Mr. Speaker. The answer to the second question is no. The answer to the first question is that we will have a quarterly update, which is fast upon us, and the information will be contained therein.

Thank you.

Mr. Fraser: Given the government's confidence that the carbon tax will be sufficient to pay for all of the spending that they have announced under the climate leadership plan and given that if they are correct in the assumption, there will likely be money collected from the carbon tax left over from year to year and given this government's enthusiasm for spending found money, to the same minister: if the amount of the carbon tax collected exceeds the amount needed for you to pay for announcements and subsidies, will you make the right choice and return that money to Albertans?

The Speaker: The hon. minister.

Ms Phillips: Thank you, Mr. Speaker. The short answer to the question is: it won't.

Mr. Fraser: Given that the B.C. NDP has campaigned against the approval of the Trans Mountain pipeline and given that the NDP blocking the Trans Mountain pipeline will impact growth in the oil sands, affecting money raised from the royalties and from SGER as well as the provincial economy at large, and given that the government's climate plan relied on increasing carbon tax revenue, to the same minister: will a reduction in the carbon tax collected force the government to raise taxes further to meet their commitments, or will long-term green infrastructure plans suffer because of the unpredictable funding?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker. Of course, the commitments that we have made are through stable and predictable funding to a number of different initiatives, including our indigenous investments, including our investments in on-farm solar PV and efficiency, including a number of green infrastructure investments that we are examining right now. We will be making sure that those fit within the projected revenues so that communities can have what they need in order to build transit systems, in order to reduce greenhouse gas emissions, and in order to diversify the economy while creating jobs, which, of course, is the outcome of the climate leadership plan.

Thank you, Mr. Speaker.

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

Social Studies Curriculum Review

Connolly: Thank you, Mr. Speaker. As the second-youngest person in the Legislature I have actually been through the current social studies curriculum. Now, given that the current grades 7 to 9 social studies curriculum includes perspectives on Canada, international world views, and issues for Canadians and that the grades 10 to 12 social studies curriculum consists of globalization, nationalism, and ideologies, there seem to be some gross misconceptions about what's in the draft curriculum documents, which include many of the same themes. To the Minister of Education: why did you feel the need to revise Alberta's education curriculum?

The Speaker: The hon. minister.

Mr. Eggen: Thank you, Mr. Speaker, and thank you very much for that question. Of course, we know that our current curriculum has enabled our students to achieve a very great deal, but we also know that it's always important to upgrade. Some of the curriculum is more than 30 years old. Our kids deserve a modern curriculum that builds on strengths, including literacy, mathematics, and history. They deserve an education that prepares them for success. That's why we're making life better by not only building new curriculum but building new schools, ensuring our classrooms are well resourced, and making sure that Albertans can see themselves in the curriculum when they take it.

The Speaker: First supplemental.

Connolly: Thank you, Mr. Speaker. Given that some of the misconceptions are centred around the draft social studies scope and sequencing, which includes questions such as how events, groups, and individuals can shape views on freedom, responsibilities, rights, and reconciliation, and given that the new PC leader says that there's no mention of history in the documents, to the same minister: is this odd statement true?

Mr. Eggen: Well, thank you for asking that. Certainly, the leader of the third party's statements are absolutely one hundred per cent not true. The words "history" or "historical" appear more than a dozen times in the scope and sequence. I know as well as a history teacher myself that I can assure any member or any Albertan that the social studies curriculum that I sign off on will have a very strong focus on history.

We also are working with people such as junior achievement, universities, the energy industry, agriculture and the like to make sure that we have a reflection of who we are as Albertans in the curriculum. The curriculum, some of it, hasn't been updated . . .

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

Connolly: Thank you, Mr. Speaker. Given that the new leader of the third party has accused the government of politicizing social studies, a subject that is to ensure students develop critical thinking skills, in the draft curriculum documents, to the same minister: how does the government respond to these accusations?

Mr. Eggen: Well, you know, Mr. Speaker, thank you for that. I mean, we are certainly not the ones playing politics on curriculum. Let's review the Conservative record on education. They proposed deep cuts, which would close schools and lay off teachers. They did not do any curriculum updates, so we're left in the position that we are in today. Now they're attacking very common-sense curriculum changes coming from the teachers and postsecondary institutions, from parents and students. The president of the PC Party even said that this curriculum review would turn our kids into Nazis somehow. That sort of talk is abhorrent. I find it disgusting. Sir, we are focusing on regular folks and regular curriculum.

The Speaker: Thank you, hon. minister.
The hon. Member for Drayton Valley-Devon.

Agricultural Concerns

Mr. Smith: Thank you, Mr. Speaker. My constituency of Drayton Valley-Devon has declared an agricultural disaster twice in the last two years. Drought one year and saturation the next are devastating our farmers. Farmers are telling me that the AFSC managers appear to be hamstrung at times, having to wait on people up the chain of command before they can take action that will get farmers into their fields. To the minister of agriculture. Preharvest inspections were carried out by AFSC in February and March. Have all the farmers eligible for the 25 per cent advance been issued cheques?

The Speaker: The Minister of Agriculture and Forestry.

Mr. Carlier: Thank you, Mr. Speaker and to the member for the question. I couldn't be happier with the inspectors that have been going out there and doing the work. All 120 inspectors in the province have been in the hardest hit areas. They've been doing very good work. As of last week only 20 per cent of unharvestable crops are still left over there. We've had some really good progress. We've had some good weather this week. We're looking forward to good weather and to farmers doing what they do best, and that's to get the seed in the ground and growing food for all of us.

Thank you, Mr. Speaker.

The Speaker: First supplemental.

Mr. Smith: Thank you, Mr. Speaker. Given that many farmers are struggling to get a crop in this year – they've had to fight the

elements and the red tape and the inefficiencies of AFSC – and given that many farmers tell me that they've been very disappointed in the payment process for crop insurance through AFSC, what is this government doing to improve the process of paying out crop insurance in a timely fashion so that farmers in my constituency can face the next potential agricultural disaster and continue farming with more confidence?

The Speaker: The hon. minister.

Mr. Carlier: Thank you, Mr. Speaker and to the member for the important question. As I said in the answer to the previous question, the inspectors have been out there doing their work. All the unharvested claims have been paid out. Now they're looking forward to getting the seed in the ground. There are, no doubt, still some wet areas in the province. We'll have to wait for Mother Nature to make it a little bit dryer. For instance, in the northwest region, where just last week they had only 5 per cent seeded, they're actually up to 35 per cent seeded now. Mother Nature is co-operating as we are making lives better for farmers.

The Speaker: Second supplemental.

Mr. Smith: Thank you, Mr. Speaker. Given that many farmers in my constituency have had to subsidize their income by working off farm and given that your climate leadership plan has eliminated well-paying oil and gas jobs that many farmers depended on and given that you sped up the dates for the elimination of the coal-powered electricity generating plans such as the Genesee power plant in my constituency, which, once again, will eliminate an important source of additional income for some farmers, will this government and this minister please explain how they are possibly making life better for the Albertans in my constituency?

The Speaker: The hon. Minister of Economic Development and Trade.

Mr. Bilous: Thank you, Mr. Speaker. You know what? The world is moving away from coal, and no one knows this better than the Leader of the Official Opposition, who in 2012 was part of a government that would not only have killed these coal-fired plants but also stopped them from converting to natural gas. I've met with miners, municipal and community leaders, and power companies, and together we're building a plan that will diversify the local economy and allow these plants to convert to natural gas. What I'd like to know is: when will the Leader of the Official Opposition apologize for turning his back on these communities and leaving them in the dark?

2:40 Crime Prevention in Rural Communities.

Dr. Starke: Mr. Speaker, one of the most common calls we receive in our constituency offices comes from rural residents who have been victims of criminal activity. Brazen, broad-daylight thefts of property as well as threats to personal security have become an all-too-frequent occurrence. Now, the Justice minister has been repeatedly questioned on this, and she brushes off these concerns with talk about more money for legal aid and more money for judges, but most of these cases never get to court. The RCMP have done their best, but the situation is overwhelming their resources, and rural Albertans are outraged. Minister, specifically what are you doing about solving the problem?

The Speaker: The hon. minister.

Ms Ganley: Thank you very much, Mr. Speaker. Of course, we take the concerns of all Albertans seriously. This is a genuine and serious concern, and we do take it seriously. That's why we have continued to invest in policing. We spend over half a billion dollars on policing in this province. That's why this government stepped in and increased the funding to ALERT, that helps rural communities all over this province. That's why we've taken so many measures to ensure that officers can be back on the street instead of back at the office doing paperwork. I'll be happy to talk about that in my supplemental answers.

Dr. Starke: Well, Mr. Speaker, the funding to ALERT is certainly appreciated, but it's not getting the job done. Given that the perpetrators of these crimes know full well that the RCMP can't get to the crime scene quickly enough to apprehend them and given that anger and frustration among victims is growing along with the desire to do what it takes to protect their property and given that this increases the risk of people taking the law into their own hands, to the minister: what measures have you been taking or will you be taking to defuse this potentially volatile situation?

The Speaker: The hon. minister.

Ms Ganley: Thank you very much, Mr. Speaker. As I said in the first answer, we will continue to advance that police funding, which is a more generous flow to municipalities than in any other western province.

In addition to that, I think it's important that we look at efficiencies and that we look at ensuring those officers are out on the street protecting Albertans rather than back at the office. That's why we brought in Bill 9, which allows e-ticketing as well as ensuring that they're not executing warrants for minor offences so that they can be on the street doing more important work. We'll be taking a number of measures to ensure that we are focusing justice system resources in the right places.

The Speaker: Thank you.

Dr. Starke: Well, Mr. Speaker, given that local law enforcement officials have also expressed frustration at the rising rate of crime in rural communities and given that they have recommended increased surveillance among neighbours to gather evidence, monitor, and report suspicious activity and given that there's been considerably new technology developed to deal with surveillance and with evidence gathering, to the minister: instead of giving away free light bulbs, clotheslines, and shower heads, would you consider a program to encourage the purchase of trail cams and other security monitoring equipment for rural Albertans?

Ms Ganley: Mr. Speaker, we're in close contact all the time with the RCMP and with law enforcement professionals, who are, in fact, the experts in this area, and we take their advice very seriously. We certainly haven't heard about that particular advice, but moving forward, we will listen to what they have to say.

Mr. Speaker, what we have been hearing from law enforcement professionals is that they spend a lot of their time on things that they don't need to be spending their time on. That's why it is so important to invest in mental health, to invest in affordable housing, to invest in education, so that those police officers can focus on serious crime. You know what definitely wouldn't help? The proposals of the folks over there to cut 10 per cent out of my budget.

The Speaker: Hon. members, in 30 seconds we'll continue with Members' Statements.

Members' Statements

(continued)

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

Calgary Southwest Ring Road Construction Concerns

Mr. Ellis: Great. Thank you, Mr. Speaker. Well, another three weeks have gone by, and we still wait for the government to deal with this valid concern of residents living along the construction route of the southwest ring road. Representatives were sitting in the gallery today as I asked the minister to meet with them. It seems clear now that he won't do so, but I'm going to take another opportunity to urge him to change his mind.

Mr. Speaker, all Calgarians want this project, but those who will be directly affected by years of construction are simply asking for this government to lessen the impact on their lives and protect their health and their safety. Let me run down a few specific concerns. West Springs in Calgary-Bow and Bridlewood in Calgary-Lougheed are asking this government to relocate gravel-crushing operations away from their homes and their schools; residents of The Slopes in Calgary-West are greatly concerned about the plans to locate an asphalt plant near them, especially when there are other options; Discovery Ridge has concerns about safety, environmental impact, and noise attenuation; and Lakeview and Discovery Ridge are fearful that a road dam will put them at risk of flooding. More than 700 residents of Discovery Ridge have signed a petition, which I will table later today, laying out their concerns.

The communities are inviting the Minister of Transportation and Infrastructure, who is responsible for all aspects of this project, to listen to their common-sense solutions and have a respectful dialogue with them. To date, unfortunately, including today, they have been ignored, so our PC caucus has been acting as their voice because we know, through experience in government, that this consultation should and can occur.

But construction season is upon us. There is still time to meet with the residents in the coming weeks and quell their concerns, but the minister seems to have no interest in doing so. Minister, please do not dismiss the reasonable health and safety concerns of these communities in Calgary.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Athabasca-Sturgeon-Redwater.

Culture Days Grant Program

Mr. Piquette: Thank you, Mr. Speaker. I rise today with pleasure to talk about an opportunity for local organizations all over the province to apply for funding that is being made available by Alberta Culture and Tourism.

Alberta Culture Days, September 29 to October 1, is an annual celebration that promotes the benefits of diversity and encourages participation in cultural experiences across the province. Last year 315 events took place in 87 Alberta communities, and I was personally honoured to represent Minister Miranda in Lac La Biche for one of the site announcements. As an aside, if you haven't had an opportunity to visit northeast Alberta, you're definitely missing out. This year, especially since it is the 150th birthday of Canada, we are hoping that even more communities take the opportunity to become involved.

This funding isn't just for sites that are named official celebration sites; it is for any community or organization that wants to share their ideas and their culture. Communities can participate in any number of ways, Mr. Speaker. They can create events and celebrate

their local culture, their heritage and history, their artistic diversity, and their pride in being Albertan. Alberta Culture Days is intended to help build community partnerships, boost the impact and reach of local programming, and increase Albertans' access to cultural experiences. We live in a wonderful province, and we want everyone to know about the people, cultures, and communities who live in it. We want everyone to share their creativity and their pride.

Cultural organizations, nonprofit groups, libraries, venues and facilities, schools, and community groups are all encouraged to apply. Consideration will be given to those who partner with others in their community. The deadline for applying for this grant funding is June 16 this year. I encourage every member of this House to spread the word in their constituencies and show off their communities and their cultures to the world.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Edmonton-Castle Downs.

Edmonton Islamic Academy Model UN Participation

Ms Goehring: Thank you, Mr. Speaker. It's my privilege to rise and honour the students, staff, and family of Edmonton Islamic Academy who join us in the House this afternoon. The academy has been operating since 1987 and now serves over 1,000 students.

Fifteen high school students join us here today. This group was invited to New York from March 9 to 13 to participate in the 43rd annual National High School Model United Nations Conference. This program offers the chance for schools to register and attend. Each school then provides their top three choices for the countries they wish to represent. The model UN then selects which schools represent which country. Edmonton Islamic Academy was chosen to represent the country they chose as number one, Canada.

This model UN conference is known for its diverse, prestigious attendees, its world-class staff, and its engaging committee simulations. EIA students were provided with opportunities to interact with high-profile, relevant United Nations figures and were joined by hundreds of schools and thousands of delegates from around the world. The students participated in academically rigorous material, thought-provoking debate, and an immersive experience in the world of international affairs, problem solving, and diplomacy.

I would especially like to recognize the devotion and dedication of Dr. Mona Nashman-Smith. I want to sincerely thank you for providing and organizing experiences like this trip for our future leaders of tomorrow. Dr. Nashman-Smith has spent countless hours supporting and creating an incredible curriculum for the students and families who attend EIA. Her work and that of countless others has made the school a pillar in the community of Edmonton-Castle Downs. It was an honour to have the EIA represent Canada this year at the high school model UN conference.

Thank you, and Ramadan Mubarak.

2:50

Engineering Profession

Mr. Panda: Mr. Speaker, I cannot think of a better mascot for an engineer than the beaver. This Canadian animal is capable of building homes, dams, and altering waterways to suit their needs. Beavers build for their families, just like our engineers.

The downturn in the economy is in its third year and has hit our engineers and technologists hard. They have a petition, with over 4,000 signatures, calling for help. Local engineering work is now being exported, through outsourcing and work sharing, to far-off countries for completion. While this might be a cost savings for the business, it's not without risks of not meeting Alberta's rigorous safety, integrity, quality, and cold-weather standards.

There are perceived biases that just because an engineer worked in the energy sector, it means that they do not have the transferable skills to work in other sectors or are overqualified and a flight risk when the energy sector comes back.

Some engineers and technologists have watched and waited patiently for new training and skills upgrade programs, to qualify for the new growth sectors of renewables and petrochemicals. Those programs are not to be found. The government has failed to meet with the representatives and get their side of the story. Even the Minister of Advanced Education refused to stop and speak to this group on the Legislature steps at noon.

Everything that was built in Alberta was done by engineers. Engineers and scientists unlocked the secret of separating oil from sand. They will be the ones to solve our environmental challenges, not politicians.

But with the current government's policies of capping oil sands production, carbon taxing, and scaring investment away with our out-of-control deficit and debt, the government has commenced a brain drain. Like the beaver who needs to turn a river into a pond to make a home for his family . . .

The Speaker: Thank you, hon. member.

Presenting Petitions

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

Mr. Ellis: Thank you very much, Mr. Speaker. I'd like to present a petition signed by 724 residents of Discovery Ridge neighbourhood in my constituency of Calgary-West. They petition the Legislative Assembly to urge the government of Alberta to mitigate the health, safety, environmental, and quality-of-life impacts resulting from the construction of the southwest Calgary ring road.

Thank you again for the opportunity, Mr. Speaker.

Introduction of Bills

The Speaker: The hon. Minister of Children's Services.

Bill 18

Child Protection and Accountability Act

Ms Larivee: Thank you, Mr. Speaker. It is my pleasure to request leave to introduce Bill 18, the Child Protection and Accountability Act.

If passed, this new act will transform how the deaths of children who've received intervention services are reviewed in Alberta. When these heartbreaking tragedies happen, Albertans expect their government to take a hard, honest look at the system and what may have gone wrong, to rapidly adapt and improve its services, and, ultimately, to do everything it can to learn from these tragedies and prevent similar tragedies from happening.

With this legislation we would empower the Child and Youth Advocate, creating for the first time in Alberta a primary authority for reviewing the deaths of children and young people in care. We would eliminate gaps and roadblocks that prevent important information from being shared across the system. We would improve accountability so that Albertans know we are doing everything we can to protect children in care, and we would help to ensure that every review from the Child and Youth Advocate is as transparent, timely, and culturally competent as possible.

This legislation is founded on the recommendations of the all-party Ministerial Panel on Child Intervention, all of which our government is taking action to implement. I would like to acknowledge the outstanding work of this panel and extend my heartfelt

gratitude to all its members for putting Alberta's vulnerable children first. I look forward to discussion and deliberations with my colleagues on this important legislation to ensure that the Child and Youth Advocate reviews every death of a child in care and strengthens the way we support children and families.

Thank you.

[Motion carried; Bill 18 read a first time]

Tabling Returns and Reports

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

Mr. Hanson: Yeah. Thank you very much, Mr. Speaker. I would like to rise on behalf of my colleague from Calgary-Foothills – he had to step out – and just table five copies of the document that shows that there are over 4,000 signatures by the unemployed oil field workers in Calgary.

The Speaker: Chestermere-Rocky View.

Mrs. Aheer: Thank you, Mr. Speaker. I would like to table a policy brief that I used this morning during the debate on Bill 17, and I have five copies.

Orders of the Day

Government Bills and Orders Committee of the Whole

[Ms Jabbour in the chair]

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

Bill 16

An Act to Cap Regulated Electricity Rates

The Chair: Are there any questions, comments, or amendments with respect to this bill? Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Chair. I'd like to rise and table an amendment to Bill 16, An Act to Cap Regulated Electricity Rates.

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

Mrs. Aheer: Thank you, Madam Chair. I'd like to move that Bill 16, An Act to Cap Regulated Electricity Rates, be amended as follows. Section 2(2) is amended by striking out clause (b) and substituting the following:

- (b) the rate of 6.8 cents per kWh if that rate is lower than the rate referred to in clause (a).

And section 6(1) is amended by striking out clause (b).

Section 2(2) will be amended by striking out clause (b) and substituting the following: the rate of 6.8 cents – for clarity, clause 2(2)(b) currently reads:

- (b) whichever of the following rates applies, if that rate is lower than the rate referred to in clause (a):
 - (i) the applicable rate per kWh, if any, provided for by regulations under section 6(1)(b);
 - (ii) if no applicable rate is provided for by regulations under section 6(1)(b), the rate of 6.8 cents per kWh.

Section 6(1) is amended by striking out clause (b). Just for a bit of clarity, clause (b) currently reads:

- (b) determining or providing for mechanisms for determining one or more rates per kWh for purposes of section 2(2)(b)(i)

and determining the rate, if any, that applies to a particular owner or rate class of a particular owner.

3:00

The intention of this amendment is to prevent the Minister of Energy from changing the regulated rate option cap in regulations. The cap stated in the bill and in all of the government publications on the bill states that the cap will be set at 6.8 cents, which is double the current RRO. That has been the number that has been put out in public; that is the number that we understand. The way that it's presently written, the Minister of Energy has the ability to alter that without coming before the Legislature. In spite of the fact that the government never consulted with Albertans about a rate cap other than the 6.8 cents, and even that is questionable, the consultation there, the bill is crafted in a way that allows the minister to arbitrarily change the cap without consultation – without consultation – so without debate or consent of this Legislature on something beyond 6.8 cents.

This is an important and needed check. At this point presently we've been trying to explain what the RRO looks like and what it is going to mean for Albertans and residential payers – taxpayers, ratepayers, consumers, all the same person – the impact of 6.8 cents presently. We need to have that check and balance to make sure, if anything changes, that this minister is responsible to the people of Alberta and that that comes before this Legislature and is thoughtfully brought forward so we have an opportunity to discuss what that's going to mean for Albertans.

The draft of the bill provides the minister with two options. The minister actually at this point in time, unamended, can raise the cap so it's higher than 6.8 cents and can lower the cap so it is lower than the set 6.8 cents. These are massive changes that will, again, hamper the industry's ability to look at what's going on. We've already removed their signals from the market. This is another way that this government can undermine their own bill and actually come in and alter those changes without bringing it before the Legislature. If the minister needs to raise the cap for some reason, because the cost of electricity rises and the government needs to increase cost-sharing between the ratepayer and the taxpayer, who is the same person, then she should bring this request to the Legislature. That amendment needs to happen. That is a check and balance. That is about accountability. She should bring that request to the Legislature, where we can debate and discuss the increase in the cap.

If the minister wants to lower the cap, then the minister is exposing the taxpayer to more risk. What does that mean? Well, it's clear from the bill that the minister is allowed to pay that debt incurred under the cap through general revenue, which, as we know, under 6.8 cents right now doesn't describe anything about what's going on. It's complete smoke and mirrors. There's no accountability under that cap. On top of that, now with the legislation reading as it is, this minister has zero accountability for any changes that may happen. That means that through general revenue and using carbon tax revenue, that's just simply an option, an option available to the minister, who willy-nilly, at will, can change those numbers without even consulting Albertans, us, the Legislature, anybody. At \$10 million per month per cent – \$10 million per month per cent above that cap – which can happen, again, without consultation in this House, that that RRO rises as a consequence of this government's bad policy, the risk to the taxpayer: to say that that's significant is an understatement.

What's worse about this is that there's zero accountability to the average Albertan about how that's going to impact them. Right now we have zero utility debt. Why? Because right now, as much as it may be frustrating and as much as there are issues, everybody

knows what they're paying. It is listed; it is there; it is clear as day. Under the 6.8 cap there are all sorts of things that can be hidden. On top of that, now the minister has the right and the ability to change that without actually coming before the Legislature.

Everybody in this room knows that the NDP is just trying to hide those costs of their poor electricity policy instead of facing the demands from Albertans who receive a monthly bill to actually improve their policy, to monitor rising costs, and to deal with the transmission line overbuild. These are things that are going to be hidden in that 6.8-cent cap. If the minister finds that all of a sudden we don't have the infrastructure for the renewables coming online, she has the ability not only under this bill but also under Bill 34 and Bill 27 to just absolutely without consultation make changes to that legislation and not be accountable to Albertans.

This is piece three, major piece three of the accountability issues. All of a sudden the minister has all of the power in the world to make these changes without bringing it before Albertans, smoke and mirrors, hiding the changes and the bringing in of new technologies under the 6.8-cent cap without actually talking to Albertans, subsidizing industries without talking to Albertans, bringing on all sorts of projects without talking to Albertans, building new infrastructure without talking to Albertans. I think that it would be a very good idea to look at this amendment and to apply some much-needed accountability so that at least within the Legislature, if we're talking about changing that cap, that has to be brought here and have that discussion with those of us who are also representing Albertans, who are, quite frankly, very frustrated right now.

If the minister wanted, she could set that cap to zero and hide the entire cost of the RRO – the entire cost – which means that those dollars could come from a bunch of other places: property taxes, business taxes, carbon taxes. There are so many little nooks and crannies where these taxes can be pulled out of from the taxpayer, ratepayer, consumer in order for the minister to be able to cover up the decisions that she is making with her ministry with respect to Albertans' money.

As we know, Bill 27 did just exactly what we expected. Bill 27 already gave her the power to bring renewables online without actually discussing it with Albertans and, on top of that, got rid of the MSA so that the electricity police cannot have any issues. They cannot bring anything before this Legislature if they have an issue with how renewables are being brought online. They are actually completely cut out of that discussion.

Now we don't have electricity police. Now we have a Balancing Pool, that is a blank cheque. And the third beautiful piece of this legislation is that now the minister has the complete capability to raise or lower this cap as she sees fit, without bringing it in front of this Legislature. The bill is deliberately designed to reduce awareness about the NDP meddling – meddling – in the energy sector, in the electricity sector. That meddling misrepresents Albertans and is absolutely manipulative of this situation because there is zero accountability for any of the numbers that people will get on their regular bill. It's a complete manipulation of the people that are being represented in this Legislature.

I think the most frustrating part of this is that if this is the right idea, if this is the right bill, the minister has absolutely zero reason to have to hide this. She would be proud about the decisions that she's making because she's talked to the sector and she's got accountability to the sector and to Albertans to let them know that this is the best thing for them. But no. Not only is the 6.8 hiding all of those things, but now, on top of that, she is able to manipulate those numbers as she sees fit for anything that is coming online without letting Albertans know.

So far every bill this government has passed on electricity will cause costs to rise, at the minimum. We're not only talking about costs rising but also about the industry's ability to buy in and find a competitive market in which to bring industry here and create jobs, which is what I thought this government was interested in doing. Let's talk about this for a second. Let's talk about the various bills that have been passed with respect to electricity. The biggest one: guess what it is. The carbon tax. This carbon tax was not campaigned on by this government. This carbon tax is a slush fund and, let me tell you, super-duper overpromised. Every time we hear about where money is going to come from, it's going to come from the carbon tax.

3:10

The coal phase-out. It was interesting today because the Minister of Economic Development and Trade was talking about how the Leader of the Opposition had talked in 2012 about phasing out coal. Yes, he did. This was an agreed-upon phase-out by industry, by government, a phase-out in six years that the industry actually agreed to, which meant, Madam Chair, that there were no stranded assets. In fact, many of the places that were built in order to do coal fire were built with the phase-out in mind. We're now talking about a boulder rolling downhill at warp speed, that was already going that way, that is going to cost this province and everybody else billions of dollars. We were already headed in that direction. It was already set up. It was already there. The industry understood it. We understood it.

This accelerated phase-out was an absolute debacle. We were already set. Yes. You're right. The Leader of the Opposition in 2012 was absolutely part of that phase-out, something that everybody could get behind, including the industry, which did not put the taxpayer, ratepayer, consumer at risk. In fact, it gave the industry the opportunity to have the right signals to know what to buy into, what to invest into, and to understand what that transition was going to look like. Right now none of us even understands that transition.

As renewables come online, Madam Chair, does everybody here understand that those are double-billed on almost anything because when the wind doesn't blow and the sun doesn't shine, we have to have capacity. There has to be baseline capacity there. That is extremely expensive. It's not just for one piece of infrastructure, not just one windmill. No. There has to be some sort of natural gas electricity provided for when that wind doesn't blow. I might also add that if it's blowing too fast, then the mechanism has to be working so it can slow it down. If it's not blowing at all, then the mechanism has to work so that it can get them moving again.

We have all sorts of issues there. We've got the coal phase-out, the 30 per cent renewables by 2030 strategy, which is a random number, picked out of thin air. Then I think that probably one of the most frustrating things is that when we were in here discussing the caps on the oil sands and the megatonne cap bill and the cogeneration, we came up with – I don't know – it must have been at least 14 amendments to bring cogeneration into the discussion. All the industry provided us, including the government, with tons of information on cogeneration. What did the NDP do? They are penalizing cogeneration at oil sands facilities. These are efficient and excellent uses of energy for an energy-intensive group of people. Yes, we are energy intensive. We provide energy for all of Canada and a good chunk of the world. We're also competing with our neighbours right now. It's something you might want to think about when they're looking at the economies here. When they're creating policy that's an absolute attack on the industry, they're at war with the industry.

They're penalizing cogeneration of the oil sands facilities under the 100-megatonne cap, and I still to this day do not have a

description or an understanding as to why that 100-megatonne cap was picked on cogeneration. Cogeneration could be a lot of different things. We brought forward a lot of amendments about different kinds of cogeneration.

In addition to the bills, we have seen gross incompetence in the way that the NDP managed the PPA file. What I'm interested in finding out is: under this government, with all the smoke and mirrors and with the ability of the minister to make random decisions without bringing them in front of the Legislature, what is it that we are signing up for now? I am so curious. In 20 years what are my grandchildren going to be on the hook for outside of the debt that this government is incurring? What kinds of deals are being made with renewable companies that none of us are participating in, that we don't understand, that my kids and my grandkids are going to pay for? I'd like to know about the overbuilds, bringing renewables online without bringing it before the Legislature. What kind of deals?

This government uses the Enron clause, saying that all of this was done in the background somewhere, with nobody knowing what was going on. Well, I'd like to know what's going on behind these closed doors right now because under that 6.8 cap it could be anything. Absolutely anything.

Just a few weeks into introducing an increase to the SGER levy, that has now resulted in – let's say it again – a \$4 billion loss for the Balancing Pool. Four billion dollars. I'm sure, absolutely sure that that's covered by that carbon levy – that's what you call the carbon tax, right? – \$4 billion plus everything else that is going to somehow be given back to Albertans as a result of this smoke-and-mirrors deal that hides everything under the mat, that is completely manipulative of the Albertans that all of us represent in this House. There are losses that the taxpayer is on the hook for, the taxpayer, ratepayer, consumer. That is why this transparency matters so much, Madam Chair. That is why it is imperative that this minister ask and participate fully in making sure that this Legislature understands what her role is, what her responsibilities are, what she is going to do, and how that comes online so that Albertans understand.

Believe me, renewables are something that everybody wants, but you have to have economic viability and you have to have buy-in. Allow the people to make choices. The government is assuming that people are going to make bad choices, but if you reward people for good choices, they're going to make good choices. Most of the people who have made these decisions made them without government intervention. I know I sure did. I didn't need a government to tell me to put solar panels on my house. That was a decision I made, but I would not expect my neighbour to spend the number of dollars and everything that I did on mine. That would be completely unfair. You have to look at the economy, and you have to look at the viability of these things. As people are more interested, the costs will come down, and more and more people will be able to put solar panels, should they desire, on their houses. They're going to be able to put all sorts of other different kinds of energy to use.

On top of that, even if that was the direction we're going, we don't have the infrastructure. These solar panels and wind farms are not necessarily on site to where we can connect to the grid. How much is that going to cost? On top of that, it's in the bill somewhere under regulations, where we have no say, no debate, no ability to chime in on how that's going to impact Albertans. You're going to hide the cost of your plan instead of fixing the plan to cost less, which does not benefit Albertans at all. How does this government justify this? How?

Again, the major issue here and why the amendment is being brought forward is because the minister has the ability to do this

without consulting Albertans. That impacts the market. The beautiful thing about our deregulated market is that it's a free market. Millions upon millions of price signals and indicators from consumers are what dictate to the industry what the market should build and how much the consumers are demanding and what price the consumer is willing to pay. That is a good thing. That is being erased by these bills, completely erased.

The competitive nature of our market has resulted in a sustained period of lower prices. This cap more than doubles the RRO. We are already paying less. We are already there. I think, again, one of the most disconcerting things is that the government thinks that Albertans don't know that. Oh, they know, and they're not buying it.

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

Mr. MacIntyre: Innisfail-Sylvan Lake.

The Chair: Innisfail.

Mr. MacIntyre: Innisfail would not be happy if we forgot it.

The Chair: Innisfail-Sylvan Lake. I got it.

Mr. MacIntyre: I'd be hearing about it.

Thank you, Madam Chair. I am very pleased to stand today and speak in support of the hon. Member for Chestermere-Rocky View's amendment to this bill, An Act to Cap Regulated Electricity Rates. Whenever we're looking at legislation, of course, it's important to understand why the legislation is even in this House. When it comes to amendments, it's important to understand the need for this amendment. Well, of course, we understand the story behind Bill 16 in general. It's a story of mismanagement that has been consistent almost from the first day this government came to power. With specific regard to this minister and the minister's conduct in handling the electricity file, we have seen mismanagement after mismanagement, misstep after misstep, which brings us to this day where we have Bill 16 before this House, capping the RRO.

3:20

As I read through Bill 16 and I see the conditions within it, it seems to me that what we're looking at here is a bait and switch, a classic bait and switch. This government and this minister in particular spent a considerable amount of time and resources justifying a 6.8 cent cap on the regulated rate option; not 6.7, not 6.9, not some other number but 6.8 cents. I asked the minister and the government to justify the choice of 6.8. I got no answers. I asked the government for the analysis that led to the determination of 6.8. I've seen nothing. All this time the government has been out there with their flags and banners waving this 6.8 cent cap on the RRO, which, I should point out, is somewhere around 3 cents right now, so a cap at more than double where we're currently at with no justification, no analysis presented to this House, repeatedly asked for, repeatedly denied.

It makes me wonder: why, then, do we have 6.8 written into this piece of legislation when the minister is now being given substantial overreach to change that rate to whatever her little heart desires without having to come back in this Legislature and answer for it? Not only is this a bait and switch – classic bait and switch – there is zero accountability for what the switch will look like. This is what we're faced with right now. This government has been declaring to the good people of Alberta, "We're here to protect you; here's a 6.8 cent cap on the RRO," but the Minister of Energy also has the authority, unchallenged by this Legislature, to change that

rate after the fact. No accountability. Madam Chair, that really is false pretense here. There's no justification, no analysis, nothing.

This is classic flying by the seat of your pants. We have seen that from the Minister of Energy from the get-go, from this government from the get-go. They changed the carbon tax under the specified gas emitters rate without reading the contract, without understanding the implications. They were warned from within their department and from within industry that doing so was going to result in substantial consequences. They ignored the warnings both from inside the government and from industry and pressed on ahead. That is gross mismanagement, and now here we have a bill before this House giving that same minister and this same government absolute arbitrary authority to change this cap to whatever they want. No. Not acceptable. Absolutely not acceptable.

If we had a minister and a government that had demonstrated some really good common-sense management on the electricity file from the get-go, that would be a different situation, but that's not the case. We have gone from a Balancing Pool with a surplus in their account of \$705 million, and this government vaporized that in less than 12 months and so harmed the financial viability of the pool that they actually were going out for advice on what to do in case of insolvency due to the mismanagement of this government and the constant delays in giving direction to the Balancing Pool by this Minister of Energy specifically. Letter after letter from the chair of the pool to the minister asking for direction on the consumer allocation. No answer, no answer, no answer repeatedly. That is mismanagement, and now we're supposed to just: oh, yes; yes, we'll give the minister absolute, unquestioned authority to change this cap to whatever she wants now. Having gone before the people of Alberta in the press and here saying, "Oh, 6.8 is the number; 6.8 is what people need" but then giving her absolute authority to go change that willy-nilly whenever she wants either up or down – I'm sure part of the reason is because the minister is well aware that for every cent over that 6.8 it's going to cost Alberta taxpayers another \$10 million a month.

But, then, what this government has been up to with the electricity file is shifting the burden onto the taxpayer because of their constant mismanagement of this file. As I started to say, the Balancing Pool started out with a surplus of \$705 million. This government's inaction vaporized that in less than a year, putting the pool in an insolvent situation. The government came and introduced Bill 34 to bail the pool out. It never ever in its history needed that in the past till that Minister of Energy mismanaged this file. By the government's own projections under Bill 34 this government is going to have to extend some \$4.437 billion to the pool to bail it out for no other reason than this government's mishandling of the file. That is not only unfair to Albertans; it's just plain unfair every way you want to look at it. It's unfair that the people of Alberta are going to be burdened with billions of dollars of debt through the ineptness of this government. And now we're supposed to just sit back and say: oh, well, yeah; they are talking about 6.8 cents, but we'll just let the minister change that if she wants to. No coming back to this House to face any kind of questioning about it. No, she just can do it on the fly.

So there are some questions. What are the anticipated financial and economic impacts, then, of Bill 16? Is this minister going to table these sorts of things? Good managers do things like that. They do economic impact assessments. They do a financial impact assessment. They do consultation broadly. Where's the consultation? There are well over 80 players in the Balancing Pool. I'm sure there are 80 companies with opinions. We have dozens and dozens of retail energy suppliers and providers out there. I'm sure there are dozens and dozens of opinions that they have. These are the people who are being impacted by this. There are consumer groups. There

are REAs. We should have the city of Medicine Hat here. There are all kinds of consultations that need to take place over this, especially in view of this minister asking for arbitrary power to change that cap to whatever it is that she wants.

There's a significant backstory behind Bill 16, Bill 34, Bill 27. There's a huge backstory, and that backstory is fraught with mismanagement, with mishandling, misstep after misstep. I wholeheartedly support the hon. Member for Chestermere-Rocky View's amendment because what it does is cause at least a modicum of accountability so that the minister will have to come back here to change that 6.8 cent cap to something else, and she will have to answer to the Legislature and the people of Alberta and the businesses that are involved and justify that change. There has been no justification for choosing 6.8 cents thus far, none whatsoever. There has been no presentation, tabling, or anything to support that number being chosen. We've gotten vague non answers every time we've asked about it. Now here we have the minister putting forward a bill that says 6.8, but – but – she can change it any day she wants to. Frankly, this is a bait and switch, and it's a very poorly executed one.

3:30

I think it's very important to this Legislature and to the people of Alberta that the Minister of Energy take time – and today would be a fine day – to stand in this Legislature and explain to the people of Alberta how she came up with 6.8 cents to begin with. Who were the stakeholders that were consulted on this? Let's have a list of them. I'm familiar with a significant number of the players in the electricity market. As I said, I think there are well over 80 of them in the pool alone and dozens and dozens of retailers. Then there are the generators, too. Everybody has skin in this game, and a significant amount. Every time this government touches the electricity file, someone is being harmed, whether it be the taxpayer, the ratepayer, or the players themselves and the stakeholders themselves.

In a democracy it behooves the government in power to take the time and take care. Be gentle on people. That's not been a hallmark of this government's legislative history, to be gentle on Albertans, to be gentle on our industry, to be gentle on our job creators. No. This government just runs roughshod over everybody because they've got an ideology and they've got a plan and they've got everything figured out and they push on ahead. Well, all right. I think it would behoove the Minister of Energy to come before this House with a list of who was consulted. What was said in those discussions? What was actually said? It's one thing to say: yes, we consulted a dozen companies or two dozen stakeholders. But what did they say?

You know, just on a note that is perhaps a side note, but it is relevant to this, Madam Chair: that's why putting bills in committee is so important. It's so that the entire Legislature here and the members of the committee and the public have an open discussion about a piece of legislation coming before this Legislature. In a healthy democracy it seems to me only sensible that things would go to committee on a consistent basis so that people could discuss these things with us before we get to third reading, before it is proclaimed as law, before it's going to impact them, not after the fact.

If we recall, back in the Bill 6 debacle this government assured us on the day that the bill was dropped in this House that it was fine the way it was. Well, farmers disagreed, and eventually the government even listened, at least partly, and put forward in this House six pages of amendments to their perfectly fine five-page bill. Here we have another bill, Bill 16, coming before this Legislature, and it is fine like it is. Well, no it's not.

I think it makes sense that there be some further consultation on this, but I understand the minister will say that she has consulted. I would like to know who. I think the people of Alberta deserve to know who. What did they say? What kind of analysis led to choosing 6.8 cents? Why is there a clause within this in section 2(2) giving the minister arbitrary power to change that rate? Why would that rate have to change given that the current RRO is less than half of where the 6.8 cent cap is now? What is about to transpire? What forward projections has the government made that determined 6.8 to be the magic number that we need to cap the RRO at? Why wasn't it some other number? None of these questions have been answered. The procedures that have even been used to develop this entire bill: those need to be spelled out to Albertans. Why is this government doing what they're doing?

We're putting forward an amendment here, Madam Chair, in an attempt to do our job as the Official Opposition to hold this government accountable for its actions, and I realize this government has an aversion to that. Nevertheless, this amendment is extremely important in that it will require the minister to come and answer the big question: why? Why do you need to change that cap, if you need to change it? And it will require of the minister the analysis that led to the decision, just like I'm asking for the analysis that led to this decision in the first place.

This is not an unreasonable request – in the business world these kinds of analyses are done all the time – and especially so when you consider that every time this government does something on the electricity file, it's not just a buck or two impact. It seems like every time they turn around and do something on the electricity file, it costs us another billion. Well, that's a ton of money at a time when we don't have it. It's important that this government be much more responsible with other people's money than they have been. So I think it's quite sensible to insist on the analysis. Let's see. How did you arrive at these numbers? How is it that you believe you need to have this kind of overreaching authority to change it on the fly? Those are very serious questions that, I believe, this government needs to answer.

Further to that, I would hope that as we go forward, all members in this House will support this amendment, want to ensure that we do the very best for the people of Alberta that we possibly can and ensure that everything that goes through this Legislature has a very valid reason for being here. Passing a law for the sake of passing a law is simply not acceptable to the people of Alberta. We need to have legislation that actually improves life here, and if this government believes that Bill 16 is going to improve life here, then I think it behooves them to present their rationale and justification for it. Let's see the numbers. The numbers always tell a story. Let's hear what the people that the government consulted with said about this. If the government isn't prepared to do that, then I guess the next question that needs to be asked is: why? What are you hiding? This is a democracy. It's supposed to be open and transparent governance. I think it's only fair and reasonable that the government comes clean on some of the rationale behind not only Bill 16, but that's where we are right now.

I mean, I have given and my hon. colleague for Chestermere-Rocky View has given substantial reason and rationale for this amendment. We're concerned that this Bill 16 is giving the government and the Minister of Energy in particular much too much unaccountable authority to do something that has a very far-reaching impact on the electricity sector in our province.

I will remind the House that for every cent over the 6.8 cent cap, that costs us another \$10 million a month. Ten million dollars a month. I realize that this government will do what they can to make sure that doesn't appear on our electricity bills because, as I've said

before, this government is terrified of seeing increases in electricity costs on a monthly electricity bill.

Thank you, Madam Chair.

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

Mr. Coolahan: Thank you, Madam Chair, and thank you to the member for the amendment. You know, there is a pragmatic reason for having section 6(1)(b) in the legislation, and it has absolutely nothing to do with the fearmongering that's being spouted right now.

Some Albertans get their electricity from sources other than major providers that are overseen by the AUC, the Alberta Utilities Commission, specifically many rural Albertans and the residents of Medicine Hat. So, you know, the government does expect rural electrification associations, the REAs, and municipalities to charge reasonable rates that are in line with other providers, and that will include being in line with the 6.8 cent cap. Government does not intend to remove the powers of the REA boards of directors or city councils that independently set their own rates. However, to help ensure that rates are reasonable, the government will put a mechanism in place that will provide reimbursement for reasonable rates, and here we have our mechanism that we're discussing in this section.

3:40

Should these providers choose to put in place unreasonable rates, the government will work with them and the relevant regulatory authorities to ensure that rates are consistent with other providers and in line with the regulatory requirements. You know, the reality is that the opposition wants to obstruct the introduction of these protection measures for consumers, and I find that a bit shameful.

With that said, Madam Chair, I will not be supporting this amendment. Thank you for your time.

The Chair: Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Chair. Popycock. I find it absolutely amazing that that hon. member would suggest for one moment that REAs, which are a co-operative, which are owned by their members, managed by their members, directed by their members, are going to charge, quote, unreasonable rates. It is absolute insanity that this hon. member would charge rural electrification association members and member-driven boards with the potential for being unreasonable to their own people. They are not the NDP government. They are local people.

The last thing they need is big, heavy-handed government stepping in where they are not wanted. I know so many people in those REA boards and members of those REAs, and I will stand in this House and defend their integrity to this member and any other that should dare to charge them with the potential for being unreasonable to their own families. REAs are member-driven organizations. These are farmers and acreage owners and small-business owners. They know one another. They're related many times. They've been farming in the same community for generations.

Those REAs are the lifeblood of rural economic development. They got there in spite of being neglected by successive generations of government who focused on putting electricity supply in larger communities and left rural communities to fend for themselves. Those farmers – God bless them – stood up together. They created REAs, they put poles in the ground, they strung wire themselves in those old days, and they powered up rural Alberta. We would not have a rural Alberta today like it is if it hadn't been for REAs. It is shameful for that member or any other member in this House to suggest for one moment that those dear souls are unreasonable or

could possibly be unreasonable and need this socialist government to come in heavy handed and knock them down. Shame on that hon. member. He owes an apology to the REAs in Alberta.

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

Mr. Sabir: Thank you, Madam Chair. I rise today to speak against the amendment proposed by the Member for Chestermere-Rocky View. Let me begin by saying that the member in no way, shape, or manner was saying that any REA is charging unreasonable rates. What he was alluding to is that there are 32 different REAs . . . [interjections] If the member for Chestermere would let me speak, I would be grateful. It's my right to speak freely in this House.

There are 32 different REAs across Alberta. They are facing different realities than in Calgary and Edmonton. What this provision, section 2, does is that it provides in section 2(1) for those providers who are governed by or where AUC, the Alberta Utilities Commission, has oversight. Those will be dealt with under 2(1). Under section 2 there are those REAs, 32 of them, and then there are five municipalities, which are not governed under the previous section. They will be going under section 2. Unless the minister makes regulation, the 6.8-cent cap applies. But rural realities can be different, and that provision gives the minister an ability to look into the specific circumstances affecting those REAs and to set the rates and deal with them in a manner that is appropriate and that is best suited to the needs of those REAs. That's all these two provisions do.

On that note, I will urge all members to vote against this amendment. Thank you.

The Chair: Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Thank you very much, Madam Chair. You know, the reality facing REAs, the biggest issue that REAs have, is that they're profitable. Nobody wanted anything to do with rural Alberta because it was an expense and a liability. When the REAs stepped in, they built the infrastructure. Everybody that belongs to the REA is a part of that corporation. They profit from it. But now that they're profitable, of course, the big corporations want to step in and take them over, and that's the biggest reality and the biggest problem facing REAs today.

Now, the idea that this government can arbitrarily step in and set the rates for the REAs and make them noncompetitive with . . .

An Hon. Member: That's not going to happen.

Mr. Hanson: Well, we would sure like some clarification on that because, you know, if I look back in *Hansard* to what you just said, it sure appears that way. Now, I'm sure that the REAs are going to be very nervous when they hear that, that they may be treated differently from larger distributors in the province, that are going to make them less profitable, less competitive, and make it more attractive for their members to sell out to a large corporation. It is absolutely ludicrous that the government would expect that people are going to sit back and allow that to happen after all their hard work.

One of the greatest things about the REAs that I've seen – and I've talked to them on many occasions at their meetings, and the Member for Fort Saskatchewan-Vegreville was with me at one, I believe out in Willingdon. When we spoke to them, I assured them that their fight is our fight, that their fight is Alberta's fight. They're the last man standing in this fight for control and to not have a monopoly in this province. We commend them. Also, this government, rather than hindering them and making it harder for them to operate and be competitive, should be standing in and protecting

that small guy so that we can eliminate the chance of a monopoly in this province.

Now, if that's what this bill is projecting – and we'll be looking into that a little bit more, and we'll be looking into *Hansard* to see exactly what was said there – and if there is an explanation, it would be great if the minister would stand up and say it in the House, in *Hansard*, so that we could have it, have the explanation. Tell us what it's all about. I give you that opportunity right now.

Thank you very much, Madam Chair.

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

Mr. W. Anderson: Thank you, Madam Chair. I'd like now to rise and speak to the amendment to Bill 16 by the hon. Member for Chestermere-Rocky View regarding regulated rates. I think this amendment notes that section 2(2) is amended by striking out clause (b) and substituting the following:

- (b) the rate of 6.8 cents per kWh if that rate is lower than the rate referred to in clause (a).

Clause 2(2)(b) currently reads:

- (b) whichever of the following rates applies, if that rate is lower than the rate referred to in clause (a):
 - (i) the applicable rate per kWh, if any, provided for by regulations under section 6(1)(b);
 - (ii) if no applicable rate is provided for by regulations under section 6(1)(b), the rate of 6.8 cents per kWh

applies.

Also, section 6(1) is amended by striking out clause (b), which currently reads:

- (b) determining or providing for mechanisms for determining one or more rates per kWh for the purposes of section 2(2)(b)(i) and determining that rate, if any, that applies to a particular owner or rate class of [that] particular owner.

If the true intent of this government was to build in an expiry date of 2021, why on earth would this government need to build in legislation that permits the minister at any time the flexibility to increase that rate? This once again proves a gross overreach of power for the minister to pass a bill under the pretense that the RRO cap must be 6.8 cents and then have clauses to insert that give the minister the power to change it at will.

3:50

Are Albertans supposed to trust that the cap on regulated rates will not be changed at any given minute like they trusted the cap that the government put on the borrowing line? They then came back into this House and rejected it only a couple of months later. Why should Albertans trust this government?

If the minister wants to raise the rate after imposing such legislation, then she should be required to seek consent of this Legislature. It seems pretty pretentious that this government would write this bill, tell Albertans what they are doing to protect them, and then also drop in any way out through the clauses that perhaps the general public would not see or catch onto. How can this government be trusted?

What happened to their nice little cap gesture when it came to the province's debt load? They said one thing, and then just as fast as making that decision, they came back to destroy that debt load cap. Now they want to write in a clause that they wouldn't even have to come back to the House if they wanted to get rid of the cap. This is truly preposterous.

Every time we are called to this House to debate a bill this government has put through, they never cease to amaze me how they can create such crafty legislation, saying one thing to the public and then building in duck-outs in the very same legislation. This is

backward and hypocritical and just proves why this government cannot be trusted.

Madam Chair, this bill has a built-in expiry date for 2021, which is four years from now. This minister does not need the option given to her to arbitrarily determine a rate after she has made the promise to Albertans to cap their electricity cost rates at 6.8 cents per kilowatt hour. The cap that the minister is setting with this legislation is already double the current RRO, and after this bill is passed, she is going to be permitted to change the agreed-upon rate to any rate of her choosing.

Just for a reference, the cost is driven up by \$10 million for every 1 cent above the cap that the RRO price reaches. Ten million dollars. This exponentially increases the risk to taxpayers if the minister were to arbitrarily decide to lower the cap. Like I mentioned last week, the ratepayer and the taxpayer are the same person. If the consumer is not paying the price, the taxpayer is. Someone has to pay for this power, whether it comes out directly from their pocket or in the form of a bill or if it comes directly out of your pocket through the carbon tax, that each and every Albertan is forced to pay.

The other way the taxpayer is directly paying for anything above the cap is through general revenue. That will not only come directly out of the taxpayer's pocket but will be coming out of their children's and grandchildren's pockets for decades – decades – to come. This government doesn't care about that. They only care about now and about anything they think might get them re-elected.

The minister needs to come out and tell Albertans what her true intention really is with this bill. The 6.8-cent cap should not be changeable in regulation, and the minister needs to come clean on why she has added this clause into this legislation. If the minister wants to change up the legislated cap, she should have to come back to this House and explain to Albertans and everyone in this House why she would like to do so instead of just arbitrarily being able to do so within regulations.

I would ask those in this House to please support this amendment. Those sitting on the other side: just talk to your constituents, get some feedback from them, consult with them, see what they think, and tell them what this bill is really all about, if not for yourselves, then for your constituents and for your children and for your grandchildren. Ask everybody who voted for you and put you in a position of power. Your constituents need answers.

Thank you.

The Chair: The hon. Member for Chestermere-Rocky View.

Mrs. Aheer: Thank you, Madam Chair. A couple of things I just wanted to address here. When the member was talking about the REAs and all of this, I just wanted to – the REAs are our families, okay? Just to reiterate what the hon. members from the opposition side said, these folks are already competitive. They already function. And, just so you know, they are not governed by the AUC. They are not governed. The minister was trying to explain about the number of REAs and who is involved – thank you for that description – but the concern that we have right now, after the other member's comments, is very, very simple and, actually, glaring because of the fact that the two would have been brought together in the same conversation.

Let's talk about this for a minute. I don't have the Blues in front of me, but I'd like to understand what the member meant by reimbursement. First of all, to whom? By whom? Through the AUC to consumers that are already being taken care of by the REAs, which are more competitive in some aspects than a lot of other places? I mean, a lot of the larger companies are trying to buy these guys out. They're highly profitable. So that's the first thing.

The second piece is that I'd like to understand what he meant by unreasonable rates and to whom he's speaking. That needs to be clarified. Then the real concern is that because the AUC does not govern the REAs, now are the REAs the next thing to be removed in some piece of this legislation? Is that the next piece that we have to look forward to? I hope that this government can stand up, without a shadow of a doubt, and say that that's not going to happen, because that is a concern. Now, is the agriculture minister under that going to remove the REAs and put them under the governance of the AUC? Is that what's next on the docket here? I would like to have some clarity about that. I can tell you that with those 32 groups that the minister was talking about and all of those, you're going to have an uprising here if that's what's on the docket. If this minister, the Minister of Energy, is allowed to do that in the regulations without bringing it forward to Albertans and to change the way that the REAs function with their electricity within rural Alberta, that is not the way to do this.

I'm extremely concerned, based on what this member said, that all of a sudden the folks of the REAs, because they're competitive, might be at risk now of losing their ability to run their electricity the way that they do. They stay competitive because they understand the market. Now, the government has already removed the market signals in order for anybody to be competitive, so now is the plan that the government is going to go after REAs? I would like a very clear answer to this: yes or no? The other part is that the REAs can only compete within their service areas, so they can only compete with Fortis and ATCO, with those people, in those service areas. Outside of those service areas they can't compete.

It makes no sense that this member would bring up the AUC along with the REAs and then give the impression that somehow they would charge unreasonable rates to the families that they serve who are also members of that REA. Is this a concern? Should we be concerned on this side that the government's next piece of legislation is going to remove REAs? Literally, I want to know because we need to understand that now, and we'd better start doing some consultation. I can guarantee you that you're going to have a gallery full of angry members coming in to fight to make sure that their competitive model is not run by a socialist government.

Thank you.

Ms McKittrick: Madam Chair, I've been listening for the last few minutes to the opposition really misconstruing words that may have been said by the hon. member, and I'm standing here today to be very clear that the government is actually protecting the REAs through this bill, that we are not disadvantaging the REAs, and that we have spent a lot of time trying to figure out how to keep the REAs functioning while they have faced no support from the opposition for so many years. The reason the REAs have been perishing and have been taken over by Fortis and by others is because they had no support from the opposition, but here on this side we are working very hard with the REAs.

We understand the word "co-operatives." I hate to tell the opposition, but the REAs were formed because there were no electricity providers in the rural areas, so they went to the roots, through the chair, of what we believe as New Democrats, and they actually formed a co-operative. A co-operative is where people pool their resources to be able to provide services that they really need.

Madam Chair, I just want to really emphasize again and again that the government has been working with the REAs. There's been a lot of consultation with both the minister of agriculture and the Minister of Energy to make sure that the REAs maintain their strength in our rural communities and can be really functioning. I personally have really appreciated the work that has happened with both ministries. Through this bill and other acts we're really working

hard to make sure that the REAs can survive even though they have been totally not supported by the former government.

What this section reflects is the significant effort of the government to accommodate the REAs' unique circumstances and contribution to Alberta's economy, especially the rural economies, whereby they are not regulated, as with the other RRO providers. The other side is undermining this work, which is the result of significant consultation with the REAs. I know that I myself and the members for Fort Saskatchewan-Vegreville and Athabasca-Sturgeon-Redwater and all of the other rural MLAs, the Member for Stony Plain have spent a lot of time with our REAs because we understand the power of the REAs in the economy of rural Alberta. This provision, as was discussed, is the result of that, and we are proud to have done the hard work to include them in the collaboration.

4:00

Now, my understanding is that there are a number of consultations at the moment, and I know that all of the REAs have been involved because I've been in touch with many of the REAs. Actually, I'm working very closely with the REAs to make sure that they are involved. So what I would really appreciate, Madam Chair, from the opposition is that they would acknowledge the work that our government has done to recognize the work of the REAs in rural Alberta and the contribution they are making to energy rates, especially the work that's happening.

Thank you.

The Chair: I'll recognize Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Well, thank you, Madam Chair. I do appreciate the last member's passionate comments in defence of REAs, and I do agree with her on the need to defend REAs and the importance of them in the history of our province, our whole province but particularly rural Alberta.

But the issue that we have – and we were watching the hon. Member for Calgary-Klein speaking on this bill, speaking specifically on the amendment. The reason that he would not support the amendment, he made very, very clear, was that there were concerns that REAs would take advantage of their members. Now, the hon. member who just spoke was very passionate about her concern for the way REAs are treated, and I want to be clear, Madam Chair, that I agree with her on that. She should be upset that one of her hon. colleagues has either shown a complete ignorance of what an REA is or that this is actually something that the government is trying to bring forward with this bill. This is an issue, so the hon. Member for Innisfail-Sylvan Lake, who rose immediately after hearing those comments, asked some very clear questions of the hon. Member for Calgary-Klein on whether or not this was the intent of this bill.

If the point is to protect REAs, then they should be supporting the hon. Member for Chestermere-Rocky View's amendment because that's the point of that amendment as well, as has been pointed out by the hon. Member for Innisfail-Sylvan Lake.

An Hon. Member: I think we need a standing vote on that.

Mr. Nixon: Yeah. I mean, the standing vote on this will be interesting.

The Member for Calgary-Klein clearly rose in this House and said that, basically, the government's policy and the reason that they were bringing forward this legislation was because they were concerned that REAs would take advantage of their members.

Now, does the government know what an REA is? Does the hon. member know what an REA is? REAs are run by their members. Their boards are run by their members. They're made up of their

members. They have a long history in this province of making sure that rural Albertans could have electricity. In fact, we would not have electricity in rural Alberta if it wasn't for REAs.

Why would it be implied, when we're talking about an amendment designed to protect REAs' autonomy and their ability to be able to do what they do – why the member would rise and say that is confusing. Certainly, I think it's the government's responsibility to rise and acknowledge that statement and explain it. If the member misspoke or misunderstood what an REA is, that's fine, but there needs to be some clarification now, for those of us who represent REAs like myself, of what exactly the government's intention is for REAs because it's very, very concerning.

Now, the hon. Member for Sherwood Park, I believe, also rose, talking about Fortis and making disparaging comments about Fortis. Why are we specifically talking about companies or specific REAs in the middle of this debate? If that is the intention of this bill, then that needs to be explained. If that is why this government is voting against this very, very reasonable amendment, because they have some sort of hidden agenda when it comes to the REAs or Fortis, that needs to be explained.

There's a direct contradiction between the MLA for Sherwood Park and the MLA for Calgary-Klein that is significant and needs to be answered. What are this government's plans for REAs now? Is it the Member for Sherwood Park's version, or is it the Member for Calgary-Klein's version? Is the government concerned that REAs are going to take advantage of their members, or is the government concerned with protecting REAs' ability to be able to do their role inside rural communities? Which one is it? I'm confused. I'm sure you're confused, Madam Chair, after hearing both of those speeches. So I would love it if the government would acknowledge that.

We'd like to hear from the minister now on what her plan is for REAs and whether she agrees with the Member for Calgary-Klein that there is significant risk of REAs taking advantage of their members and that that's why they're doing this legislation. Is this legislation being brought in in an attempt to limit REAs' abilities? Or, as the Member for Sherwood Park brought up, is this legislation being brought in to stop Fortis from doing their job? It's very confusing now, what the intention of this government is with this bill. I don't know what the government wants to do. They clearly need to get their story straight because we're hearing two very, very different versions in relation to REAs, in particular in the last few minutes, from members across the way. It's disappointing.

What is most disappointing is that there's a clear amount of ignorance from the members on what an REA is, what their implications are for rural Alberta. I think the Member for Calgary-Klein, if he misspoke, should make that clear, should rise and explain it. If not, the government needs to explain what their intention is for REAs. Is this going to be a continued attack on rural Alberta, that we have seen from the NDP? Are they continuing with their attraction to attacking rural Alberta or not?

The Chair: Fort Saskatchewan-Vegreville.

Mrs. Littlewood: Thank you, Madam Chair. It's my absolute pleasure to stand up and talk about rural electrification associations. In the constituency of Fort Saskatchewan-Vegreville I have the privilege to represent the Lakeland Rural Electrification Association, the Zawale Rural Electrification Association, and the Battle River Cooperative REA. Over the last couple of years it's been a really interesting journey in getting to know how these different REAs work on a really local level as co-operative models. I know that, actually, after I was elected, the Lakeland REA was one that reached out to me immediately because they were very excited that

the new New Democrat government shared the same ideological underpinnings as co-operatives. They were hoping that a new government with those ideologies would come forward in a way that would collaborate with them to figure out how to make those local drivers of economic development in rural Alberta sustainable, viable engines out in their communities. They want to know that there is someone that is actually fighting for them.

I know that the Wildrose members have come together on this issue because they represent mostly rural ridings. I know that these REAs that have come forward to talk to us were hoping to see new MLAs from these parties do something to better protect their futures, that had not been taken into consideration by the previous government at all. These groups out in rural Alberta, exactly like members have pointed out, came together to provide themselves with electricity when government would not help and when companies did not see the ability to make money. So they came together . . .

An Hon. Member: So why don't you trust them?

Mrs. Littlewood: I don't really know why there are members yelling at me. Maybe you could control your members. We're in agreement. We're talking about the same thing. [interjections] We all agree that these groups are incredibly important out in rural areas, out in small communities, for economic development.

An Hon. Member: But you don't trust them.

Mrs. Littlewood: I'm sorry. I don't know why the members from the Wildrose continue to yell at me. I'm sorry. I'm at a bit of a loss. I'm sorry.

Chair, is there a reason . . .

The Chair: Hon. member, please continue.

4:10

Mrs. Littlewood: I would like to, but it's a little bit difficult.

At any rate, it's my absolute pleasure to be able to represent these groups and work with them knowing that we can come together and look at how the legislation works, see how it is that we can work with other models of how it works in other jurisdictions such as the United States and how it has been a model unto itself. Because it is an agreement between someone like ATCO and the REA itself, so there is not the space in between for the Alberta Utilities Commission. It's a direct relationship that they have.

I think that we need to make sure that we find out how it is that these models can continue to be good for their members to continue to invest in. Because they look at how they buy their energy in markets, and there is, of course, instability inherent in that. I know that I've heard that from some of the smaller REAs just outside of the capital region of Edmonton, that when they buy at a rate higher for the future, you know, that they could have offered something that was more competitive if they didn't do that. But they're looking at how to make sure that they can actually provide the best value for their members, so they make those business decisions with the experience that they have.

We need to look to the future and see how we can better partner with them and their expertise. [interjections] I don't really know why the members continue to shout down REAs. It's a little bit confusing why the members opposite don't want to just work together on helping REAs into the future. You know, I think that we've been working very well on this for a couple of years, and I don't know why they're so angry that the government supports the work that the REAs are doing. Madam Chair, it's astonishing that we could be working towards helping rural Alberta and the Wildrose

would instead try to score some sort of political points off people that are really just trying to make life better for their local communities.

I really do hope that we actually have some genuine support from across the way, but I'm not hearing that. I wish that we could work together on something that would actually help people as opposed to creating these strange sort of divides against people and against communities. I am very much hoping that we can maybe strike a more collaborative tone on trying to help these REAs into the future. I very much hope that the members can get onboard with the government's plan to make these groups more viable in the future.

Thanks, Madam Chair.

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

Mr. Hunter: Thank you, Madam Chair. First of all, I just wanted to say that I think that when the Member for Fort Saskatchewan-Vegreville stands up and says that we're shouting her down, she needs to remember that we are actually giving good advice to this government to be able to make it better. Then what happens is that she gets us on *Hansard* so that it makes it look like we're shouting her down. In reality, the members opposite shout us down constantly. What I'd like to say to the member is that she might want to make sure that when she's pointing one finger, three are not pointing back at her.

Let me just talk to this really quickly. I think the issue here, that I see as a big problem – let me just read to you really quickly what the regulations say. I think it's really important, Madam Chair, to remember that this bill – I have no doubt that they believe in what they're doing and that they believe that this is in the best interest of Albertans. The problem is that there could be problems with it, so if we come up with a reasonable amendment, I think the members opposite should take a look at it.

So here's the question that I have. Under regulations it says:

6(1) The Minister may make regulations . . .

- (b) determining or providing for mechanisms for determining one or more rates per kWh for the purposes of section 2(2)(b)(i) and determining the rate, if any, that applies to a particular owner or rate class of a particular owner.

First of all, members need to remember how these rates are set. The government thinks that the rates should be set by the minister, that they could go in at any time and pick and choose the companies – and we've heard a lot about the REAs in this situation – and that they need to protect Albertans against REAs that are actually member driven. It's absolutely ludicrous that they would say such a thing. Really, the devil's in the details, Madam Chair. In reality, if the minister has this right and the power to be able to change the regulations at any time, to take away the right of an REA to set the rate, then they could create a multi-tiered scenario at any given time, a multi-tiered scenario where they pick who's going to have what rate and could drive them out.

Now, one thing that I have seen over the last two years that is extremely concerning to me is that this government continues to restrict supply. When they restrict supply, they drive up the price. Simple economics. Supply and demand create the equilibrium price. This is why for a couple of hundred years we have had very successful societies, because we've allowed the market to decide those prices. The problem is that when the minister has the right to decide what those prices are, she drives up the price.

I have said this before in this House, Madam Chair. The concern I have is that if this government, if this bill was all about protecting Albertans, would you not protect them at the 3 cents per kilowatt hour that it's at presently? Why would you wait to when it has to

get over a hundred per cent increase in the cost of this electricity before you decide to then protect them? That's what they're saying. They're saying: we're going to protect them when it hits 6.8 cents per kilowatt hour.

If that's the case, when they decided they were going to cap tuition rates, why didn't they wait for it to go up over a hundred per cent before they decided to cap tuition rates? Because they know that they would never get that vote again. They know that students would say: you guys have been completely destroying our economy, destroying our ability to get to school. So they capped the rate at the present rate. They didn't wait for it to go up a hundred per cent.

In this situation this whole idea of capping the rate at 6.8 cents when we're sitting at 3 cents per kilowatt hour is saying: "You know what? We're actually not going to protect Albertans. We're going to wait for it to go up to 6.8 cents. Then we're going to cap it, and you guys can go ahead and eat the over hundred per cent increase in the cost of electricity." How is that making life better for Albertans?

Now, the problem with this is that – I think that the Member for Chestermere-Rocky View has said: look, let's try to make this less bad. In order to do that, we want to make sure that there's an equal playing field in this market, an equal playing field where REAs and everyone else can have the same rate set. But under this regulation the way that it reads right now, the minister would be able to pick and choose who gets what, and I believe that that is a complete disaster waiting to happen.

If the members opposite believe that REAs would be okay with that, I have no idea where they'd get that kind of thinking because REAs don't need their help. REAs are member driven. They are fully capable and have been capable for quite some time now to have a strong, vibrant business model. This is the reason why we have so many REAs in Alberta. They are very capable of doing what they do because they're member driven and because they have a good business model. They don't need the government telling them how to do it.

4:20

This is the problem with this whole bill. The problem with this whole bill is that these guys are creating a scenario where they're going to dictate what the price is for each of these different entities in this market. I just think they are playing with fire on this one.

Albertans don't deserve it. They don't deserve to have them, first of all, drive up the price of electricity. I have talked to people in my riding who are absolutely irate. People who are on fixed incomes do not know how they're going to be able to deal with this. They're already struggling. They're already in pain because of the continual problems that this government keeps piling on them, and then this government is going to be complicit in driving the price up to 6.8 cents per kilowatt hour. They drive it up because they're trying hard, desperately to be able to bring in green energy.

Now, listen, Madam Chair, I believe in green energy. I want to see green energy come, but the technology has to be there. You can't drive this to happen. I gave an example the other day where I talked about a U.S. president back in the '70s, and he decided that he was going to restrict how much natural gas people could use. He drove greenhouse businesses out of business. It's interesting, as I read a little bit more about that, that he actually put solar panels on the White House. It didn't last because the technology wasn't there. It wasn't ready for it.

What we need to do is make sure that the technology is there before we start bringing in some kind of an ideological push so that it won't cost Albertans billions of dollars. This is what this boondoggle

has created. It just seems like one problem after another has been created because they wanted to push. They wanted to push their green energy strategy. We've got lots of examples – Ontario, Germany, California, lots of examples – where this boondoggle has been simmering for a long time and has cost the people, the taxpayers of those jurisdictions a lot of money. For some strange reason this NDP government believes that they've got it right this time. No wonder Albertans are concerned. No wonder we're concerned. No wonder we don't believe that they do have it right, because they haven't shown a model that does work.

Anyway, Madam Chair, again, I think this is a reasonable amendment. I think that this is making this bill less bad. It takes the power out of the minister's hand so that she cannot just arbitrarily decide a rate for each of the different entities within this playing field. I think it's an extremely important amendment, and I will be supporting it.

Thank you, Madam Chair.

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

Seeing none, are you ready for the question?

Hon. Members: Question.

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

[Several members rose calling for a division. The division bell was rung at 4:23 p.m.]

[Fifteen minutes having elapsed, the committee divided]

[Ms Jabbour in the chair]

For the motion:

Aheer	Gotfried	MacIntyre
Anderson, W.	Hanson	Panda
Cyr	Hunter	Stier
Drysdale	Loewen	

Against the motion:

Anderson, S.	Ganley	McLean
Babcock	Goehring	McPherson
Bilous	Gray	Miller
Carlier	Hoffman	Miranda
Ceci	Kazim	Nielsen
Connolly	Kleinsteuber	Payne
Coolahan	Larivee	Piquette
Cortes-Vargas	Littlewood	Rosendahl
Dach	Loyola	Sabir
Dang	Luff	Schreiner
Eggen	Malkinson	Sigurdson
Feehan	McCuaig-Boyd	Sucha
Fitzpatrick	McKitrick	Woollard

Totals:	For – 11	Against – 39
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[Motion on amendment A2 lost]

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

4:40

Mr. Loewen: Thank you, Madam Chair. Yeah, I'd like to make a few comments on this bill we're discussing here today. In particular, I would like to quote some parts of a letter from Spot Power. This is a letter to the Energy minister and CCed to all MLAs in Alberta. It starts off with:

On Tuesday, you tabled Bill 16: An Act to Cap Regulated Electricity Rates. The new bill will allow the government to place a cap on the Regulated Rate Option (RRO) for electricity. The retail price cap of 6.8 cents per kilowatt-hour will apply to those consumers on the RRO until May 31, 2021.

So they've outlined here what this bill is doing.

The subsidy, funded wholly from the Carbon Levy, will be paid to the RRO Utilities, Rural Electrification Associations (REAs) and the city of Medicine Hat to cover the difference between the calculated monthly RRO price and the government set cap of 6.8 cents per kWh.

Now, of course, they've described here where this is going to be funded from. It's from the carbon tax. Of course, the carbon tax is something that Albertans did not want and that the government did not campaign on.

It goes on to say:

All consumers in Alberta pay into the Carbon Levy Fund, but not all consumers will benefit from this subsidy. A policy that subsidizes only part of the population while requiring everyone to fund it, is simply wrong. We are all Albertans and should be treated fairly.

Since the carbon levy is just on fuel and heating and this money goes to electrical consumers, then the people that burn lots of gas, for instance, tend to pay more carbon tax, of course, and if they burn lots of gas and, say, have solar panels, then they get no return on that investment. That's what he's describing here in this letter, why it's not fair.

The subsidy payment will go to the RRO providers who are guaranteed a marginal profit based on their individual Energy Price Setting Plans. We ask you to realize that some of the utilities you are subsidizing have shipped Alberta jobs out of the province (Enmax to Tata; ATCO to Wipro; and Direct Energy to HCL). These Jobs were once provided by Albertans in fields such as Information Technology, Customer Care, and Billing Services. Subsidizing RRO providers that shipped jobs to India, Guatemala or Ontario out of Carbon Levy dollars is not right.

So this isn't having Albertans' backs. These are some of the consequences of some of this government's actions that they don't realize.

The letter goes on to say:

The main message touted by the government for this new bill is "protection of the consumer from price fluctuations". Dear Minister, it is wrong to base your decisions on what RRO prices looked like in 2012 and 2013. Market conditions have changed. The market over the last three years has been stable and today, consumers are paying 3 cents for energy, not the 15.3 cents that was seen in the past.

By using averages going back to 2012-2013, it has somewhat distorted what's happening today. It's just not necessarily using the best data.

The letter goes on to say:

Are you expecting wholesale power prices to spike again given the various energy policies that you are planning on undertaking? If the wholesale market collapses and we see a return to 15.3 cent retail prices this will cost the government almost \$120 million a month. Is this what you are anticipating?

I think that's a great question because if the prices do go back up because of this government's electricity policies, then the taxpayer is going to be on the hook for almost \$120 million a month. That's a lot of money.

It goes on:

The Cost of Energy is Not the Problem

What does the average consumer bill look like today?

They've actually got a graph, and I'll be bringing this forward tomorrow into the Legislature. But it's got a graph here, and basically what the graph is saying is:

The charges on an electricity bill can be split into two categories, regulated and de-regulated. De-regulated charges vary depending on which provider you choose to supply you with electricity. Regulated charges are set by the Wires company which services your area and remain the same, no matter who you choose to provide you with energy.

De-regulated charges include:

- The cost of electricity consumed . . .
- Administration fees

Regulated charges include:

- Balancing Pool Allocation
- Delivery Charges
- Local Access Fees

The delivery charges make up over 74% of the total costs for the consumer . . . The actual energy consumption charges make up only 14% of the total costs.

Clearly the cost of energy is not the problem.

It goes on to say:

Over the last four years, energy prices have declined every month – year after year. It was the private sector that invested \$17 Billion in building generation facilities, and consumers have benefited. Today, retail prices indexed to the cost of energy have never been lower. If the cost of energy isn't the problem, possibly the cap should be applied to the cost of distribution and transmission. Consumers can buy electricity today for between 3 to 4 cents per kWh but pay two times and as much as five times more for the cost of delivery.

He's kind of outlining some of the problems with the situation that we have here with this cap.

Now, having a cap to begin with I think is worrisome to Albertans because, obviously, what they're doing is setting the tone for where the electricity prices are going. That's worrisome, especially when you put the cap at double the rates existing today.

The letter goes on to say:

New Policies Will Cause Energy Costs to Rise

Closing coal plants, a conversion to natural gas, subsidies for solar PV, bailing out the Balancing Pool, and capacity payments being made to new generators will all contribute to pushing up the cost of generation.

Let me just kind of reiterate that. It says here that closing coal plants, a conversion to natural gas, subsidies for solar PV, bailing out the Balancing Pool, and capacity payments being made to new generators will all contribute to pushing up the cost of generation. That's a lot of things that will affect the cost of electricity in Alberta that are all as a result of this government's actions.

Now, it goes on to say:

The total annual load that is eligible for the RRO is about 19 terawatt hours . . . translated on average to [1.6 billion] kWh per month. This accounts for about 40% of the load settled through the Alberta Load Settlement System. If the wholesale market increases, thus causing the RRO to go above 6.8 cents per kWh, it is going to cost \$10 million to \$16 million in subsidies per month for every cent per kWh increase in the wholesale price. Wouldn't we be wiser to spend this money on subsidizing programs that would increase the quality of our life or help reduce the carbon footprint, rather than manipulating the market?

I think that's another good question, Madam Chair, how we're spending this money to benefit Albertans. We're spending billions of dollars here manipulating a system that was working fine, and to what end? Costing Albertans billions of dollars. That's who's paying for all this. Any time a company invests money in electricity in Alberta, that money will be recovered from Albertans.

What if the RRO spikes to 15.3 cents per kilowatt hour again? Under the cap that has been imposed, this would cost the government (consumers) \$119 million during that particular month. This program could bankrupt the Carbon Levy fund and will do nothing to reduce our carbon footprint. Does the Carbon

Levy have enough money in the budget to fund the additional expense?

These expenses could be huge, Madam Chair: \$119 million a month just on bailing out electricity companies if the price of electricity goes beyond the cap. That's a huge amount of money.

It goes on to say:

A question to consumers: where do you think the money is coming from that will be used to fund the cap? Where?

- Out of one pocket and into the other.
- Industry who is consuming 60% of the load in Alberta will be required to step up to subsidize the subsidy.

How will industry recover their losses? You know, they'll be charging Albertans, or Albertans will be paying for it through their taxes.

A higher cost of electricity will hurt consumers as well as our manufacturing and industrial sectors. When this happens, we start to lose the Alberta competitive advantage.

4:50

What this letter is stating, which is obvious, is that as you increase the costs of doing business in Alberta, that makes it less likely for companies to come here and set up businesses. It's all about having a competitive advantage over other jurisdictions. This is what we see over and over again. By driving away investment, we lose jobs, we lose tax base, and it's just a spiralling effect.

The letter goes on to say:

Does the Government Want to Kill a Competitive Electricity Market?

It is the competitive retailers in the market that drive innovation and are constantly introducing new products and services. The RRO cap will artificially tilt the playing field towards the RRO providers and away from competitive market participants. Those who will profit from the end of the competitive market are the same players who exported jobs out of the province. With unemployment still far too high, why are we going to subsidize RRO providers who shipped jobs out of the province?

That's a fair question.

The Carbon Levy is being used to subsidize 40% of the load in the province, yet the other 60% are not eligible for the subsidy but are required to pay. This taxation program will hurt the private sector, and in the long run, consumers.

Somebody has to pay for all this in the end. Who's there to pay? Of course, the consumers. Who are the consumers? Those are Albertans.

Dear Minister, we are asking you to avoid harming private sector businesses, the likes of Spot Power, and scores of others that have invested in this province.

So there's a letter from Spot Power to the Energy minister. Obviously, they're concerned. They've brought out a lot of great points as far as what this bill will do to make Alberta less competitive and to force the cost onto the taxpayer.

We all know that this bill is a way for the government to hide the true cost of electricity, to take it off the bill of Albertans and have it funded through the back door from tax money, which is also Albertans' money. That's the only reason this could have been brought forward, Madam Chair. It has nothing to do with protecting Albertans. It has nothing to do with lowering the cost of electricity. It's an admission that the electricity rates are going up, and it's an admission that this government wants to hide those costs from showing up on your electricity bill. There's no need for this bill. This is, again, another situation where the government has to bring forward bills as damage control for bills that they've already passed, bills that they passed that we warned had consequences.

Madam Chair, I'll be voting against this bill, and I'd encourage others that are concerned about Albertans and concerned about transparency to do the same. Thank you.

The Chair: Any other members wishing to speak to the bill? The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Chair. Well, there is a great deal to talk about in this bill, Bill 16. I would like to draw our attention to section 6 in particular. Regulations is the heading, and I'm going to go to subsection (g).

6(1) The Minister may make regulations . . .

- (g) respecting any matter or thing that the Minister considers necessary to carry out the purposes of this Act.

An absolute, wide open, carte blanche power given to the minister to make regulations respecting any matter or thing that the minister considers necessary to carry out the purposes of this act.

Let's have a look at the purposes of this act. Well, there are two very distinctly different narratives about the real purposes of this act. The government would have us believe that the purpose of this act is to protect Alberta consumers from price spikes on the retail side of our electricity market, up till now our competitive, free-market electricity sector, deregulated but not for long, apparently. The government claims that Albertans need protection from price spikes.

I believe it's been mentioned before. I'm going to mention it again. The RRO, the regulated rate option, is the fallback, the default rate for Alberta residential customers, small businesses, and small farms should they choose not to use a fixed-rate contract. We have available to us from multiple retail providers in this province fixed-rate contracts ranging from, I've seen, two years, three years, five years, that are already well below 6.8 cents, I should point out. I believe the current five-year contract from at least four providers is 5.59 cents. So the government's claim that the purpose of this bill is to protect Albertans from price spikes really falls to the ground when you consider that the protection has been there all along. Any of these fixed-rate contract providers also have mechanisms within those contracts for Albertans to opt out of a fixed-rate contract and go back to their regulated rate option if the customer chooses to. Some of these providers want 30 days' notice; some want 15 days' notice. In either case it's not a lot of notice. For some of them there's no penalty; you simply go back on the RRO if it's in your best interest to do so.

Right now with the rate being 3 cents, 3.1, 3.2 on the RRO, depending on your providers, it makes perfect sense to jump over there, take advantage of those low rates for a while, and if in your opinion as the consumer you want to lock things down at any point in time, then fine, phone up any of these providers. Get yourself a long-term contract or a short-term contract and protect yourself from price spikes. The deregulated electricity market that we had already had so many choices for consumers. It was in that very choice that the consumer was finding protection. They did not need Big Brother government coming along and putting in place an artificial cap over twice as high as the current RRO, strangely, and then claiming to be protecting Albertans from price spikes. They were already protected, fully protected. They could at any moment pick up the phone, call a provider, and lock down their electricity rate if they saw that rates were going to go up. It's a very simple process. That's the nature of a competitive market in a free-market economy.

Competition has always been the number one protector for consumers. We have competition in the purchasing of cars, the brand of food, the kinds of clothes we buy. You name it. There is competition out there for our business. That's where we find our protection, both in the quality of the product we buy and in the price for the product we buy. If you go around the world and you study

economic history and you look at government models throughout the world that have employed supply management regimes, those economies consistently collapse. They fail because government then becomes the determiner of what is going to be the price for commodity A or B.

It wasn't all that long ago that we saw a total collapse in Eastern bloc nations under the old socialist regime. They had shoe factories producing shoes nobody wanted. They couldn't get bread produced because the flour was being sold somewhere else. This was all managed by a central government and managed wrong. Here in this country we had supply management under the Canadian Wheat Board, and thankfully it's gone. Thankfully, it's gone. You know, there was another monopolistic, centralized, planned regime in place.

5:00

Here we have a government that, for whatever reason, seems to think that they know best and that the competitive nature of a market doesn't ensure either quality or reliability or stability or competitive pricing. They have throughout the debate on Bill 16 and others used those words, that they need to do this for the sake of reliability in our electricity system, they need to do this for the sake of stability in our electricity system, and they need to do this for the sake of volatility and for the sake of ensuring that Albertans don't experience price spikes. Well, news flash: our deregulated energy market did a really good job. It did a really good job in providing all of that to Albertans.

The system wasn't broken. This government has come along and broken it terribly. They broke it to the tune already of well over \$4 billion in unnecessary costs to Alberta taxpayers. So when we see something like this particular clause under section 6(1)(g), that "the Minister may make regulations . . . respecting any matter or thing that the Minister considers necessary to carry out the purposes of this Act," I would suggest to this House and to Albertans who are watching this debate that the real purpose of this act is not at all to protect Alberta consumers. It is to eliminate the deregulated electricity system. It is to eliminate the free market and choice. It is to eliminate consumers' only real protection, which has been competition. Its real purpose is actually to protect this government from the embarrassing reality of a series of horrific missteps in the management of this file. That is the real purpose of this bill that we have before us.

I reject the notion that this minister can be given *carte blanche* authority to make regulations respecting any matter or thing that the minister considers necessary to carry out the purposes of this act. I have no faith whatsoever in this minister or this government in getting it right. I do not want this minister or this government to be able to do whatever they want in regulation without having to come into this Chamber right here and answer for it. They saw fit to bring Bill 16 in with a 6.8 cent price tag on the cap, and as we have seen already, they want to give the minister permission to change it any way she wants. So does this section.

So I would like to introduce an amendment. I'll wait, Madam Chair.

The Chair: This is amendment A3. Go ahead, hon. member.

Mr. MacIntyre: Thank you, Madam Chair. I move that Bill 16, An Act to Cap Regulated Electricity Rates, be amended in section 6(1) by striking out clause (g) entirely. That is the amendment, to get rid of it entirely out of this bill for the reasons that I have stated. There is no way – no way – that this minister and this government should be given this kind of *carte blanche* authority to do whatever they want to, and that's what this section (g) does: "respecting any matter

or thing that the Minister considers necessary to carry out the purposes of this Act."

As I've already discussed, there is a big difference between the purposes expressed by this government and the realities of the real reasons for this Bill 16 coming before this Legislature, and I do not believe for one moment that this Minister of Energy or this government should be given permission through a piece of legislation like this to do whatever they want to a free-market system that has been working quite well, thank you very much.

They even went so far as to use as some of their justification a price spike in the RRO that went slightly more than 15 cents, failing to understand that that price spike was actually caught by the MSA and the company responsible for it fined \$56 million. Fifty-six million. In other words, our free-market economy with the built-in protection mechanisms that were put in place some time ago worked just fine. The contravening participant was caught. It went before the authorities. The authorities said: "No. What you did was wrong. You purposely went and withheld generation to force the price up. You took advantage of that, and you charged Albertans a lot of money for it. You've been caught red-handed, and now you need to pay this fine." Our system worked. The very competitive nature of the system with the built-in safeguards, specifically the MSA, worked just fine.

The government is claiming: oh, Albertans need protection because the price went up that time to 15 cents. I agree that we need protection there. We have it. It's called the Market Surveillance Administrator. They're the electricity police. They were notified of what had happened. The whistle was blown on TransAlta. TransAlta was fined. The system worked flawlessly.

Mr. Panda: How much was the fine?

Mr. MacIntyre: Fifty-six million dollars.

It's significant to realize that the system, in a completely deregulated environment, was not only working but even policing itself. The mechanisms existed. I should also note that – well, we'll talk about the MSA a little later, one of my favourite organizations within our electricity system.

As it stands right now, respecting this particular amendment that I'm putting forward before this House, I would hope that all members would consider the kind of *carte blanche* authority that is being given to this minister that has failed to demonstrate a solid understanding of the electricity file from the beginning, claiming from the beginning that she had not any knowledge of section 4.3(j), which led to this whole mess that we're experiencing right now.

Bill 34 had to come into being. The government had to bail out the Balancing Pool. Because of this minister's mismanagement well over \$700 million in the pool vaporized. The pool was fined \$29 million because of this minister's mismanagement, and we're going to give this minister *carte blanche* like this? I don't think so. I don't think so. And no accountability to do things in regulation without having to come to this House and answer for those actions? No. That is unreasonable.

You cannot come to Albertans anymore and say: trust me. That trust has been broken time and time and time again on this electricity file. Not only does the average Albertan not trust this government; the industry doesn't trust this government either. There's nothing to trust anymore. This government hit industry with a 70 per cent increase in the specified gas emitters rate. That doesn't engender trust, when you slap them like that within six weeks of coming into office. That doesn't make people trust you. Quite the opposite. Then you're shutting down coal – it's just crazy – and saying: "Trust me. We've got your back. We're making life more affordable for Albertans." Well, tell that to people in

Keephills. Tell that to the people in Halkirk, Hanna, Forestburg. Go ahead. Stand on the corner with a big sign that says, "I'm making life more affordable for you," and see what the response is.

5:10

Mr. Panda: It's an insult to Albertans.

Mr. MacIntyre: It's an insult. They're not making life more affordable for Albertans. They're hurting Albertans left, right, and centre, especially in the electricity industry. And now here we have Bill 16. It's ridiculous.

I would hope that every member will consider this amendment to make the minister come back to this House whenever the minister wants to make a change to this bill. I think it's important. I think it's important because Albertans have no reason to trust that the minister will get it right. We haven't seen any analysis. We haven't seen any assessment. We have not seen any of the deliberations through consultation, none of it. Over and over again it's the same story: "Trust me; I've got your back. Trust me; I've got your back." No. No. Not happening. We do not trust this minister.

I would hope every member will support this amendment. Thank you very much.

The Chair: Any other members wishing to speak to amendment A3?

Seeing none, are you ready for the question?

[The voice vote indicated that amendment A3 lost]

[Several members rose calling for a division. The division bell was rung at 5:12 p.m.]

[One minute having elapsed, the committee divided]

[Ms Jabbour in the chair]

For the motion:

Anderson, W.	Hanson	MacIntyre
Drysdale	Hunter	Panda
Gotfried	Loewen	Stier

Against the motion:

Anderson, S.	Ganley	McLean
Babcock	Goehring	McPherson
Bilous	Gray	Miller
Carlier	Hoffman	Miranda
Ceci	Kazim	Nielsen
Connolly	Kleinstauber	Payne
Coolahan	Larivee	Piquette
Cortes-Vargas	Littlewood	Rosendahl
Dach	Loyola	Sabir
Dang	Luff	Schreiner
Eggen	Malkinson	Sigurdson
Feehan	McCuaig-Boyd	Sucha
Fitzpatrick	McKitrick	Woollard

Totals: For – 9 Against – 39

[Motion on amendment A3 lost]

The Chair: Are there any further questions, comments, or amendments with respect to Bill 16? The hon. Member for Cardston-Taber-Warner.

Mr. Hunter: Thank you, Madam Chair. I'd like to take this time to speak to Bill 16, An Act to Cap Regulated Electricity Rates. My understanding is that if this bill is passed, the regulated rate option, which is currently around 3 cents per kilowatt hour, will be capped

at 6.8 cents per kilowatt hour. Is this not an admission from this government that the rate will more than double over the next little while? The RRO will be capped for the next four years, from June 1, 2017, to May 31, 2021. Regardless, even with their cap, we're in for a huge increase on our power bills.

This was completely shocking to me until I read further information about the file. Madam Chair, I have to tell you that after reading up on this file, I realized that this government is not in a position to govern the people of Alberta properly. This file is being completely torn to pieces, and Albertans will have to suffer the consequences of this NDP's action and inaction for decades to come.

I've been listening to a few of the speeches from the other side of the House, and it makes me wonder if any of those MLAs did any homework on the file or if they just were handed talking points and then went blindly into this foray. I have to admit that it angers me that this government is promoting this bill like they are actually sticking up for Albertan families. This is purely nonsensical. I talk to Albertans on a regular basis, and people on a fixed income especially are not happy about this bill.

You're telling us that you have to cap the regulated rate option at 6.8 cents per kilowatt hour, when currently it's 3.8 cents per kilowatt hour. Natural gas is cheap, readily available, and is capable of employing hundreds of thousands of people. What is more ridiculous is that this cap is only available for those who consume fewer than 250,000 kilowatt hours per year. So what about companies and industry, who supply Albertans with thousands upon thousands of jobs? Are you just going to cut and slash them so that they have no other option but to finally pick up and move to another jurisdiction, out of the province? Or maybe that is your plan altogether.

First, the job creators were hit by this government's massive corporate tax, then came the carbon tax, and now you're not going to protect our job makers and everyday Albertans from an increase to electricity that has been set in motion due to your radical and ideological policy decisions.

Will the government just admit to Albertans that due to their reckless NDP policy world views, they have completely turned this file upside down? They're meddling with a file they know absolutely nothing about. Albertans realize that the bill is just a cover-up due to their irresponsible rapid transition to renewables. We kept warning them over and over again: "Too fast. The economy can't handle this. Slow down. Do an economic impact study. Listen to Albertans." But they don't listen to reason, calling us climate change deniers whenever they get the chance, for political reasons, just so that they can press forward with their ideological nonsense.

5:20

Albertans are going to pay one way or the other, from job losses when industry has once and for all been decimated and forced to move, to massive debt that will occur due to the amount of money it will take to fund this cap. It's been estimated at over \$20 billion to get us to the 30 per cent by 2030. Can you believe it? Where is this money going to come from, Madam Chair? Being completely out of touch with everyday Albertans and radical ideology are going to be the financial ruin of this province, this once-great province: a massive and costly lawsuit with Enmax, funded by taxpayers, phasing out coal at an accelerated rate, and the cost to fund this cap.

I urge the government to turn back the clock on this senseless and expensive transition to renewables and help restore Alberta to a place where businesses are thriving and Albertans are earning a good living. As I look over to the other side, I plead with those sitting on the backbench to do their own research. Don't just read off your talking points without giving what you are saying a second

thought. Do the right thing and educate yourselves, if not for yourself, for your constituents, at least for the constituents, who will ultimately be paying the price.

Thank you, Madam Chair.

The Chair: Any further questions, comments, or amendments with respect to this bill? Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Madam Chair. I am very happy to rise again and speak to this bill. I would like to draw the members' attention to, again, section 6 under regulations. I'll just read it for everyone's edification here.

6(1) 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.

I find it not surprising, frankly, that we would see this kind of wording in another act with respect to our electricity system from this government. In particular, I find it interesting and noteworthy that this government wants to give the minister the arbitrary power to limit or restrict any powers or duties or functions of the commission or the Market Surveillance Administrator as the minister considers necessary. Again, here we have another blank cheque given to the Minister of Energy to completely hamstring the Market Surveillance Administrator's ability to do its job, which is policing, making sure everybody is following the rules.

We saw this under Bill 27 as well. I put forward an amendment to this Legislature to try to protect the integrity of the Market Surveillance Administrator's ability to do their job, to police our electricity system. In that particular instance, under Bill 27, this government completely restricted the MSA's ability to investigate renewables developments. For some reason the MSA can investigate everything else but not renewables. I guess renewables developments never contravene the law, according to this government. And we did debate that vigorously. I put forward an amendment. In fact, I believe I put forward a total of 11 amendments in the Bill 27 debate. They were all to do with accountability, preventing sweetheart insider details, respect for landowners, et cetera. This government voted them all down.

It was particularly telling when it came to issues of accountability. This government just hates accountability. They want to give their ministers these sweeping, broad powers and limit the accountability and restrict and, in fact, eliminate accountability, in particular for the Market Surveillance Administrator when it comes to renewables projects. It completely eliminated the MSA's ability to investigate complaints regarding renewables developments. What does that say about accountability? It says that this government hates accountability.

So here we come with Bill 16, the regulations, section 6(1) and clause (f). I'm not surprised at all. Here we have the same kind of thing again. The power of the Market Surveillance Administrator to do its job is at the whim of the Minister of Energy. The minister can add to – that's okay – and can clarify. That's understandable. But then limiting or restricting any powers, any duties, any functions of the committee or the Market Surveillance Administrator as the minister considers necessary?

What we have, Madam Chair, is a government that wants to have its fingers so deeply down into our system of doing things that it is impossible for the motions and the mechanics and the mechanisms of a free-market economy to function properly. This government is getting its fingers down into our electricity system and not just in

regulating it but in even determining what can and cannot be held accountable by limiting the powers of the Market Surveillance Administrator and the commission itself.

Clause (f), in my opinion, is one of the most potentially dangerous pieces within this legislation. In that regard, Madam Chair, I would like to introduce an amendment. I know you're surprised.

The Chair: That's amendment A4.

Mr. MacIntyre: Thank you, Madam Chair. Amendment A4. I move that Bill 16, An Act to Cap Regulated Electricity Rates, be amended in section 6(1) by striking out clause (f). Period. Strike the whole thing out.

To allow this minister the arbitrary authority to limit or restrict in any way the Market Surveillance Administrator results in the direct political interference of the minister with a body that ought not ever have political interference. Not ever. The Market Surveillance Administrator by their very mandate is there to protect Albertans, to protect the integrity of our electricity system, the stability of our system and so on, and to make sure that all of the players within our electricity system are playing by the rules, rules that lead to stable power supply, reliable power supply, and a competitive marketplace, with "competitive" defined as getting the best price for Albertans.

5:30

As I pointed out earlier, this very body, the Market Surveillance Administrator, was the body responsible for taking TransAlta to task for economic withholding that caused a substantial price spike. The MSA did their job, did it superbly. They caught TransAlta doing what they did. They had a full investigation. Everything was made transparent, public. We all knew. Everyone in the industry knew what had transpired, and TransAlta paid the \$59 million fine for what they had done. That is the blessing of having an organization like the MSA operating at arm's length, outside of the world of political meddling.

Now, I should point out, on that note of political meddling, that the Balancing Pool was supposed to operate this way, too. Yeah, they were. The Balancing Pool's mandate was that they be arm's length. Arm's length means just that, outside of the political meddling of the Ministry of Energy. But as this House knows and Albertans know, that very independence of the Balancing Pool is now under investigation because all evidence that we have seen thus far points to some very serious meddling, meddling that is costing Albertans billions. By the government's own estimate it's \$4.437 billion – \$4.437 billion – because the Minister of Energy chose to meddle where the minister wasn't supposed to meddle, in the Balancing Pool.

All right. Fast-forward to Bill 16. The very same problem is being set up here. The very same problem is being set up, where the Minister of Energy has the arbitrary power under this legislation to limit or restrict any powers. It doesn't say which ones; it's any. It's wide open here: "any powers, duties or functions of the Commission or the Market Surveillance Administrator as the Minister considers necessary." This is extremely dangerous.

Mr. Panda: They haven't learned their lesson.

Mr. MacIntyre: They have not learned their lesson from the \$4 billion mistake that they made in meddling in the Balancing Pool.

Now here we go meddling in the RRO, meddling in the Electric Utilities Act, meddling in the affairs of REAs, meddling in the affairs of the city of Medicine Hat, meddling in what is supposed to be a free-market deregulated energy market, that has done a very

good job of providing Albertans with reliable, stable, affordable electricity and that has fuelled one of the greatest economic engines in this country and that is now at risk because of this government's irresponsible and inappropriate level of meddling in that free-market economy. It's just crazy. It's a real head-scratcher.

Why would the Market Surveillance Administrator not be trusted to do their job? It's the very same thing, Madam Chair, as this government passing a piece of legislation saying: "Well, we're going to give the Solicitor General the absolute, unconditional authority to limit the powers of police to investigate crime. That minister can change, limit, or restrict any powers, duties, or functions of all police departments in this province." Does that sound like a good idea? Certainly not. But that's precisely what clause (f) is doing. It's taking the electricity police and giving the minister, who has already demonstrated a complete lack of understanding of the electricity system, that same minister who so sunk our Balancing Pool to the point of insolvency and then had to introduce Bill 34 to bail them out, an absolute, open-ended line of credit. That same minister is now being given the authority to limit or restrict any powers, duties, or functions of the commission or the Market Surveillance Administrator.

That is preposterous, Madam Chair. There is no way that this should be allowed in this bill. The Market Surveillance Administrator has a moral duty to act free of political interference. This completely reverses that. The MSA will no longer be at arm's length from political interference just like the Balancing Pool is no longer at arm's length from political interference. That political interference in the pool cost us \$4.437 billion. How much is this going to cost? How much is this political interference going to cost? And I should point out: political interference with no accountability for it, no accountability whatsoever.

It's these kinds of things, Madam Chair, that anger Albertans. It's this kind of refusal to be held accountable that angers the voters. It is these kinds of things and a long list of others like them: lack of consultation, roughshod legislation, just bulldozing legislation along, never putting anything in committee to be opened up to the public so that they can speak to things. It's that lack of accountability that is going to result in this government being brought down because the people of Alberta ultimately have the last word, and thank God for that. In 2019 Albertans are going to get to express their opinion, and they're going to get to express their hope. If the polls are any suggestion whatsoever, this government is coming down to a very resounding defeat, and it will be because of things like this, because of meddling, political meddling in a free-market economy.

I would hope that every member in this House will give serious consideration to giving a minister the power like this to meddle in what ought to be an arm's-length policing body like the Market Surveillance Administrator. This is, in my opinion, the worst part of Bill 16. It's the reason why I cannot support Bill 16. It's the reason for this amendment. It's an attempt to make it better. It's an attempt to protect Albertans, contrary to the stated intent of this government that Bill 16 protects Albertans. How is this protecting Albertans by removing the power of the MSA to actually investigate and do its job, by giving the minister the authority to say one day, "No, you cannot investigate this," or, "I'm going to limit your scope of investigation into that"? That's what this does. That's exactly what clause (f) does. How is that protecting Albertans? How is that having Albertans' backs? Well, it isn't.

I'll tell you who it does protect. It protects this government from scrutiny. That is the intent of this. It's protecting this government from the scrutiny of an organization like the MSA, who has a very good track record of scrutinizing, of catching people doing what

they should not be doing. The MSA has done a stellar job for this province over the years and will continue to do so only as long as they are free from political interference.

I would hope that every member on both sides of this House will give serious consideration to this amendment. It is an attempt to protect Albertans by giving the commission and the MSA the power that they need to do their job without interference from the Ministry of Energy.

Thank you, Madam Chair.

The Chair: Hon. members, I've got a request for unanimous consent to briefly revert to Introduction of Guests.

[Unanimous consent granted]

Introduction of Guests

(reversion)

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

Mr. Sucha: Thank you, Madam Chair. It's my honour to introduce to you and through you to all members of the Assembly a former colleague of mine from my time in Calgary, Adrian Boudreau. He currently resides in Edmonton. I'm not too sure why he's made that choice. Nonetheless, we'll do some catching up. I would ask that he please rise and receive the traditional warm welcome of the Assembly.

5:40

Bill 16

An Act to Cap Regulated Electricity Rates

(continued)

The Chair: I'll recognize Calgary-Klein on amendment A4.

Mr. Coolahan: Thank you, Madam Chair. In 2019 I think we are actually going to put to rest the politics of fear in this province.

I understand that sometimes legislation is open to interpretation, but I'm going to help the hon. member over there with the actual intent here. The purpose of this section of the proposed act is to actually enable the MSA and the AUC to administer the act and the associated regulations. In particular, the regulations will require the MSA and the AUC to carry out certain functions to administer and enforce our price cap policy. In that sense, it actually expands their role. This includes ensuring that the government is paying the correct amount to the RRO providers if the 6.8 cents per kilowatt hour cap is exceeded. You know, this is also not unique. Similar provisions related to the AUC and MSA exist in the Electric Utilities Act and the Alberta Utilities Commission Act.

Moreover, under this section of the bill the AUC's and the MSA's powers could only be restricted or limited for the purposes of this act. They cannot be limited for other purposes. So, in fact, this bill adds to the role that the AUC and the MSA play in overseeing the electricity system operations and the behaviours.

It's for all of those reasons, Madam Chair, that I will not be supporting this amendment. Actually, it would probably be a better idea if they withdrew it.

Thank you.

The Chair: The hon. Member for Livingstone-MacLeod.

Mr. Stier: Thank you, Madam Chair, and good afternoon, everyone. Interesting debate this afternoon on a very controversial subject, no question. I'd like to take the time today to speak to the amendment that we're dealing with at the present time. For those of you who are not sure just how this government is changing the law

so that the Minister of Energy can interfere with the Market Surveillance Administrator's duties, section 6(1)(f) states that the minister may make these changes through regulations:

- 6(1) 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.

Sounds like usurped authority.

Taking this all into account and taking it into context, the fact is that less than two weeks ago the Market Surveillance Administrator launched an investigation into the Balancing Pool. The Balancing Pool was established by the government of Alberta in '99 to help manage the transition to competition in Alberta's electric industry. Wildrose has obtained FOIP documents that indicate NDP government interference with the Balancing Pool. Currently the Privacy Commissioner is also investigating this matter.

The Market Surveillance Administrator also launched an investigation, like I previously stated, less than two weeks ago. This investigation could potentially unveil growing concerns that the Balancing Pool is operating coal-fired assets at a loss to undermine the competitive balance in our electricity market. Just imagine.

Now we have the Minister of Energy trying to add oversight, and we are very concerned that this bill will legally give the government the right to shut down this investigation. There's already been evidence of potential government interference, and now in order to hide their potential interference, they will use their legislative powers to override and add government oversight. If the Balancing Pool is found to be not acting in a commercial manner, they would effectively and knowingly purposely be putting the taxpayers of this province at increased risk.

If we put all the dots together, Madam Chair, we can finally see that there's an explanation for the enormous 4 and a half billion dollars in projected losses that were disclosed in the government of Alberta's fiscal plan, which you can find on page 119 of their 2017 plan. Unforgivable is the money that taxpayers will have to shell out for the lawsuit with Enmax. I would also like to include for the benefit of those listening that all of this loss will be superimposed by this government's propaganda. If it wasn't for the investigative rights the MSA now holds, this government would be allowed to cover up their interference and the true cost to the taxpayer. This right will be taken away once this bill is enacted in June of '17.

I encourage the backbenchers on the other side of the House to investigate this for themselves. All of you should be encouraged to be leaders and not just blindly follow. You can do this by educating yourselves. Don't just read the propaganda you were given.

Madam Chair, this additional section added to Bill 16 that gives the minister these powers is in essence the minister's way to control the outcome of the MSA investigation. That is clear. This should not be allowed, and it should be remembered by Alberta voters come the next election. The truth is, though, that when a government is so ideological and works in a silo and force-feeds its members and membership with repeated propaganda and ideological banter, if one doesn't think for himself or herself, they could very easily be charmed by the political rhetoric.

News flash for those of you over on the other side of the House working in silos, though: Albertans have been shaking their heads at how foolishly the NDP government has been handling their money. They will not forget that their increased debt burden, job loss, huge tax and power bills down the line are all a direct result of the NDP government's bad decisions. Albertans not only want

stability, but they want prosperity. This government is systematically destroying all hopes of the Alberta advantage.

I ask all members of the House to think for themselves and vote today to include this needed amendment. The minister does not need to politically interfere and add, clarify, limit, or restrict the powers, duties, and functions of the commission nor of the MSA. I ask everyone to think about this seriously and to please vote in favour of this amendment to end these political games. Please.

Thank you.

The Chair: Any other members wishing to speak to amendment A4? The hon. Member for Calgary-Foothills.

Mr. Panda: Thank you, Madam Chair. I'll be brief, looking at the clock. Yeah, initially I was not planning to speak. I see some backbenchers there very excited, so I'll try and get to the point here. Initially I didn't plan to speak today, but after hearing a very passionate argument here from my colleague from Innisfail-Sylvan Lake – he actually did some work on this file. You have to give him due credit for doing his homework, coming to this House, and eloquently debating on this matter. First, he's an expert. He's a subject matter expert. Second, all of us, when we are elected and sent to this House, are not expected to blindly rubber-stamp whatever the minister or the Premier wants the private members to do. That's not what we are here for. [interjection] It's not why we are here.

I'm talking to that member who is making noise there. He should first read before he speaks, before he makes any sense to people. The Member for Calgary-Klein said that this particular section, 6(f), on page 5 of this bill – this is your bill, not our bill. This is your bill. You guys drafted it. You should read that. He said that this section 6(f) enhances the powers of the MSA. On the contrary, if you read this before laughing and making stupid noises, if you read that, it reads:

- (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.

Where does it say that it enhances the powers of the MSA? Before you vote blindly, I want you to just explain.

You know, Madam Chair, people send us here to do our job. We end up paying \$4.4 billion because of the incompetence or ideological reasons of this government.

5:50

Ms McKittrick: How about your ideology?

Mr. Panda: Taxpayers. It is reality. It is \$4.4 billion.

You explain to me why you want me to support this bill first. You couldn't give me any valid reasons, and then this member, who did his homework, is giving us a compelling reason to vote in favour of this amendment, which will actually make Albertans' lives better. We have an empowered, arm's-length agency which will do the work on behalf of Albertans, which we are also supposed to do but we are failing to do here because we take the direction from the minister and the Premier and do what they want because you're the government members. I don't have that obligation. I'm elected as an Official Opposition MLA to hold the government to account and to support them if they make any reasonable acts or laws or arguments here, but they didn't.

I'm challenging them before they vote down this amendment, if you heard. I'm sure you all have good intentions because when I was hearing the member, there was pin-drop silence there. I'm sure some of the members definitely heard him making that compelling

argument. They really want to do their job, but they're forced, because of the party whip or for whatever reasons – they're not doing their job. Either they convince me not to support that amendment, or they actually support the amendment. That's the common-sense thing to do, Madam Chair, and I urge all the members there to actually read it one more time and support the amendment.

Thank you, Madam Chair.

The Chair: Any other members wishing to speak to amendment A4?

Are you ready for the question?

Hon. Members: Question.

[Motion on amendment A4 lost]

The Chair: Any further questions, comments, or amendments with respect to Bill 16?

Seeing none, are you ready for the question?

Hon. Members: Question.

[The remaining clauses of Bill 16 agreed to]

[Title and preamble agreed to]

The Chair: Shall the bill be reported? Are you agreed?

Hon. Members: Agreed.

The Chair: Opposed? That's carried.

The hon. Deputy Government House Leader.

Mr. Carlier: Thank you, Madam Chair. I'd like now for the committee to rise and report.

[Motion carried]

[The Deputy Speaker in the chair]

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

Mr. Dach: Thank you, Madam Speaker. The Committee of the Whole has had under consideration a certain bill. The committee reports the following bill: Bill 16. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

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

Hon. Members: Aye.

The Deputy Speaker: Opposed? So ordered.

The hon. Deputy Government House Leader.

Mr. Carlier: Thank you, Madam Speaker. I'd like now to call for adjournment for this afternoon and to reconvene at 7:30 this evening.

[Motion carried; the Assembly adjourned at 5:54 p.m.]

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