



Province of Alberta

The 29th Legislature
Fourth Session

Alberta Hansard

Tuesday afternoon, May 29, 2018

Day 34

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta The 29th Legislature

Fourth Session

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

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Anderson, Wayne, Highwood (UCP)
Babcock, Erin D., Stony Plain (NDP)
Barnes, Drew, Cypress-Medicine Hat (UCP)
Bilous, Hon. Deron, Edmonton-Beverly-Clareview (NDP)
Carlier, Hon. Oneil, Whitecourt-St. Anne (NDP)
Carson, Jonathon, Edmonton-Meadowlark (NDP)
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Coolahan, Craig, Calgary-Klein (NDP)
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Dang, Thomas, Edmonton-South West (NDP)
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Eggen, Hon. David, Edmonton-Calder (NDP)
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Feehan, Hon. Richard, Edmonton-Rutherford (NDP),
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Strankman, Rick, Drumheller-Stettler (UCP)
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Westhead, Cameron, Banff-Cochrane (NDP),
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Party standings:

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Legislative Assembly of Alberta

1:30 p.m.

Tuesday, May 29, 2018

[The Speaker in the chair]

The Speaker: Good afternoon. Please be seated.

Introduction of Guests

The Speaker: The hon. Member for Peace River.

Ms Jabbour: Thank you, Mr. Speaker. I am so thrilled to introduce to you and through you a school group visiting us here from Ridgeview central school in La Crête. I know that these students have the distinction of travelling perhaps the longest distance of any school students that ever come to visit the Legislature, so I'm always so excited when they come to visit. Accompanying the students are their teachers, Karie Becker, Eran Cardinal, and chaperones Abe Driedger, Chad Friesen, Angela Wiebe, Tracy Neudorf, Wilma O'Rourke, Laura Martens, Mary Jane Driedger, and Diana Driedger. I'd like to ask them all to rise and receive the traditional warm welcome of this Legislature.

The Speaker: Welcome.

The hon. Premier.

Ms Notley: Thank you very much, Mr. Speaker. It is my great pleasure to rise to introduce to you and through you to all members of the Legislature a class from McKee school, which is in my riding of Edmonton-Strathcona. This is McKee elementary. They are a wonderful group of students, who are here with their teacher, Mrs. Lisa Zimmer. In the past it has been my great privilege to visit them at least once a year and read them stories during Read In Week. They are one of the most diverse schools in the city, and they represent the face of our province's future. It's wonderful for them to be here. I'd like to ask them to rise and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

The hon. Member for Athabasca-Sturgeon-Redwater.

Mr. Piquette: Thank you, Mr. Speaker. It is my privilege to introduce to you and through you to all members of the Assembly students from Landing Trail intermediate school in beautiful Athabasca, Alberta, a very bright group. I had a chance to visit them last year and catch up a little bit today. You know, I don't think you'll find a finer bunch of bright kids in the province. They're accompanied by their teachers, Mr. Calvin Klaczek and Mrs. Hope Bradfield, as well as educational assistant Mrs. Jamie Aubé. If the students and staff can rise – I'm assuming they're behind me; there they are – and receive the warm welcome of the Assembly.

The Speaker: Welcome.

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

Ms Gray: Thank you very much, Mr. Speaker. I'm so pleased to be able to stand to introduce to you and through you to all members of this Assembly two constituents from the riding of Edmonton-Mill Woods. These individuals are active leaders in our city and in our communities, and they help to build a strong community in Mill Woods not only through their participation in their local community league, the North Millbourne Community League, but through their participation in the greater Mill Woods Presidents' Council, which

works to co-ordinate work between community leagues to share great ideas. They do fantastic work. I'd like to ask them both to rise. We have Leigh Makarewicz, who is a board member with the North Millbourne Community League, and Brandon Kowalczyk, vice-president of the North Millbourne Community League. Thank you both for all that you do for the North Millbourne Community League and greater Mill Woods. I'm so pleased to have you here with us today. I'd love for them to receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

Hon. members, I should have noticed earlier. Are there any other school groups today?

Seeing none, the Minister of Children's Services.

Ms Larivee: Thank you, Mr. Speaker. It is my great pleasure to rise today to introduce to you a great kid. Marigold Mioc is here along with her mother, Lily Ahonen. I had the pleasure of meeting Marigold and her mother earlier this month at the 2018 Great Kids awards gala. Marigold is no ordinary eight-year-old, possessing a love of CPAC, dreams of 24 Sussex Drive, and multiple selfies with the Premier on her Twitter feed. She was Little Miss Calgary in 2016 and also started her own business, Marigold's Heart Garden, selling flower headbands she used to sponsor a Syrian refugee family. Just a few days ago she cut off her hair to donate her hair to Angel Hair for Kids, which provides wigs for disadvantaged children. Marigold is working hard to make this world a better place. I would ask you, Marigold, and your mother to please rise and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Edmonton-Centre.

Mr. Shepherd: Thank you, Mr. Speaker. I have three introductions today, all from groups who facilitate and provide innovative co-working spaces in Edmonton and Calgary. First, it's my pleasure to introduce to you and through you Frances Connolly and Mariann Roberts, who are with Homestead, which is a professional co-working space here in Edmonton. Members join Homestead to have somewhere inspiring to work, a change of scenery to keep ideas flowing, and to surround themselves with like-minded Edmontonians. Their membership currently has 30 businesses and 60 individuals.

Next are Alex Putici and Arielle Land, who are with Work Nicer, one of Alberta's entrepreneurial catalysts. Since 2015 Work Nicer has seen much growth and now supports over 250 members, with two locations in Calgary and one soon to open in Edmonton. They help to build bridges that connect, empower, and grow the small businesses and entrepreneurs of Alberta. Alex is also a cofounder of the Calgary Coworking Alliance.

Lastly, I would like to introduce Tiffany Linke-Boyko, the CEO of Startup Edmonton, which is committed to supporting tech-enabled companies as they start and scale. Startup Edmonton is a thriving community that serves as home for our city's innovation and technology meet-ups. Currently they work with 900 members and 90 companies through a variety of support streams. Since 2009 they've been at the forefront of some of our country's most exciting and successful start-up and scaling companies. I ask all my guests – I see they've risen. I ask now that we provide them with the warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Banff-Cochrane.

Mr. Westhead: Thank you, Mr. Speaker. It's a pleasure to introduce to you and through you Aurora Claire Borin. Aurora lives in Banff, where she works with passion as a music educator. As a volunteer she built the Bow Valley Music Festival up to the provincial stage, where it remains a source of inspiration for young local musicians. She's a constant advocate for queer and trans folks and always makes herself available to help those in need. I'm proud to call her a constituent and a friend. I'd like to ask her now to rise and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

Ministerial Statements

The Speaker: The hon. Premier.

Kinder Morgan Trans Mountain Pipeline Update

Ms Notley: Thank you very much, Mr. Speaker. I rise today to update the House on something that is of importance to all Albertans. Today we took a major step forward for working people in Alberta and across Canada. As I said earlier today, the Kinder Morgan deal announced today puts people to work building the pipeline right away, creating good jobs. This deal and this pipeline will unlock investment in our oil sands because we are now on the path to getting full value for our energy resources. This deal and this pipeline will help us build up the things that matter to working families such as our schools and our hospitals.

As members of this House will recall, our work to get this pipeline built started three years ago. From the very beginning we said that good jobs for working people and meaningful climate action can and must go hand in hand. Put another way, any climate change plan that ignores the needs of working people is a plan that's doomed to fail, and any economic plan that ignores climate change is setting our businesses, our kids, and our future generations up to fail. We can tackle climate change and still protect our good energy industry and the jobs it creates. This commitment to working people and our environment has driven our strategy from day one.

At my first meeting with all of Canada's Premiers we convinced governments of the day to agree on the need for new pipelines through a Canadian energy strategy. We then worked with all Albertans to bring in the most comprehensive climate leadership plan on the continent: capping oil sands emissions, phasing out harmful coal emissions, putting a price on carbon, and attracting record investment in renewable energy in our province. We have travelled the country, speaking to business leaders, to workers, to investors, to environmentalists, to academics, and more, building the case for why Canada needs new pipelines, particularly to tidewater, and why this pipeline is unlike any other before it.

1:40

We've invested in winning the hearts and minds of all Canadians, making sure everyone understands the importance of our energy resources, and this work paid off. We moved public opinion. We moved public opinion on pipelines in a way that has never happened before in Canada. First, we made people aware of the project, and then we made sure people knew why this pipeline matters to working people and how it can still put us on a path to good jobs and responsible environmental stewardship. This support is growing, and it's growing on the basis of our economic arguments and our environmental arguments.

Now, a lot of commentators like to throw around the term "social licence," but it is, in fact, even about more than that, Mr. Speaker. What this comes down to is good governance. It's about building the economy for working people while protecting our environment.

Progress on the economy and progress on the environment: you cannot have one without the other. This project meets that test.

When Kinder Morgan issued its deadline on April 8, we responded immediately. We promised that the deadline would be met and that certainty would be provided, and today we are delivering on those commitments. As of today we have the most certainty that this project has ever had. That certainty is critical.

I want to thank the federal government for working with us to get to this point. After all, this is not a conflict between provinces. British Columbia took a run at the authority of the federal government and the interests of all Canadians, so we challenged the federal government to step up, assert its jurisdiction, and do whatever it takes to give investors the certainty they needed to see this project through.

In return the federal government asked Alberta to be part of the solution. We said that we would so long as three conditions were met, Mr. Speaker. First, construction needs to resume immediately; second, there needed to be certainty that the project would be completed; and finally, Albertans needed to see value for any investment that they made. I'm happy to say that those conditions have been accomplished through today's announcement. By purchasing the project, the federal government now has the power to make sure it goes ahead. Alberta has contributed to today's announcement by investing up to \$2 billion to backstop any risk. That investment would be payable only once all oil begins to flow through the pipeline, and at that point our investment would be converted to equity, maximizing the return for Albertans.

Mr. Speaker, this project will be the first direct pipeline to Canadian tidewater built since the 1950s. In a project of this magnitude, so clearly linked to the task of nation building, it is sometimes the case that the public sector does have a role to play. I would suggest that complaints about this investment are short sighted and ignore the needs of working families and Canada's economy.

The certainty provided today will be especially important to our shippers, who, as we all know and as everyone in this House knows, attract the single largest private-sector investments to Alberta and to Canada. This announcement helps them get product to market and helps us all get on the path to full and fair value for our resources. In doing so, we will ensure that good, long-term, mortgage-paying jobs are created for people and for families. That is what this is all about.

We were elected to get things done for working people. The approach to pipelines in the past let working people down. Rather than hurling insults and engaging in political theatre for political theatre's sake, we made the choice to roll up our sleeves, bring people together, and do whatever it takes to create jobs, get our resources to market, and support working Albertans. Mr. Speaker, Canadians have come together, and we brought them together.

There's work yet to be done, but, Alberta, this is a major step forward for each and every one of us. We said that we would meet the deadline; we've met the deadline. We said that we would provide certainty; we're providing certainty. We said that we'll get this pipeline built; we're getting this pipeline built. Mr. Speaker, we will not stop until the job is done.

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

Mr. Kenney: Thank you, Mr. Speaker, and I thank the hon. the Premier for updating the House and for her hard work on this important issue. The Official Opposition and the government do not agree about how we arrived at this point, but we do agree about the enormous importance of coastal access for Alberta energy products.

Mr. Speaker, it's unfortunate that some political leaders of this province have in the past referred to us as the embarrassing cousin of Confederation, that no one wants to talk about. I think most Albertans are enormously proud, not embarrassed, that we have been one of the key engines of Canada's economic prosperity, sharing hundreds of billions of dollars of our wealth with other parts of Canada and being for many years the key job-creation engine of our economy. I think most Albertans are proud to know that we are the most environmentally responsible and ethical major producer of oil and gas in the world, with the third-largest oil reserves on the planet, reserves that have a current notional value of over \$11 trillion, wealth which represents a potential for a bright future, for our ability to handle our huge and growing debt obligations, growing health care and other social costs.

But, Mr. Speaker, that wealth means nothing unless we can get it to markets at a fair price, so we agree with the Premier that it is unacceptable that we should be forced to undersell this critical asset by some \$40 million a day. It is a strategic imperative for the future of our way of life, of our economy. Indeed, I would argue that it's a moral imperative that we get Alberta energy to market so that we can compete with and, we hope, displace energy produced at much lower environmental, human rights, and labour standards by some of the world's worst regimes. That is why we must do everything we can to ensure access to coastal markets.

Now, Mr. Speaker, we find ourselves in a situation today where governments are effectively buying out a private-sector company that was willing to risk over \$7 billion to invest in the Canadian economy and in this dream of exporting Canadian energy. Today, sadly, is an indication of yet more damage done by markets and investors and their confidence in this country.

Let us be clear about what has led us to this day. The decision of the current federal government arbitrarily to cancel the approved Northern Gateway pipeline, the decision of the current federal government, through the national energy ... [A timer sounded] I didn't realize ...

The Speaker: I will give you just one more minute if you would like.

Mr. Kenney: I'm sorry. Thank you, Mr. Speaker. I wasn't clear on the time.

Mr. Speaker, the decisions to cancel Northern Gateway, to kill Energy East, to surrender to the Obama administration's veto of Keystone XL have been compounded by the failure of the federal government to ensure respect for the Constitution and the rule of law with the construction of the Trans Mountain pipeline. That is why Kinder Morgan pulled out today.

Now, Mr. Speaker, we find ourselves in this regrettable circumstance. We do not agree with the Premier that it is cause to celebrate today the failure of investor confidence, the decision of this company to withdraw from a major investment in Canada. We will with reluctance support in principle the proposed \$2 billion potential indemnification of cost overruns associated with the hopeful continuation of this project, but we will discharge our responsibility as the opposition to ask questions and demand transparency with this or any other risk of tax dollars.

We, I submit, Mr. Speaker, are no closer to certainty. We need to see the federal government step up to the plate to exert leverage on the B.C. New Democrats to ensure that the rule of law is respected, and we will continue to call on this government to do the same.

Thank you, Mr. Speaker.

The Speaker: The Government House Leader.

Mr. Mason: Mr. Speaker, I would request unanimous consent of the House to permit a representative of the third party and any independent member who wishes to respond to the Premier's statement today to do so.

Upon the conclusion of Ministerial Statements the minister of economic development would like to do an additional introduction, so I'll request that as well of the House.

[Unanimous consent granted]

The Speaker: The Member for Calgary-Elbow.

1:50

Mr. Clark: Thank you very much, Mr. Speaker. If today's announcement gets a pipeline built, it is a good day not just for Alberta but for Canada as a whole. But today's announcement doesn't actually get the pipeline built. It is just one more step on what is still a very long road, and that's why I urge the government to show some restraint. It is far too early to take a victory lap.

There are many questions still to be answered, questions like: what will the government of Alberta do to win over B.C. and those who will use any means to block the pipeline from going ahead? What are the details of Alberta's \$2 billion potential investment? Under what conditions would this investment be made? Will the investment be transparent, and will the true costs and risks be shared with Albertans? What message does it send to investors that a private company that followed every single rule the government made requires a government buyout to get a project built? Who will ultimately buy the project? Will the province push to ensure there is significant indigenous ownership in the eventual pipeline?

The Alberta Party is pleased to see that we are one step closer to getting a pipeline built to tidewater, and we will continue to hold the government accountable for making sure that this is the right deal for Albertans and, most importantly, for making sure that this pipeline actually gets built.

Thank you.

Mr. Fildebrandt: Mr. Speaker, today I rise from my seat in the Alamo as the only MLA again in this House to oppose a major decision from this government. The Trans Mountain pipeline can and must be built, but this government and the federal government have bungled it every step of the way.

Ronald Reagan said: "If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." That is the economic credo of this government: the carbon tax, emissions caps, prostrating over and over to win over nobody. This is not an investor problem; this is a government problem. Our federal and provincial governments have been more focused on obtaining a mythical social licence and pandering to extremists than on the rule of law and the Constitution.

By negotiating in public, the parties that have supported the nationalization of the Trans Mountain pipeline have handed all of the negotiating cards to Kinder Morgan. We are not getting a good deal when we negotiate in the media.

Now the Trudeau Liberals, the NDP, and unfortunately, the opposition support one of the largest corporate welfare programs in the history of our country. Alberta fought one Trudeau owning our national energy infrastructure decades ago. Now we have handed it over to another Trudeau without a fight but, in fact, with a thank you. The NDP may not care about this, but Conservatives should. We have handed Prime Minister Trudeau a chokehold over Alberta's energy infrastructure, that he will be able to use to ensure the enforcement of his carbon tax. If we attempt to scrap the carbon tax, do we believe for one moment that Prime Minister Trudeau will not simply turn the taps off on us if he owns that pipeline? This is a

multibillion-dollar corporate welfare program. It is a sellout for free enterprise, it is a sellout of taxpayers, it is a sellout of the Constitution, and it is a sellout of Alberta.

I challenge the government to put this issue to a full debate and a vote in this House no later than the end of this week. I know where I will stand.

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

Dr. Starke: Well, thank you, Mr. Speaker. Today's announcement with regard to the Kinder Morgan Trans Mountain expansion certainly raises as many questions as perhaps it answers. In fact, I see this as trading one set of uncertainties for another. I want to be clear from the outset that I share the government's – I wouldn't go as far as saying "joy." But I share the government's and, I suspect, all Albertans' – this project now has a measure of increased impetus going forward.

But I have a lot of concerns and uncertainties going forward. Some have already been articulated. Certainly, there is concern about the \$2 billion or up to \$2 billion in indemnification and what conditions they would carry with them. I think those are important things that this government must answer. I think, furthermore, that there's a larger question that needs to be answered, and it is for the private investor community, and that is: when you have a project that is approved, that is legal, that has passed every hurdle in place and is in fact opposed by, in some cases, illegal and unconstitutional means, will that project necessarily always be nationalized by some order of government? And what criteria will be used to decide whether that project is worthy of being nationalized? I think these are troubling questions and ones that should be on the minds of those of us who are here in this House.

So while I share with the government's approval, I do not share in their sense of jubilation because I suspect that today's decision, while it is positive in the short term, comes with cost. It comes with short-term monetary cost, and it comes with unknown future cost to the prospect of private investment in our oil and gas economy, one that I think is incredibly important and one that we shall remain watchful over.

Thank you, Mr. Speaker.

Introduction of Guests

(continued)

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

Mr. Bilous: Thank you very much, Mr. Speaker, and I want to thank all members of the House for allowing me to do this brief introduction. I rise to introduce to you and through you to all members in the Assembly an incredible group from Beacon Heights. They're the Beacon Heights seniors in my constituency of Edmonton-Beverly-Clareview. Their motto is: have fun, be kind, and help each other. If I may, this group really is part of the heartbeat of our community. I'll ask you to rise as I call your names: Pat Moffitt, Betty Franko, Vivian Cheperdak, Pat Sharun, Jenny Kolada, Audrey Peltier, Lil Fediuk, Alene Carter, Elsie Gizowski, and Joanne Houtstra. They're celebrating their big event, the kickoff to Seniors' Week celebration, June 4 at the Abbottsfield rec centre: crafts, hobbies, games, music. All are welcome to attend, so I invite all members of the Assembly to join these lovely seniors and many others in my riding.

Thank you very much.

The Speaker: Welcome.

Oral Question Period

The Speaker: The Leader of the Official Opposition.

Trans Mountain Pipeline Expansion Opposition

Mr. Kenney: Thank you, Mr. Speaker. Has the hon. the Premier received any assurances from British Columbia Premier John Horgan that he will stop the policy of his government to do everything possible to prevent the construction of the Trans Mountain pipeline expansion?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, we've not had any direct conversations. I can say that just today the Premier of British Columbia was quoted as saying that, in fact, what they are now doing is doing everything possible to protect the coast and that they have officially switched from it being focused on everything possible to stop the pipeline. That was in today's press conference. That being said, though, I think the real key issue here is that through the federal decision to purchase, the issue of Crown immunity changes the situation and provides more certainty than we had before.

The Speaker: First supplemental.

Mr. Kenney: Thank you, Mr. Speaker. The Premier just said that it provides greater certainty. Could the hon. the Premier please identify a single environmental organization, municipal government, First Nation, provincial government that has indicated, as a result of today's announcement, that they support and will stop efforts to obstruct the Trans Mountain pipeline expansion?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. What I can say again is that what we know is that the concern about investor uncertainty has been eliminated because the investor that is currently in play is absolutely committed to getting the pipeline built. In addition, through Crown ownership there is a legal principle of Crown immunity that actually further strengthens the role of the federal government from a legal perspective as it relates to complaints that might be raised by some of the organizations outlined although not the indigenous groups, where we were all very committed to continuing to work with them respectfully.

Mr. Kenney: Mr. Speaker, accepting the Premier's claim that federal ownership will clarify federal jurisdiction, does the Premier then support the undertaking of the federal government to sell its interest as soon as possible to private-sector shareholders?

The Speaker: The hon. Premier.

2:00

Ms Notley: Thank you very much, Mr. Speaker. Well, in fact, you know, we will keep a watchful eye on that matter, but I do know that even as the federal government is looking at that option, they are looking at doing it in a way that pairs that option with the kind of additional legal certainty that I was just referring to in answer to the last question. So we will be sure that that certainty remains. That's one of the principles that we outlined on April 8. That's one of the principles that we were very happy to deliver today on behalf of Albertans for working Albertans to build this province and this country.

The Speaker: Second main question.

Trans Mountain Pipeline Public Purchase

Mr. Kenney: Mr. Speaker, the hon. the Premier has said that the decision by Kinder Morgan to withdraw its planned pipeline expansion project increases certainty. The Canadian Energy Pipeline Association instead has said that they are concerned about the implications of the government's financial intervention for future transmission pipeline projects. Many other leaders and associations in the energy industry have echoed the same concern, that in fact today's developments do not increase but, rather, undermine investor confidence in Canada's energy sector. Does the Premier believe that CEPA and other industry groups are wrong?

Ms Notley: Well, Mr. Speaker, we've actually heard from a number of people in the energy sector today that this is good news and that this actually increases certainty and that it does not undermine it. You know, the Trans Mountain pipeline, when it is completed, will be the first direct pipeline constructed to tidewater since the 1950s. Every now and then it becomes necessary for the public sector and government to be involved in nation building. That's what many people actually elect their governments to do. We are proud to be part of it. Walking away, tying our hands, and pretending that we have no role to play: that's how you have failure.

The Speaker: Thank you, hon. Premier.

Mr. Kenney: Well, Mr. Speaker, we have failure because the federal government cancelled the Northern Gateway pipeline, killed Energy East, surrendered to the American initial veto on Keystone XL, and has still done nothing to exert pressure on the government of British Columbia to ensure the construction of the Trans Mountain pipeline expansion regardless of who happens to own it. Will the Premier agree with me that the federal government must exert pressure on the NDP government in Victoria to stop its policy of obstruction and of death by delay?

Ms Notley: You know, Mr. Speaker, the member opposite started his question by saying that what we have today is failure. I tell you, he is like the person who shows up at a dinner party empty-handed, complaining about the food and the colour of the cocktail napkins, I swear to God. This deal puts people to work, it unlocks investment, it helps us build schools, hospitals, and roads, and it gets us to tidewater. It is exactly what we said we would do, it is exactly the thing that Albertans wanted to see their government work on, and that's what we've done.

Mr. Kenney: Yet, Mr. Speaker, this is a Premier who seems to have celebrated a policy that's led us to every private-sector investor trying to build a coastal pipeline withdrawing or having been vetoed. This seems to be the NDP's definition of success, being backed into a corner and forcing taxpayers to pick up the tab. Now, the question is: given that Premier Horgan has tripled down today on his threat to do everything possible to stop the Trans Mountain pipeline, will the Alberta government use Bill 12 to exert pressure on the B.C. government to ensure construction of the pipeline?

The Speaker: Thank you.

Ms Notley: You know, Mr. Speaker, in fact, that's not exactly what happened in B.C. today, so first of all that's not true. What we will do is that we will continue to work strategically and effectively to get this job done. Today was a major, major step forward. And let me say that if someone else had been in charge and we'd adopted their path of, first, having temper tantrums at everyone who

disagreed with us and then, secondly, hurling gratuitous insults at the federal government just 'cause, you know what would happen? We wouldn't have this today. We wouldn't have a pipeline. It'd be a repeat of the previous nine years, when the member opposite was in the federal government and . . .

The Speaker: Thank you, hon. Premier.
Third main question.

Federal Policies on Oil and Gas Transportation

Mr. Kenney: Well, we do know what did happen, Mr. Speaker. We had a provincial government that signalled to Prime Minister Trudeau that he could go ahead and cancel Northern Gateway with the agreement of Alberta, that he could effectively kill Energy East with no protest from the Alberta government, that he could refuse to apply any meaningful fiscal or political pressure on the government of British Columbia without any meaningful complaint from this government. So the question is simply this. Will this government indicate to Premier Horgan that if his obstruction continues, there will be consequences?

Ms Notley: You know, Mr. Speaker, I know the member opposite likes to grab a narrative and then just hold onto it without a particular regard for the facts, but I'd like to remind the members of this Assembly that the Northern Gateway pipeline went down because the Federal Court looked at the record of the previous Conservative federal government and said that their failure to consult with indigenous people was an abject failure and that that was why the pipeline could not go ahead. So we really must clarify the record.

Our government is taking a different approach. We are talking with indigenous people, we are working with all our partners, and we will get the job done.

Mr. Kenney: The Premier is rewriting the historical record, Mr. Speaker. The court asked the federal Crown . . . [interjections]

Mr. Speaker, are you going to stop the heckling here?

The Speaker: Hon. member, I will address at what point I wish to enter in rather than it coming from a member of the House. Please proceed.

Mr. Kenney: Sure.

Mr. Speaker, the Federal Court asked for additional consultation. Enbridge continued with the plan to proceed with Northern Gateway. It was the Justin Trudeau government that vetoed it and is now hammering the nail into the coffin of those exports with Bill C-48, the tanker traffic ban, and Bill C-69, that will make it very difficult to get a future pipeline built. Will the Premier agree with me that these bills are unhelpful to the prospects of future market access for Canadian energy?

The Speaker: The hon. Premier.

Ms Notley: Thank you very much, Mr. Speaker. Well, what I will agree is unhelpful is having someone in this province who claims to be onside with Albertans in the task that we all believe in, which is getting this pipeline built, but at the same time signals to investors, signals to the opposition, works with the opposition, dines out on the opposition to the pipeline in order to serve his own political interests. The fact of the matter is that today we took a very important step forward, and what we should be doing is celebrating that fact and continuing to work together rather than cheering for the failure of Alberta's working people.

Mr. Kenney: Mr. Speaker, I didn't appoint Tzepporah Berman to the oil sands advisory committee, and I didn't appoint Karen Mahon to the oil sands advisory committee, people who are calling for the total elimination of this industry. I don't belong to a federal party that's calling for the shutdown of Alberta's energy industry. The question was simply this. Does the Premier agree with me that we should continue to pursue other potential export possibilities by encouraging the federal government to suspend Bill C-69 and Bill C-48 to create greater certainty for other prospective pipeline projects in the future?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, it's interesting. The member opposite actually belongs to a federal party that is right now saying that it doesn't think that the federal government should be putting any money toward supporting Alberta's energy industry. When it was in office, it put \$9 billion toward supporting Ontario's auto industry. You know what? The member opposite says that he stands for Albertans, but I think that guarantee is a little bit like his grassroots guarantee, here today, gone tomorrow. But maybe it's just an IT problem.

The Speaker: Thank you, hon. Premier.
The hon. Member for Calgary-South East.

Trans Mountain Pipeline Public Purchase (continued)

Mr. Fraser: Thank you, Mr. Speaker. The federal government today announced that they would purchase the Trans Mountain pipeline and the expansion. While federal ownership of the pipeline does eliminate some obstacles to this construction project, we've already seen lengthy delays, and the project could be facing significant cost overruns. In light of this, your government's decision to offer up \$2 billion worth of tax dollars can be a cause of concern for Albertans, and I think you can see that. With billions of dollars at risk, what is your government going to do to address the risk of delays in the construction?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. There's no question that there are important issues that are raised in the member opposite's question. That is why, as I've said, the government of Alberta's commitment is up to \$2 billion; it is not just \$2 billion. Moreover, it doesn't become payable until the oil is actually flowing through a completed pipeline. It's also attached to timelines, and it also, of course, assures equity interest for Albertans. So this is not a subsidy, as one member opposite had suggested. Quite the opposite. It is an investment for Albertans by Albertans.

2:10

Mr. Fraser: Mr. Speaker, we spoke in this House before about how the extraordinary measures being taken to push this pipeline could actually hurt the long-term prospects of energy infrastructure construction. The fact that there is a need for direct federal investment in this project to go forward sends a signal that every energy project won't succeed without government intervention. It also opens the door to political interference in the construction of energy infrastructure. To the Premier: what are you doing to ensure that the next piece of energy infrastructure in Alberta can succeed without taxpayer support?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. You know, as the member opposite knows, we have supported – well, we have just simply celebrated; we had nothing to do with the approval of line 3. We have committed barrels for Keystone. On this matter, of course, yes, the government is involved. As I've said before, when you're talking about the first new construction of a pipeline directly to tidewater since the 1950s, sometimes it's necessary for the public, for the government to be involved. But, overall, this is going to provide more investor certainty, not less, and we're committed to ensuring that that principle is met.

The Speaker: Second supplemental.

Mr. Fraser: Thank you, Mr. Speaker. Aside from the few leaks of this government, the negotiations with Kinder Morgan and the federal government were basically done behind closed doors. We totally understand the need to protect commercially sensitive information, but, Premier, I think you would agree that facts matter. The fact that this project soon could be owned entirely by taxpayers means that it is basically no longer acceptable for the details to be withheld from the public. Premier, since it's taxpayer dollars and it's their investment, it's time we release all the details regarding this project. Do you agree with that?

The Speaker: The hon. Premier.

Ms Notley: Thank you very much, Mr. Speaker. I definitely agree that there will come a point where, absolutely, all Albertans need to see all the details. We are still at a point, though, where some of the information is commercially sensitive. That's why what we've been able to communicate today are some high-level principles which we hope will assure Albertans in the short term: one, that they are getting equity value for their investment; two, that there is certainty associated with the project; and three, that it's only up to \$2 billion, that it is not the full \$2 billion. We know that more information needs to be forthcoming, but we also need to respect the issue of commercial sensitivity at this point.

The Speaker: Thank you.
The hon. Member for Edmonton-South West.

School Maintenance and Repair

Mr. Dang: Thank you, Mr. Speaker. Now, P3s were sold to the public as a cheaper way to build schools quickly, but it's pretty clear that you get what you pay for, and we need to make sure that these schools are safe for students. My office has been in contact with Alberta Infrastructure on a regular basis on drainage issues. Given that this ongoing issue around P3s has been happening for years and is dangerous for students, what is the government doing to ensure that our school sites remain safe environments for students to learn in?

The Speaker: The hon. Minister of Infrastructure.

Ms Jansen: Thank you, Mr. Speaker, and thank you to the member, who actually has done some pretty incredible advocacy on this issue, and that is much appreciated. You know, the previous government, of which I was a part, had certainly a zest for P3s. You know, we were talking about some poor design and a lot of problems at these schools. We have a situation now where Alberta Infrastructure meets every month with the school board and the P3 contractor to review some important issues, as you have mentioned, and they include repair requests from the schools, security clearance issues, health and safety concerns, and we're keeping . . .

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

Mr. Dang: Thank you, Mr. Speaker. Now, to the same minister: what is the minister doing to ensure that those landscaping and mud field issues do not continue into the next year?

The Speaker: The hon. minister.

Ms Jansen: Thank you, Mr. Speaker. Well, as the member said, there are some significant problems at some of these P3 schools, and we meet every month to discuss them. I have seen mud at these sites. It gets tracked into the schools. It gets tracked into the bathrooms at the schools. It creates a tremendous amount of mess and a health hazard for the kids. These badly designed contracts have been an obstacle to fixing these problems. We are going full tilt this summer, and we're going to fix all of these things ourselves just as soon as the school kids get a break for the summer.

The Speaker: Thank you.
Second supplemental.

Mr. Dang: Thank you, Mr. Speaker, and thank you to the minister for the answer. Again to the same minister: how will the government be handling P3 schools in the future?

The Speaker: The hon. minister.

Ms Jansen: Thank you, Mr. Speaker. Well, all of our new schools are public builds, and Alberta's population is growing. Families are coming to Alberta from across the country and, in fact, from around the world. We have schools to build, and we need to build them for a growing population, so we're going to do it by building schools as public builds. The previous government's approach did not work, and we're going to take the approach we're taking and know that we have full control over the maintenance of these schools.

The Speaker: The hon. Member for Calgary-Mountain View.

Trans Mountain Pipeline Public Purchase (continued)

Dr. Swann: Thank you, Mr. Speaker. Like many Albertans, the Alberta Liberals and leader David Khan are pleased to see the federal Liberal government negotiate a deal to help the Kinder Morgan pipeline expansion proceed, a significant economic opportunity for Alberta and Canada, allowing Alberta to safely send its energy products to new markets at a better price. However, there are still unanswered questions and concerns about our environmental and public liabilities. Premier, will the Alberta government now commit to annual full-cost accounting as we triple our greenhouse gas emissions in relation to that pipeline and, according to the Parkland Institute, exceed our hundred megatonne . . .

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

Ms Notley: Well, thank you very much, Mr. Speaker. Let me begin by saying very clearly what I've been saying to many people for about two years: that underlying assumption is incorrect. We will not be tripling our greenhouse gas emissions. This is because we have put a cap on emissions. That's one of the fundamentally important pieces of our climate leadership plan. This pipeline is not about increasing emissions. What this pipeline is about is increasing the value and the return for Albertans on the product that we will

ship regardless, whether it's on pipeline or whether it's on rail. So the assumption is, unfortunately, not correct. We will of course commit to as open an accounting as . . .

The Speaker: Thank you, hon. Premier.

Dr. Swann: Mr. Speaker, I and others need help in understanding how you can triple the capacity of a pipeline without increasing emissions from the oil sands.

Given, however, that Albertans need to be off the hook, will you commit to annual reporting in relation to the \$26 billion cost liability for reclamation of the tailings ponds and their cleanup? Will you commit to annual reporting on that \$26 billion liability for cleanup?

The Speaker: The hon. Premier.

Ms Notley: Thank you, Mr. Speaker. Well, in answer to the first part of the question let me just say that the way you do that is that you take the product off rail and put it onto pipeline. That's what's going on here. Secondly, of course, you engage in the innovation that our climate leadership plan is investing into the oil and gas sector, that will result in reducing the amount of emissions in any barrel of oil produced. That's how you deal with the first thing.

With respect to the second thing our Minister of Energy and the minister of environment are working carefully and rigorously on the issue of dealing with the tailings ponds liability, and we'll have more to say in . . .

The Speaker: Thank you.

Dr. Swann: That's been dragging on for I don't know how many years, Mr. Speaker. I look forward to a deadline for that negotiation.

Will the government commit to not using the green fund, the carbon tax, or the heritage savings fund to pay for this project's liability?

The Speaker: The hon. Premier.

Ms Notley: Thank you very much, Mr. Speaker. Of course, because the amount of money – it could be, you know, \$5 or up to \$2 billion – will not become payable until the oil is flowing, we will in fact see a significant bump in annual revenue. We have a great deal of flexibility in terms of how that money would be provided and the pace at which it's provided. But this is the fundamental principle: Albertans will get value for money. It will not be a payment; it will be an investment.

Electric Power Prices

Mrs. Aheer: Mr. Speaker, electricity is now subsidized by taxpayers when the price spikes over 6.8 cents per kilowatt hour. As a result, small industrial users of electricity like Alberta farmers are exposed to the increase of electricity prices as their price is not capped. On May 23 electricity prices spiked over 90 cents per kilowatt hour. To the Minister of Energy: why are you not telling consumers to shop around and get locked into fixed-rate contracts to ensure their electricity prices remain stable, to minimize the subsidies that you pay out?

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. As I've said before, we are doing many things to protect consumers, you know, as we transition from coal-fired electricity to renewables. One of the pieces, in addition to providing a cap and several things like that, is

an education piece. We have been putting out some things in the mailers with some of the bills, and we will continue to do so. Absolutely, we've encouraged companies to market their products to customers so that they do know that they have a choice.

2:20

Mrs. Aheer: Actually, Mr. Speaker, with all due respect, one of the constituents in my constituency was told by Enmax that they should probably pick a fixed rate very soon as electricity prices spike.

To that, the NDP government shelled out millions in April to backstop electricity prices and, unlike in Ontario, with failed electricity prices and policies, the NDP is shutting down baseload power plants, driving those prices higher, throwing thousands out of work. Minister, are farmers and ranchers in my constituency going to have to make the choice between running their operations and keeping their families warm at night?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. Certainly, any reference to Ontario is somewhat misleading because we have a totally different system than theirs. We chose a far different path than Ontario did. We're using competitive auctions, that have set record low prices, and we're also encouraging projects to be where we already have infrastructure. We are not building new infrastructure.

With respect to the cap, the cap is quite high, and many farmers and ranchers actually come under that cap. So if there's a particular case in point, I'd invite the member to contact my office, and we'll look at it.

Speaker's Ruling Preambles

The Speaker: Hon. members, I continue to be challenged by the artful skill that many of you have here with respect to preambles, and every day I find a surprise. I would, however, urge you to put your paintbrushes down if you could at certain occasions and be specific with respect to the questions. I appreciate your assistance with that.

Thank you.

Please proceed.

Electric Power Prices (continued)

Mrs. Aheer: Thank you, Mr. Speaker. Well, given that these pieces of education aren't making it out to our rural farmers and ranchers and constituencies and given that they have to run electric pumps to move water to cattle and to irrigate crops and given that these small industries are not getting a rate cap on their electricity bill and are getting double whammy from the NDP's carbon tax, how can the minister go around saying that they're making life better for Albertans, when all they've done is increased input costs for the food we eat, making basic groceries cost more and more, reducing the money in the pockets of the farmers to the point where many of them are having to leave the industry?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. You know, increases in costs have quite a few factors.

The cap itself is 6.8 cents, and it has not risen in the last while. In fact, we've been paying some of the lowest prices right now. We

are working with REAs. If the hon. member's constituent is in a REA, we are working with them. Everybody is going to be under the cap. Again, we have a fairly high threshold, so if they're above that, I encourage the member to have them contact our office. We'll work with them.

Trans Mountain Pipeline Public Purchase (continued)

Mr. Hunter: Mr. Speaker, this morning we were glad to hear that the Trans Mountain pipeline project was not permanently cancelled. However, to be clear, we're in this situation as a result of the inaction of the Trudeau Liberal government, with no opposition from this Alberta NDP government. With the private sector sidelined now, the burden and risk are, unfortunately, shifted onto taxpayers, and the B.C. NDP and activists are still refusing to back down. Minister, how will this new deal alleviate the uncertainty caused by the illegal protesters in B.C.?

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. You know, the deal announced today is a huge, major step not just for Alberta but for Canada. You know, when Kinder Morgan announced their concerns on April 8, we took to talks between our government and the federal government, and today we're celebrating that commitment and the hard work of our Premier. We're pleased with the work the federal government has done, and we're pleased to continue that work until that pipeline is in operation.

Mr. Hunter: Mr. Speaker, given that today the Trudeau government repeatedly dodged and deflected when asked if they were going to take any action to end the disruption tactics in British Columbia and given that B.C. has been effectively blocking this project for over a year now, will the minister please tell us their plans to address the Trudeau Liberals' failure to take action to end the death-by-delay tactics in B.C.?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. You know, the deal that we heard about today is a good gain for Albertans and for Canadians. It puts people back to work on the pipeline in the next few weeks. The deal is that it's going to unlock capital, and it's going to provide assurance that this pipeline will go forward. I know that people up where I live are very excited today, and in a number of interviews I did, there's a lot of excitement and a lot of hope in Alberta. We're going to get this pipeline built.

Mr. Hunter: Mr. Speaker, my question is simple. Had the federal government and the Alberta provincial NDP government not procrastinated until this late hour, would Alberta taxpayers have been required to purchase a viable project that was already fully privately funded?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. You know, what happened in the past with all the efforts of the previous Conservative government and the federal government was zero. Our efforts have gotten us two pipeline approvals, and today we're closer than ever to getting that pipeline built. We've been clear from the get-go. There is no outcome but to get that pipeline built, and we're going to do what it takes to continue that work until that oil is flowing.

Premier's Former Chief of Staff's Consulting Contract

Mr. Cooper: Mr. Speaker, yesterday I asked the government to explain why it rehired John Heaney, the former chief of staff to the Premier, as an adviser despite obvious ethical issues with his employment, including the fact that he's a registered lobbyist in British Columbia. Yesterday the minister assured us that he had worked closely with the Ethics Commissioner to achieve an exemption. To the Minister of Finance: what exactly does that exemption allow Mr. Heaney to do?

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

Mr. Ceci: Thank you very much. The contract is an addendum. It's structured as an addendum to Mr. Heaney's contract. We sought the advice of the Ethics Commissioner. Of course, that addendum allows him to have outside employment, and he has done that.

Mr. Cooper: Mr. Speaker, given that in January of 2018, three months after the contract had begun here in Alberta, Mr. Heaney resigned and Mr. Heaney registered to lobby on behalf of a cannabis company, Nuuvera, to communicate with the government about the production, distribution, and sales of cannabis in B.C. and given that part of his role here in Alberta is to advise the Finance minister, the very minister responsible for establishing a retail market for cannabis in Alberta, does the minister not see this as any form of conflict of interest?

Mr. Ceci: I think I explained yesterday that Mr. Heaney's role with regard to Treasury Board and Finance is talking about the path back to balance, Mr. Speaker, a path back to balance that gets us by 2023-24 to a zero balance. It is not around cannabis.

With regard to his contract the exemption is to work outside of government. Again there's mudslinging from the other side. Mr. Heaney's contract says that he is not permitted to lobby government members in this province or employees of the government, so he's not working on behalf of those cannabis . . .

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

Mr. Cooper: Mr. Speaker, given that this government has been on record talking about how it operates in voice mode and given that Nuuvera is also registered and engaging in lobbying the provincial government of Alberta with respect to distribution and sales of cannabis and that now Nuuvera's lobbyist in British Columbia is a government of Alberta employee, could the minister please again state for the record that he sees no ethical issues whatsoever in the lobbyist also being a government of Alberta employee?

Mr. Ceci: I think what I'll say, Mr. Speaker, is that Mr. Heaney is on contract with the government of Alberta. He has worked with the Minister of Energy and my department around the path back to balance and with that department around the Trans Mountain pipeline and advising on that. He is not permitted to lobby the government members in this province or to talk to members of government in this province.

Environmental Advocacy

Mr. Westhead: Mr. Speaker, in December of 2016 this Assembly passed my private member's motion, Motion 511, which urged the government

to increase its efforts to conserve and manage public lands in Alberta's headwater regions to optimize downstream water security for future generations of Albertans.

On May 15 of this year this government announced the world's largest protected contiguous boreal forest. To the Minister of Environment and Parks: what role did that motion play in that decision?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker, and I want to thank the hon. Member for Banff-Cochrane for his strong advocacy and hard work on behalf of his constituents, who want to see us leave a legacy of conservation and protection of nature to future generations. We've heard questions around market access and around Alberta's environmental performance in the past, and that's one of the reasons why we moved forward with the largest protected boreal forest area in the world. We have heard those concerns around headwater protection that were brought up by the hon. member, and we've acted.

The Speaker: First supplemental.

Mr. Westhead: Thank you, Mr. Speaker. Again to the same minister: what other initiatives has the government undertaken as a result of my private member's motion?

2:30

The Speaker: The hon. minister.

Ms Phillips: Well, thank you, Mr. Speaker. You know, on this side of the House we continue to recognize the importance of headwaters, of responsible management of those headwaters. The Member for Banff-Cochrane on behalf of his constituents continues to advocate for those issues every day. One of the things that we did as a result of his advocacy was establish the Livingstone-Porcupine Hills as public land-use zones, which follows through on our commitments to science-based land management and protects the environment and protects people's private property as they go about their business of ranching and farming and so on.

Thank you.

The Speaker: Second supplemental.

Mr. Westhead: Thank you, Mr. Speaker. To the same minister: how do jobs and the economy work together with efforts to better conserve and manage our environment and natural spaces?

The Speaker: The hon. minister.

Ms Phillips: Well, thank you very much, Mr. Speaker. Of course, the Member for Banff-Cochrane is always a strong advocate for things like species at risk. When we have native trout populations that are in good shape, then we can grow our tourism industry, for example, and we can give our children those high-quality outdoor experiences. That shows what we can do when we work together and when we actually care about the environment that we bequeath to future generations.

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

Education Concerns in Calgary-Elbow

Mr. Clark: Well, thank you, Mr. Speaker. This past weekend I held a town hall in my constituency to allow parents to weigh in on recent changes to student transportation that resulted from Bill 1

and to hear from them on other issues in education. I committed to ask questions on their behalf, so my questions today come from those parents. To the Minister of Education. Parents expressed a desire to move French immersion from the definition of alternative programming and make it part of a designated program. Given that Canada is a bilingual country, to the minister: will you make this change, and if not, will you amend Bill 1 to allow parents to pay extra to ensure adequate and timely bus service for students in alternative programs?

The Speaker: The hon. Minister of Education.

Mr. Eggen: Well, thank you, Mr. Speaker. I can notice a marked improvement in the quality of questions based on the fact that they came from those fine parents in Calgary, so that's great.

Certainly, we're looking at all aspects of transportation. We have a transportation survey that we're working through right now, and we are looking for ways by which to make changes to the walk limit and to other aspects of busing as well. We know that we need to make an investment to ensure that busing is safe and that it is economical as well. So between the two, working with parents, working with school boards, we'll find a solution that is amicable.

The Speaker: First supplemental.

Mr. Clark: Thank you, Mr. Speaker. No parents smarter than those in Calgary-Elbow.

Mr. Speaker, given the strong support expressed by parents who attended my education town hall, their support for public education, and given questions from parents of students in the public, charter, and private education systems, to the Minister of Education: what is your vision on funding for private, charter, and public schools?

The Speaker: The hon. minister.

Mr. Eggen: Well, thank you, Mr. Speaker. As you've heard from the beginning, we have one of the fastest growing populations, the youngest population in Canada and tremendous enrolment growth right across the province in our schools, especially in urban areas. So we need all the capacity we can get, quite frankly. The choice that we do have available to us between each of the forms of education: francophone, public, separate, charter, and private are all certainly not just required but I think provide an excellent level of education here in the province of Alberta. Indeed, we have one of the best education systems in the country.

The Speaker: Second supplemental.

Mr. Clark: Why, thank you, Mr. Speaker. Now, given that one of the issues that has been particularly challenging for parents in Calgary-Elbow and the rest of the city is disconnected bell times due to student transportation constraints and given that there are some middle schools that start over an hour after their feeder schools and given that this makes it very difficult for families with kids in both schools and has a negative impact on parents' ability to maintain regular work hours, to the Minister of Education: have you met with parents to discuss these concerns, and if not, will you meet with them?

The Speaker: The hon. minister.

Mr. Eggen: Yes. Well, thank you, Mr. Speaker. Certainly, the issue around bell times in the city of Calgary is something that I've heard a lot about. Certainly, you want to make sure that it is convenient so that you have some synchronization between kids in different levels of school and so forth. So, yes, I have, but, yes, I will in the

future, too. You know, it's important for us to make investments in education. We've done so over the last four budgets, and we continue to do so now, with \$77 million for our classroom improvement fund, for example, which resulted in the hiring of more than 140 new positions in the city of Calgary, in Calgary public alone.

Aerospace Industry Promotion

Mr. Schneider: Mr. Speaker, 10 years ago Alberta's four government-owned firefighting air tankers went through an upgrade and conversion to run turbine engines. Now Longview Aviation Asset Management, which is a division of Viking Air of Calgary, has a new conversion kit to turn this type of aircraft into CL-415 enhanced aerial firefighters. Can the minister advise us today: what is the future of Alberta's four aging, government-owned air tankers, please?

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

Mr. Carlier: Thank you, Mr. Speaker, and thank you, Member, for the very thoughtful question. Are those air tankers in particular? They are. They still have some use to them. The air tankers are deployed across the province as contract air tankers as well. To update the House, we have well over a thousand wildland firefighters today supporting our communities, supporting our citizens, supporting our infrastructure across the province. There are extremely dry conditions, as you know, and I'm encouraging all Albertans to be extra careful as we all pray for some rain.

Mr. Schneider: Thank you, Minister. Given, Mr. Speaker, that aircraft conversions and new builds are able to be exported to all corners of the world, can the Minister of Economic Development and Trade confirm or deny for us that Longview Aviation Asset Management or Viking Air is a recipient of the capital investment tax credit, the Alberta investor tax credit, or any other assistance programs?

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

Mr. Bilous: Thank you very much, Mr. Speaker. We've done some work with Viking Air as far as their plans to open a facility in Calgary go. I don't want to misspeak in the House, so I will get back to the member. I believe that they did qualify for the capital investment tax credit, but I will verify that and get it to the member.

Mr. Schneider: Thank you, Minister. Given, Mr. Speaker, that the Edmonton Airshow is quickly gaining a reputation as being the aerospace showcase for Alberta's aerospace industry and given that the aerospace sector has a shortage of pilots and mechanics, jobs that are knowledge based and high tech and well paying, Minister, what are you doing to encourage Alberta-based industries like Viking and educational institutions like SAIT to showcase their high-tech products and programs to the public at this annual gathering of over 40,000 people?

The Speaker: The hon. minister.

Mr. Bilous: Thank you very much, Mr. Speaker. I'll thank the member for the question. I recently spoke at the aerospace conference in Calgary, where there is significant expertise and interest in really developing our aerospace sector. There are a number of different companies throughout the province of Alberta, and we have quite a few strengths. I know that there is a role that we have played as far as engaging with postsecondary institutions

to look at how we can maximize the use of training and education to help fill the supply of pilots around the world. We have an incredible flight simulator at Edmonton International Airport, that's booked year-round.

The Speaker: Thank you.

Air Ambulance Service in Peace River

Mr. W. Anderson: Mr. Speaker, for several weeks I've been inquiring into the procurement and subsequent award of air ambulance contracts and specifically the level of service or lack thereof. On May 10 during question period I asked the Minister of Health about a specific situation at the Peace River Airport on April 29, where a medevac plane was stuck in the mud for over two hours during a patient transfer. The minister responded by saying that she would look into the incident. On the 14th of May the minister's response to my colleague's question was that she was tired of the mudslinging and was going to "set the facts straight" and told this Assembly that the delay was only 10 minutes. While speaking, the minister motioned to a document she was holding. Can the minister commit to tabling this document or any other documents that show the delay was only 10 minutes?

The Speaker: The hon. Minister of Health.

Ms Hoffman: Thank you very much, Mr. Speaker. The truth is that that hon. member said that it was an emergency transfer. It was not an emergency transfer; it was a routine transfer. That hon. member said that they were stuck for two hours. They were stuck for 10 minutes. A second plane did get called in because it wasn't an emergency, and the second plane was used rather than using the original one. I'd be happy to provide confirmation of that. This is that confirmation as well. Certainly, if the member requires me to put something in writing to his office, I'd be happy to do that. Our number one priority is to keep Alberta patients safe, and that will continue to be the number one priority.

Mr. W. Anderson: Mr. Speaker, I never mentioned that it was an emergency transfer.

Given that the chief operating officer of Peace River e-mailed the Minister of Health on May 11 and that in his e-mail he expressed concern over the air ambulance service in his region and the reduction of patient care resulting from it; furthermore, given that he described the incident on April 29 as a medevac being stuck in the mud for two hours, not the 10 minutes the minister stated, can the Minister of Health clarify this discrepancy between the information provided by the chief administrative officer of Peace River and the information the minister stated on May 14?

Ms Hoffman: I can tell you that the plane itself was stuck in the mud for 10 minutes, that a second plane was called. Because it wasn't an emergency transfer, they waited for a second plane rather than using the other one. If it was an emergency, certainly, they could have used the plane once it was dislodged from the mud, Mr. Speaker. The second plane did take more time. Again, because it wasn't an emergency, that was deemed as the best mode of transport. But I can tell you once again that nothing is more important to our province, to our government, and to the people of Alberta than ensuring patients' safety, and that will continue to be the top driver in Peace River and every other part of the province.

2:40

Mr. W. Anderson: Mr. Speaker, given that the town's security cameras captured the entire incident, specifically showing that the

delay was in fact two hours and not the 10 minutes that the minister stated, will the Minister of Health set the record straight? Why did she say that this level of service is an improvement in patient care? Obviously, it's not.

Ms Hoffman: Just to reiterate what I said, the plane was stuck for 10 minutes. Rather than using the same plane again, once it was dislodged, they called for the second plane, Mr. Speaker. Because it wasn't an emergency, that was deemed by the people working in the community and closest to the patient as the best mode of transport. So a second plane was called in.

Again, the remarks that the member opposite is referring to: he's being very fast and loose with the truth. It smells a little bit like somebody's pants might be on fire. I certainly want to make sure that we protect all of the people of the province of Alberta, that we keep them safe and that we ensure that they have the very best access to the very best care no matter where they live, Mr. Speaker.

Coal-produced Electric Power from Montana

Mr. Panda: Mr. Speaker, during budget estimates the Minister of Energy asserted: "It's absolutely false. The Alberta government does not purchase coal-fired electricity from Montana under any arrangement." My question to the Minister of Energy: if the government of Alberta does not purchase coal-fired electricity from Montana, then who does? Is it the Alberta Electric System Operator, AESO?

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. The contract that is referred to there is a private contract. It is not anything to do with the Alberta government. It is a private contract. I can't remember the number of kilowatts. It's a very small contract between a private operator and Montana.

Mr. Panda: Mr. Speaker, given that the Montana-Alberta tie-line has a rated capacity of 300 megawatts and given that there is only 189 megawatts of wind power being stored along the transmission line, to the minister: when AESO draws more than 189 megawatts from Montana – and I know they do – who is the generator supplying the electricity to Alberta? Are you sure it is not coal-fired electricity? Do you really know?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. As I said, this is a private contract. I don't know the details because it's a private contract, private company. It is not the Alberta government. If the member wishes, I could delve into it and see what I could find out, but I'm guessing that when it's a private contract, it's not any business of the government.

Mr. Panda: Given, Mr. Speaker, that the purchase of coal-fired electricity from Montana would represent gross carbon leakage from Alberta to Montana and given that such carbon leakage demonstrates an abject failure of the NDP government's signature climate leadership plan, Minister, will you admit that Montana's coal-fired electricity will continue to enjoy a prominent, low-cost place of privilege in the forthcoming Alberta capacity market?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. What I can say is that the capacity market is being designed as we speak. It's spoken to in Bill 13. It will be a competitive process. It will be, I assume,

Alberta companies applying, and there'll be more to say once we go through that process. I appreciate the question, but it is misinformed and not totally full of facts.

The Speaker: The hon. Member for Edmonton-Mill Creek.

Postsecondary Education Funding

Ms Woollard: Thank you, Mr. Speaker. Alberta has some of the best postsecondary institutions in the world. We're proud to welcome students from around the globe who want to live and study in our province. However, the cost of education for international students can be very high. To the Minister of Advanced Education: what is being done to support our international postsecondary students studying here in Alberta?

The Speaker: The hon. Minister of Advanced Education.

Mr. Schmidt: Well, thank you, Mr. Speaker. Certainly, for any international students who want to take a class on getting pipelines built, Alberta is the place to be. Alberta remains a destination for international students because of our high-quality education and our top-ranked universities and colleges. We proudly welcome students from around the world, but they do need to pay a cost that reflects the true cost of their education. They do pay higher fees, but our government believes that international students should be treated fairly. Unlike the Conservatives, we are not going to balance the budget on the backs of students. We're going to ensure that all students . . .

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

Ms Woollard: Thank you. Thank you for your answer. Under the previous Conservative government tuition fees spiked rapidly and funding to universities and colleges was inconsistent. What are you doing to provide predictability and stability to our postsecondary institutions?

The Speaker: The hon. minister.

Mr. Schmidt: Well, thank you, Mr. Speaker. Unlike Conservatives, our government believes that all Albertans deserve an affordable and accessible higher education. We're proud to invest in new and creative ways to support students whereas the Conservatives want to look at gouging students, like implementing market modifiers on tuition fees. On this side of the House we're proud to have increased funding to all institutions by 2 per cent as well as provided backup funding to compensate for the tuition freeze. We've frozen tuition for four years. We've made a commitment to predictable and sustainable funding, and we've stuck to it. Finances should never be a barrier for anyone who wants to get an education.

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

Ms Woollard: Thank you, Mr. Speaker. While costs for students rose under the Conservative government, so did compensation at the highest levels. What has the government done to bring executive compensation in line with the rest of the country?

Mr. Schmidt: Well, Mr. Speaker, our university and college presidents do critical work to ensure that their institutions deliver the high-quality education that students deserve, and they should be fairly compensated. But for too long the previous Conservative government let compensation packages get way out of control and

way out of touch with the expectations of Albertans. Postsecondary executive compensation in Alberta was the highest in the country. These changes that we finally brought in will bring those salaries in line with presidents' compensation in the rest of Canada, and those savings will mean more money in our classrooms and more affordable education for our Alberta students.

Premier's Former Chief of Staff's Consulting Contract (continued)

Mr. Cooper: Mr. Speaker, the rehiring of John Heaney, the former chief of staff to the Premier, is shady at every single turn. Mr. Heaney started work just weeks after resigning in October; however, his contract was not signed until February and wasn't posted online until May 15. The Auditor General has warned this government on numerous occasions about starting work without signed contracts.

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

Mr. Ceci: Thank you very much. Let me say, first, that after leaving his position as the chief of staff to the Premier, Mr. Heaney was retained as an executive adviser for both the Minister of Energy and myself. He was tasked with providing us legal advice, Mr. Speaker, on pipeline and market access, and he's been doing that – this is a good day for pipeline access, so he's very good in this job – and he's also helped us on the path to balance. There was discussion about how best to structure his contract based on the advice from the Ethics Commissioner. We've done that.

Mr. Cooper: Mr. Speaker, given what we've just heard from the minister, in fact, that Mr. Heaney was asked to provide legal advice to the Department of Energy, and given that Mr. Heaney is not a registered lawyer in the province of Alberta, does it seem reasonable that you would ask someone who is not a lawyer in Alberta to provide legal advice to the province of Alberta?

Mr. Ceci: You know, Mr. Speaker, it should be noted that there is an interprovincial agreement between a number of provinces, including Alberta and B.C., that allows lawyers to practise in each other's jurisdictions. So there's nothing here, there's nothing over there that's being asked. I figured the opposition would actually do a bit of research before they brought questions like this up because it's wrong, wrong, wrong.

Mr. Cooper: Well, Mr. Speaker, given that the Finance minister has just encouraged us to do research, it's interesting because I have done some research. That exemption is provided for 100 days of providing legal advice or practising law in the province of Alberta. October is more than 100 days ago, so I'm curious if the minister would be happy to respond to: why at every single turn is this contract of their good friend and colleague, the friend of John Horgan, the person absolutely fighting against Alberta right now, so shady, so dodgy . . .

2:50

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

Mr. Ceci: Yes, Mr. Speaker. The situation is that we have had good advice from a person who is a lawyer, and he can practise in this province. We have got pipeline access approval, of course. Today is a day we should be celebrating more around pipelines. Mr. Heaney has given us good advice, and we'll continue to see that good advice.

The Speaker: Hon. members, I think you may want to take a 30-second break.

Mr. Mason: Mr. Speaker, pursuant to Standing Order 7(8) I am providing notice to the Assembly that the daily Routine will continue today past 3 p.m.

Members' Statements

Farm and Ranch Worker Legislation

Mr. Rosendahl: Mr. Speaker, I stand today to talk about something good happening in rural Alberta that some people tried to exploit for their own political ends. Since our government introduced the Enhanced Protection for Farm and Ranch Workers Act, there have been over 1,600 Albertans who have had WCB claims approved for farm-based injuries. That is 1,600 Albertans whose health and safety were taken care of, whose families and incomes were protected, and who have a better life because of what our government did. At the same time, the number of registered farm employer accounts through WCB grew over 240 per cent. That sounds like success.

From the farmers I've talked to and the farm organizations who are involved in the ongoing consultation about regulations, there's a lot of goodwill and understanding now about what Bill 6 was all about. That wasn't always the case, and I don't think it will be a surprise to anybody when a recent article in *Alberta Views* said that the Wildrose Party, Rebel media, and the Leader of the Official Opposition stoked farmers' fears with incendiary speeches. Even now, the Leader of the Opposition promises to kill Bill 6 if he's elected. Barb McKinley is quoted in the *Alberta Views* article. "There's no reason for that other than cheap politicking."

The problem with incendiary speeches and cheap politicking is that it leads to real-world, dangerous consequences like the intimidation and bullying of farmers and farm safety advocates like Eric Musekamp and Darlene Dunlop, who stood up for farm workers' rights and safety. It leads to social media threats that were directed against some of our government members. Where it does not lead is toward a better future and a better and safe life for farm workers and their families. That, Mr. Speaker, should be a source of shame for . . .

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

Oil Sands Development

Mr. Yao: Did you know, Mr. Speaker, that way back in the year 1714 the Hudson's Bay Company wrote about a gummy substance that the local inhabitants used to seal their canoes? In the 1790s Alexander Mackenzie wrote about the bituminous seeps along the Athabasca River. Fast-forward to 1925, when Dr. Clark of the Alberta Research Council perfected a method, using hot water and caustic soda, for separating bitumen from sand. It was a major discovery, to identify a resource in the land being settled by farmers and ranchers. The first great attempt at harvesting this resource happened when they broke ground in 1964 and then started producing in '67. Thus, the great Canadian oil sands was born.

In the 1960s Canadians became aware of pollution caused by industrial activity and automobiles. Industry responded by dealing with spills into waterways, developed major advancements in waste management. New tech was created to reduce carbon dioxide emissions and reduce other contaminants like sulphur dioxide. Lead was eliminated from fuel. Gasolines were reformulated, and methods of capturing hydrocarbon vapours were instituted. Land reclamation is more comprehensive than you see anywhere else. Dr.

Clark himself had a vision that after the land was cleaned of oil, it would be used for farmland up in the north. Tailings ponds were developed so as to not dump sewage into our waterways.

The Alberta Research Council experimented with microwaves, electricity, steam, and even nuclear, that was experimented with or theorized back then, and today the most popular method of accessing oil is using steam to access these deep reserves of oil.

The legacy, sir, is that we have institutions that train highly skilled professionals, technical personnel, and tradesmen, who get extensive experience in this difficult resource, working in a challenging environment where the weather swings from minus 40 to plus 40 degrees Celsius. We have laws, policies, and regulatory authorities that address industry issues more encompassing than any other country has done.

That, Mr. Speaker, is our Canadian oil sands. This is an industry that Canadians need to embrace and be proud of, a sector that provides revenues to build our schools, roads, and hospitals for our nation. Alberta has contributed more than \$200 billion in the last decade to the federal coffers, and Canadians can thank the oil sands for that.

Government Achievements

Mrs. Schreiner: Mr. Speaker, we learn when we are very young that not everybody can be on the same side of the sandbox. As we grow older, we learn that there are those on the progressive side of the political spectrum and those on the reactionary side. Today it is my pleasure to speak to how sitting on the progressive side of this House has changed our province and how that looks in Red Deer-North.

This government recently announced 90 new \$25-a-day daycare spaces in Alberta's third-largest city. This side supports everyday Albertans by making daycare affordable so parents can participate in the workforce and support their families and the economy. From the opposite side of the House all I hear about are cuts, cuts, and more cuts.

Because of the infrastructure deficit we inherited from the old Conservative government, residents of Red Deer-North had the worst air quality in the province, partially as a result of the QE II corridor. This government's investment in infrastructure has enabled my constituents to breathe easier, so to speak. Now all Albertan residents can travel with more safety through and around Red Deer. Investing in the safety and health of Albertans had not been a priority of the tired, old Conservative government, and it certainly would not be a priority of the opposition.

It took 25 years and three asks to support Red Deer College's degree-granting status. I am glad I sit on the side that is moving Alberta forward instead of running toward the past, when tuition was spiralling out of control.

While these examples are specific to my riding, progressive changes like increases in minimum wage, investment in education, growth in health care services benefit constituents of every riding in the province. The work in my city and in this province is far from over, but, Mr. Speaker, I am proud that my side of the House has all Albertans' best interests at heart.

Thank you, Mr. Speaker.

The Speaker: The hon. Member for Barrhead-Morinville-Westlock.

Trans Mountain Pipeline Public Purchase

Mr. van Dijken: Thank you, Mr. Speaker. There are a lot of mixed emotions today around the announcement that the federal government will purchase the Trans Mountain pipeline and the

expansion project. On the one hand, Albertans welcome the news that the Trans Mountain pipe expansion was not permanently cancelled. We need this pipeline to ensure that our products reach international markets. On the other hand, this demonstrates the abject failure of governments to enable the private sector to succeed in building energy infrastructure in Canada.

Today we learned that Kinder Morgan has decided to cash out rather than have to risk shareholders' money in a country where the federal government fails to uphold the rule of law. Justin Trudeau has decided to spend 4 and a half billion dollars in taxpayers' money, but has anything really changed? I would suggest that very little has changed. The Prime Minister is still going to have to enforce the rule of law over the eco activists. He needed to and still needs to take immediate and meaningful action.

A good first step would be to pass S-245, the Trans Mountain Pipeline Project Act, and declare the project to be works for the general advantage of Canada. Trudeau needs to end the court challenges and disruption by the B.C. NDP and actually get the pipeline built. We're in this situation as the result of the actions of the Trudeau Liberal government having halted two other needed coastal pipelines, Enbridge's Northern Gateway and TransCanada's Energy East. Kinder Morgan's Trans Mountain is the only option left. We know where the Prime Minister's real interests are. They are summed up – and I quote: we can't shut down the oil sands tomorrow; we need to phase them out. End of quote.

With Energy East and Northern Gateway being cancelled, with world majors like Shell and Total divesting their assets and moving capital to other places around the world and now Kinder Morgan cashing out, Albertans rightly remain concerned that private investment dollars continue to be driven away by the political uncertainty that remains in this province and in this country.

Thank you, Mr. Speaker.

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

3:00 Trans Mountain Pipeline Project

Mr. Coolahan: Well, thank you, Mr. Speaker. From the beginning we've been steadfast in our commitment to getting the Trans Mountain pipeline expansion built. We made it clear that growing the economy and protecting the environment can and must go hand in hand. First, we put in place a country-leading climate action plan. It's a plan that led directly to the approval of a long-awaited pipeline to tidewater by the federal government.

But we understood that this approval needed to be worth more than the paper it was written on. That's why our Premier called on Ottawa to step up, and it's why she travelled the country, speaking to business leaders, workers, environmentalists, and ordinary Canadians. She didn't throw temper tantrums or call people names or ignore the climate crisis. Previous governments tried that approach for years, and it failed. Now it's clear that our Premier's tough, thoughtful approach is working. The vast majority of Canadians, including those in British Columbia, support this project.

Today the federal government announced a deal that will immediately put people to work building this pipeline. This is a major step forward for Albertans and for all Canadians. It means that tens of thousands of good new jobs are on the way. It means that a better price for our natural resources is on the way, and it means that billions in revenue to build roads, schools, and hospitals are on the way.

Mr. Speaker, we know there is more work to do, but with this deal no Canadian pipeline to tidewater has ever had this level of certainty. We are closer than ever to accessing new markets and

creating new jobs. Thank you to every Canadian who spoke up for working families, thank you to our Premier for your leadership, and thank you to all Albertans who have joined us in this fight.

Thank you.

Exercise Maple Resolve 2018

Mr. Taylor: On this international day of peacekeepers I'd like to acknowledge Maple Resolve, the largest and most comprehensive Canadian Army training event of the year, which was completed at the training base in Wainwright: over 6,000 troops from not only across Canada but including 1,500 of our allies from the United States, United Kingdom, Australia, and France. This is not just another exercise. Rather, members undergo a full year of intense training, given the responsibility of being on the road to high readiness. It's awesome to know that our Canadian Army's flagship training program, that prepares soldiers for these domestic and other deployments, happens right here on the doorstep of our town of Wainwright. It's impressive, to say the least, to watch the tanks, the troops, and the equipment that have all been rolling in and out of town for quite some time and now are starting to leave.

Although Maple Resolve happens strictly from May 13 to 24, it takes the better part of a year to prepare and to execute. This exercise offers full-scale dress rehearsal for combat. Short of an actual deployment, this joint exercise provides the most realistic and real-world experience to prepare Canadian troops for an operational deployment.

Mr. Speaker, this exercise is a force-on-force battle where Canadian troops work to liberate the fictitious country of Atropia against the aggressive nation of Ariania and re-establish the international border between the two. Soldiers of all nationalities play both native and enemy forces and use their expertise just as they would on a real-life battlefield. These soldiers practise skills not only in combat but in peacekeeping, infrastructure, building, and repair. In addition, soldiers interact with citizens of these warring countries, who are played by actors for this exercise, making the simulation as realistic as possible.

Mr. Speaker, I'm proud of Canadian soldiers and their commitment to this country. Thank you for your service.

Tabling Returns and Reports

Mr. W. Anderson: Well, Mr. Speaker, I have two tablings. One is a copy of a letter from Christopher J. Parker to the Minister of Health outlining the situation in Peace River regarding the airplane being stuck and a commitment and a documentation of the security camera, the fact that this plane was stuck for a considerable period of time and not 10 minutes. I have the appropriate copies.

My second tabling is the time-stamp of the security camera outlining specifically the time frame that this airplane was stuck in the mud – believe me, it was a lot more than 10 minutes; I have the appropriate copies of that as well – from the same individual, Christopher J. Parker, the chief administrative officer of Peace River.

Thank you.

The Speaker: The Member for West Yellowhead.

Mr. Rosendahl: Thank you, Mr. Speaker. I rise to table the five requisite copies of two articles from *Alberta Views* that were referenced in my member's statement today. The first is entitled Beyond Bill 6, and it contains the quote about cheap politicking that I referenced in my member's statement.

The second article, also printed in the *Alberta Views*, is from a CBC news article entitled *Alberta Couple Pays High Price Advocating for Farm Workers' Rights*.

Thank you, Mr. Speaker.

The Speaker: The Member for Olds-Didsbury-Three Hills.

Mr. Cooper: Well, thank you, Mr. Speaker. I just rise to table a document today. It is from the office of the Registrar of Lobbyists of the province of British Columbia. It is the lobbyist information for one John Heaney, the former chief of staff to the Premier, and it outlines his client information: Nuuvera Corp, “a global cannabis and industrial hemp company based in Toronto, Ontario,” the same company that is currently lobbying the provincial government here in Alberta.

The Speaker: Hon. members, I believe we have two points of order today. The Opposition House Leader.

Point of Order Language Creating Disorder

Mr. Nixon: Thank you, Mr. Speaker. I rise today on 23(h), (i), and (j) in regard to an interaction between the Deputy Premier and the hon. Member for Highwood during question period. The hon. Member for Highwood was asking some questions about a patient that was stuck on a plane, and the plane had been stuck in the mud. The Deputy Premier, during that conversation in question period, repeatedly almost made some references early in that question that could be taken as calling the hon. member a liar, but I didn't call a point of order.

But when the Deputy Premier said that the airplane was only stuck for 10 minutes and the hon. member then got up and pointed out that there was, in fact, actually a videotape of the incident which clearly shows, even as late as one hour and 40 minutes into it, that the airplane was still stuck, the Deputy Premier then seemed to lash out at the member. She said at that point that he was playing “fast and loose with the truth,” said that his pants were on fire, clearly in reference to, you know, the same thing that my kids say to each other, “Liar, liar, pants on fire” – I know it's quite shocking that the Deputy Premier would talk the way my kids do in the backyard, but that's what happened – and a few other comments in her speech.

I would quote Speaker Kowalski on that, that you cannot try to do indirectly what you're not allowed to do directly. While I do appreciate that the Deputy Premier was frustrated that she had been caught – I don't think the Deputy Premier was lying. I'll give her the benefit of the doubt. But when she had been in that spot where she realized that the plane had not been stuck for 10 minutes – in fact, there was a video of it being stuck longer – her reaction to that should not be to lash out against another hon. member and call him a liar. She should just withdraw and apologize for that.

The Speaker: Hon. member, any other arguments to the point of order rather than speculating about it?

Mr. Nixon: Well, thank you, Mr. Speaker, for giving us that whole 30 seconds.

The Speaker: Thank you.

The Government House Leader.

Mr. Mason: Thank you very much, Mr. Speaker. You know, there are many instances in this House where the creative use of language has been utilized in order to make a point. The rules of the House and the rulings of you, Mr. Speaker, and other Speakers, have

clearly indicated that context is very important. Clearly, the hon. Deputy Premier had made a clear statement with respect to what had happened and was not prepared to accept the facts as they were being put forward by the other member in the opposition.

3:10

There are many cases. For example, in *Alberta Hansard* on page 1611, October 30, 2017, the then Opposition House Leader made a point of order that one member of the government had suggested that the other side was telling whoppers, and, Mr. Speaker, you ruled – the quote was: “I guess . . . if you're going to spread around mistruths, then you might as well tell whoppers” – that “mistruths” was out of order, and an apology was duly given. But you did not so rule with “whoppers.” It is the creative use of language. It's important to consider the context.

In this particular case both members had different information, and the Deputy Premier clearly did not accept the assertions of the hon. member. She used that language but did not suggest that the hon. member was lying or telling mistruths. So I would ask you to take into account those facts, Mr. Speaker.

The Speaker: The Member for Calgary-Elbow.

Mr. Clark: Thank you, Mr. Speaker. I will be very brief, but I have to say that I'm surprised to hear the Government House Leader make the argument that he has because, frankly, if we accept his logic, then I think we're on a very, very slippery path in this Assembly, where members on both sides could abuse the ruling. Very clearly, I think that when you say that someone's pants are on fire, then as the Opposition House Leader said very clearly, we all know where that comes from. I kind of wonder if maybe next it's cockney rhyming slang as a way of insulting one another or skirting the rules.

I do think that the *House of Commons Procedure and Practice*, third edition, 2017, page 619, is useful, where, in fact, it spells out what the Opposition House Leader has said, and that is: “a Member ‘cannot do indirectly what cannot be done directly’.” I think that is a very important principle here because, frankly, I think that if you do not find that this is a point of order, I worry about the future of decorum in this Assembly.

Thank you.

The Speaker: Hon. members, I do not have the benefit of the Blues, but my recollection of what I heard – I think the House leader for the opposition has, in fact, a good case, a good point where he references the decision made by the former Speaker Zwozdesky, I think. “He is playing fast and loose with the truth” and “pants on fire” are the particular references that were made today. I thought I heard something in addition to that, but I ought not to speak to that until I see it.

I would agree with the Government House Leader's argument that it is in context when the Speaker makes the decision. Well, in this context I believe the Deputy Premier ought to have been more cautious with her comments and not left the impression of what might be construed by others as a deliberate falsehood. I would say that in this instance, in fact, there was a point of order, and I would hope that we proceed in the future using more caution.

Mr. Mason: Mr. Speaker, if that's the case, then on behalf of the hon. Minister of Health and Deputy Premier I will withdraw the comment and apologize and assure the House that we do not believe the hon. Member for Highwood's pants are on fire.

The Speaker: I'm just . . .

Mr. Cooper: Taking it all in, sir?

The Speaker: I have significant insight into the future because of, in fact, context, and in that context maybe the Government House Leader can get away with it.

The hon. Member for Olds-Didsbury-Three Hills.

Point of Order

Allegations against a Member

Mr. Cooper: Well, thank you. I rise to argue a second point of order. Before I begin, I might just say that sometimes you're surprised in the Assembly as to the way a discussion goes. I never thought I'd see a time where we were talking about people's pants on fire here in the Assembly. Nevertheless, we digressed.

During a question this afternoon that I asked the Minister of Finance – and I rise under 23(h), (i), and (j) of the standing orders today; unfortunately, I also don't have the benefit of the Blues – it is my belief that the member, the Minister of Finance, implied or said directly that I was misleading the House with respect to the question that I'd asked on the Premier's former chief of staff, John Heaney. I think that it's important that I just spend a brief moment discussing some of these concerns that I have.

Clearly, I am not misleading the House. I rose to speak specifically about Mr. Heaney's contract. The fact that he'd begun work in October, signed the contract in February, and then that contract was posted online in May: all of those facts are available to the government and are on the government website as the information I received was from the contract.

Secondly, I tabled the document in the House today that gave an indication that he, Mr. Heaney, is currently lobbying on behalf of a cannabis company in the province of British Columbia. Nuvera cannabis, I believe, is the name of the company.

The Speaker: Hon. member, you are getting to the point of order?

Mr. Cooper: Yeah. The point of order is that he said that I've misled the House, and I am providing you the evidence that shows clearly that I am not misleading the House, only giving the government the very information that they have provided to me. The minister is making an accusation that I have misled the House. The document that I tabled today is an indication that he, in fact, is a registered lobbyist for a cannabis company and that he works for the Minister of Finance here in the province of Alberta as a senior adviser to the Minister of Finance, that same minister who is responsible for the sale of and the creation of a retail market for cannabis in the province of Alberta.

The other thing that we spoke about at length today was the fact that he is not a registered lawyer, but the Minister of Finance said that he was here to provide legal advice. He has provided legal advice for over a hundred days here in the province of Alberta.

The Speaker: Hon. member, where are you going with this? There's an allegation that the Finance minister made a statement. Is that correct?

Mr. Cooper: That's correct, and I'm providing you the evidence that I did not mislead the House.

The Speaker: More and more we ought to have a rule around the idea that when we're listening to this, there is not a story told two or three times that has already been mentioned.

The allegation is that the minister disputed the facts that you said and that you now support with actual evidence. Am I right?

Mr. Cooper: No. The allegation is that he made a claim that I misled the House, which clearly I have not. I mean, not to belabour the point, but the very fact that there's a code of conduct that he is in breach of presents a significant challenge to the fact that the Minister of Finance would make this allegation that I'm misleading the House when all of those documents are available to the Minister of Finance, and he should know that I'm not. As such, he should withdraw and apologize for making such an outlandish accusation.

The Speaker: Wow.

The Government House Leader.

Mr. Mason: Well, Mr. Speaker, there may have been a lapse on my part. I didn't hear that particular part of the exchange, so I'm not really in a position to argue. Obviously, if the Minister of Finance did suggest that the hon. member had misled the House, that would be a breach of points of order, and I would deal with that appropriately. I'm not in a position to confirm or dispute the hon. member's suggestion of being accused of misleading the House.

3:20

The Speaker: Hon. members, I did not hear the allegation. I would remind the House that when you are rising on a point of order, is the allegation to the degree that it was misleading rather than to determine the truth of the statements leading to the dispute?

To the Member for Olds-Didsbury-Three Hills, I think there was much discussion about continued disagreement about the facts but not necessarily to the misleading statement made in the House.

I do not see a point of order in this situation.

Orders of the Day

Government Bills and Orders Committee of the Whole

[Ms. Jabbour in the chair]

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

Bill 1

Energy Diversification Act

The Chair: Hon. members, are there any questions, comments, or amendments with respect to this bill? The hon. Member for Calgary-Foothills.

Mr. Panda: Thank you, Madam Chair. I rise to speak to Bill 1 in Committee of the Whole. This bill is the Energy Diversification Act. This government received the Energy Diversification Advisory Committee's report. There are some good points in this bill. We, actually, as the Official Opposition, the United Conservatives, support efforts to diversify and grow our petrochemical sector because that will also help to free up some of the pipeline space. We get that, so we support it.

But if you look at this government's record, Madam Chair, in the last three years they have done nothing to promote private investment. They actually chased private investments away from this province. They raised taxes on the job creators by 20 per cent, and they also dramatically increased the red tape. They imposed the job-killing carbon tax. They never said once in their campaign platform that they were going to bring in the job-killing carbon tax, which is an economy-wide carbon tax. When they brought that in, they said that by imposing the job-killing, economy-wide carbon tax, they'll create jobs. On the other hand, they actually killed the economy, they killed the jobs, and they killed the investments.

Madam Chair, if they had done other things right, then we wouldn't have required this Bill 1. Their message to the investors was very clear. By bringing in their tax increases, by bringing in a carbon tax, and by bringing in regulatory red tape at every stage, the Alberta NDP were telling global investors that you'd better invest your money elsewhere.

Given all this, Madam Chair, it's really hard to see how effectively these modest loan guarantees and grants, spread over eight years, draw much-needed investment back in any meaningful way or in any timely fashion. Albertans have clearly taken note of the NDP's policies of the first three years. Now the NDP is trying to pass legislation to counter that. There is a pattern here. This government makes one mistake, and to fix that mistake, they have to make another mistake, and to fix that, another mistake. That's why I call it Whac-A-Mole policy. They bring each time one policy, and there are flaws in that. We identify them. We tell them. We move amendments to make their bills better, but they won't take our advice. They just ignore us, and they vote down our sensible, common-sense amendments.

It would be, you know, far more effective to start repealing their harmful policies rather than bringing in new legislation and adding more red tape. It's not even clear why the NDP needs legislation to carry out this agenda as opposed to using their executive power. This is clearly a political exercise to try and distract from their own record.

Talking about their record, Madam Chair, this government and their federal ally Justin Trudeau killed the Energy East pipeline, they killed the Northern Gateway pipeline, and, you know, they did everything they could to get Trans Mountain to the stage where we are here today. We need both the federal and provincial governments to backstop Kinder Morgan's losses. The government is now saying: okay; we'll buy you out because no other private investor is ready to invest into the project. We have to spend taxpayers' money to give that certainty of completing a pipeline to ship our product to the Canadian coast when their federal ally Justin Trudeau could have just implemented and enforced the law and invoked 92(10)(c).

That could have saved lots of time for the project proponent, and that could have saved billions of dollars of Canadian taxpayers' money, but this Alberta NDP government did nothing. For three years they have been saying that their climate change leadership plan will get us social licence and that then that will change the minds of people like Tzeponah Berman and Karen Mahon, but they haven't moved any opponent of the pipeline from no to yes as of today, including today. Even today John Horgan said that they'll fight to the end and that they'll use every tool in their tool box. This Premier: we equipped her with Bill 12, and she kept saying that she would use it in her tool box. But today she said that, no, she's not going to use that. That's the record of this government, Madam Chair.

Having said that, coming back to Bill 1, which was actually not required if this government was doing their job, we as the Official Opposition definitely support diversification of the petrochemical sector. Also, we support partial upgrading because it will definitely free up the pipeline space.

3:30

You know, as the bill is written, there are some shortcomings, particularly on accountability. It's not good enough to just have the programs and the Alberta Petroleum Marketing Commission, the APMC, send reports to the minister and cabinet. The government is actually the steward of the resources for all Albertans, so it is critical in this era of openness and transparency that reports be brought before and tabled with the Legislative Assembly. Madam

Chair, the people that elected me in Calgary-Foothills are looking for accountability, and as their representative they would expect me, being the critic for Energy, to hold this government to account and bring openness and transparency. At the end, we are the elected representatives, and the buck stops here, in this temple of democracy, the Legislature.

Also, the Auditor General called for improved reporting from APMC, so we have serious concerns about this bill. The APMC is also currently running on a "trust us" basis. They say: don't worry. When we ask questions in PAC and everywhere, they say: "Don't worry. Trust us. Believe us. We are the experts. We know what we are doing." That's the kind of response we get, Madam Chair, and that's not good enough for the government's accountability.

That's why I move an amendment to Bill 1. With your permission, Madam Chair, I'll read this. I have the requisite number of copies, and I'll give them to the page here. I'll wait till you get the copies.

The Chair: This will be known as amendment A1.

Go ahead, hon. member.

Mr. Panda: Thank you, Madam Chair. I move that Bill 1, Energy Diversification Act, be amended by striking out section 4 and substituting the following:

Reports

4(1) The Minister shall prepare an annual report on the Minister's progress in establishing and implementing any programs under section 2, and shall lay the report before the Legislative Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next sitting.

4(2) The Alberta Petroleum Marketing Commission shall annually, and more frequently if the Minister directs, report to the Minister on any project supported by the Commission through any programs established under section 2, and the Minister shall lay the report before the Legislative Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next sitting.

Madam Chair, it's about accountability. This government talks a good game. If the Premier is serious about bringing openness and transparency, all I'm asking is that every member of this Assembly support this amendment and pass this amendment so that we can strengthen Bill 1 to make the legislation stronger.

I ask all of my colleagues here to support this amendment. Thank you.

The Chair: Any members wishing to speak to amendment A1? The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Great job, Madam Chair. Thank you very much. I really appreciate the opportunity to stand again and speak to this amendment on Bill 1. I have spoken to Bill 1 previously, and I'd just like to reiterate a couple of the points there. This amendment is talking about transparency and accountability. It's one of the things that I recall this government ran their campaign on, so I don't think it's unreasonable for us to ask for amendments that can address that.

While I'm on, you know, Bill 1, we talk about incentivizing investment in Alberta. I worked in the oil and gas industry for very many, many years. Alberta was a great place to invest, specifically over the last 25 years or so, especially in the oil and gas industry, where we really, really grew the economy up in the Bonnyville area, up in the Grande Prairie area, all over northern Alberta. But when I look at why we're doing this — and we had the announcement today about the Trans Mountain pipeline and the federal government getting involved. I almost see Bill 1 as kind of the same thing, where the government has kind of gone in and

meddled with things and muddled things up to the point where they actually have to step in and start putting taxpayers' money at it.

Now, when we talk about accountability and this diversification, we're dealing now with Justin Trudeau's government, and he's been very clear that he doesn't really support pipelines or our oil and gas industry. So in handing over control of this to him – you know what? – there are a lot of Albertans that don't trust him, and I think the polling is showing that. At the same time, we do have to talk about our provincial NDP government and their allies, the federal Liberals and their federal NDP counterparts who support the Leap Manifesto. We see the true colours of the NDP being delivered by the Horgan government.

Now, when I look at the NDP and their sudden stance in support of the oil and gas industry – I believe I've talked to a few of my colleagues about this, and I may have even mentioned it in the House once or twice. When I was a kid, I used to spend a lot of time at my grandparents'. My grandfather was a worker. He was up early in the morning, sun-up to sundown, except on Saturdays. At 1 o'clock on Saturdays there was a program on CFRN TV called *Stampede Wrestling*, and it was fantastic. You know what? Everything would stop. It didn't matter what you were doing, if you were in the middle of seeding or anything; it was *Stampede Wrestling*. Ed Whalen was the announcer, and he would get the crowd fired up. I believe that it was filmed down in Calgary. The Hart family was a real big part of that. There were numerous villains. You know, they would pack dust inside their wrestling shorts and throw it in the guys' eyes.

The reason I'm bringing this up is that when I look across the aisle and I see all the NDP that used to be protesting pipelines and protesting the oil and gas industry suddenly standing up and waving the flag of prosperity for Alberta – “We've got to get behind” and, you know, “We're pushing for this” – it makes me think of *Stampede Wrestling* because everybody that's watching it knows it's phony, but it is entertaining. It's like watching a train wreck. You can't take your eyes off of it.

I would ask for support for this amendment to this bill because it does provide some transparency. It does give us a better look and forces the government to do some reporting. But while you're at it, if you're looking for some entertainment, you could always look up some old episodes of *Stampede Wrestling*, and you'll kind of get where I'm going with that because these folks would get up there and put on a really good show, but at the end of it all everything was fake.

3:40

I really don't trust this government. I don't trust the federal Liberals either when it comes to this pipeline. I don't think that everybody is really all that sincere in their support for the pipeline or for the oil and gas industry. I have a very big concern for all the smokestacks out in Fort Saskatchewan. We talk about incentivizing and diversifying our economy. I think that when I talked about Bill 1 originally, I talked about how I had worked at a lot of those plants, the Sherritt Gordon fertilizer plant and the Dow Chemical plant, and that was diversification that didn't need incentivizing. I do have a concern for the folks out in Fort Saskatchewan because all of those smokestacks don't really fall into the whole Leap Manifesto doctrine, you know, the people that are supporting the document federally and our neighbours to the west and, actually, any NDP with a membership, really, that signed on to that.

So I do have a big concern for the folks out in Fort Saskatchewan at the moment that maybe they'll be next, when they look at what happened to our coal industry, when they look at the attempts to get this pipeline approved. I really think that a lot of the folks out there are quite nervous that maybe their smokestack will be next on the

shutdown list for the oil and gas industry and the NDP Leap Manifesto, so we do have to take that into consideration. [interjections] I see the members are laughing. You know, they didn't campaign on the carbon tax and they didn't campaign on shutting down the coal industry, but guess what happened? So I would say that the people that I talk to in the industry out in Fort Saskatchewan are very, very nervous about you folks getting another term and seeing exactly where your focus lands.

So if I could get other people to support this. Like I said, I know that you campaigned on transparency, you campaigned on accountability, and that's all that this simple amendment is asking for on Bill 1 is to provide some accountability and some reporting.

With that, I will allow others to have a chance to speak.

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

Mr. Coolahan: Thank you, Madam Chair, and thank you to the Member for Calgary-Foothills for bringing forward the amendment. I understand what he's trying to achieve with that amendment, and that's great. I mean, I think we all want to understand what's happening to public dollars when they are going into these facilities. However, it is a bit redundant because the Department of Energy prepares an annual report, and that report, obviously, would include information on any projects that would be authorized or supported under the programs enabled by Bill 1. That report is publicly available, and it could be debated in the Public Accounts Committee as well.

I'm confident in the ability of members in this Legislature and at the Public Accounts Committee to review this annual report and to ask questions during that time. As such, I will not be supporting this amendment because it's simply not necessary.

Thank you.

The Chair: Any other members wishing to speak to the amendment? Drayton Valley-Devon.

Mr. Smith: Thank you, Madam Chair. I rise today to speak to the amendment to Bill 1, that essentially asks this House to be willing to prepare an annual report that will go not just before a minister and Executive Council but before the Legislative Assembly. When we go through the process and the exercise of democracy, we elect people into this Legislature for a reason, so that the people and their representatives can have a say on the legislation that is brought before this House and on how the government accounts for its actions when it comes to various enactments and following through and doing the business of government.

Madam Chair, we know that the NDP campaigned on a campaign of transparency and accountability. That's laudable. It is something I believe that all sides of this House can and should support. And I will freely admit that as the business of the House comes before a committee like the Public Accounts Committee, that's an appropriate way, one of the ways, that we can deal with information that is coming from the government through the business of this province. But I would also argue that at the final end of the equation, the final authority should not be a small group of people on a Public Accounts Committee but should be the Legislature in full. It should be the Legislative Assembly and the representatives of this Legislative Assembly that have the opportunity on behalf of their constituents to be able to address this issue of transparency and accountability.

Madam Chair, it's actually really quite important for us to be able to do so in this Chamber. We are the representatives of the people, we are the voice of the people, and we are here to strengthen legislation and to hold the government to account. I believe that it is critical. This is a critical piece. This amendment speaks to a

critical piece of governance when it comes to democracy, that all legislation and all government actions should at the end of the day come back before this House. You know, nothing more or less than the prosperity of this province is at stake at times, and it's important, as we meet as a Legislative Assembly, that we consider amendments like this and that we try to make legislation better. I believe that this amendment does indeed do that by asking the government to consider bringing this back before the Legislative Assembly.

Madam Chair, when we take a look at the Energy Diversification Act, we can see that there's a background to this bill that needs to be considered. You know, at one time the United States was a net importer of energy. That's no longer the case. Today, now, the United States is a net exporter of energy products. Energy-producing and -exporting nations are now in a struggle to maintain and to increase their global market share, and Alberta and Canada are not outside of this reality that we face. Nations like Canada and the United States and the OPEC nations are competing in places like Asia to sell their energy products, and it's going to be very important that we produce and that we have an energy industry in Alberta that is capable of carving out that market share and is capable of competing on the world stage.

We need to consider this amendment because I believe that as we bring back the information about how we are doing and how this is performing, the financial tools that we're going to be using to try to promote the diversification of our energy industry, it's going to be important to bring it back to the people and to their representatives.

Madam Chair, we in Alberta are going to have to compete and to participate in this global energy market, and that's what this bill really speaks to. It speaks to the fact that this government in particular has struggled to figure out how best to participate in the global energy market. As a result of that, I believe that we need to come back to the House and that we need to review through our representatives in this Legislature just how we are doing and, for the programs that we have passed through Bill 1, whether they are actually doing the job that we're asking them to be able to do.

We've seen the value of doing exactly that, bringing this kind of information and this kind of transparency to government and bringing it back into this Legislature. Legislation that's been passed through this House has obviously negatively impacted this province over the last three years, and we've had the opportunity as the opposition to try to provide constructive criticism. We warned the government about the confusion that is created when you try to address things like royalty rates, the carbon tax, emission caps, regulatory red tape that often has bound the hands of business in Alberta, increased corporate taxation, loss of capital investment.

We've had all of these things in this House at one point in time over our last three years, and we've had the opportunity as an opposition to be able to speak to these and to at least try to get the government to listen to the wisdom of the opposition. From our perspective, at least, at any rate, Madam Chair, we certainly wish the government had listened to this. We could have solved and stopped ourselves from pursuing courses of action that have severely hurt this province.

3:50

What we have seen is a government that has waffled and come late to the party when it comes to supporting pipelines to tidewater. They've come late to the party when we've tried to explain to them that you can take and pass legislation and pass regulations that actually take capital and get companies to actually not want to invest in this province. When we start talking about Bill 1, this Energy Diversification Act, and the kinds of grants and subsidies that we're looking at implementing here, it's going to be important

for us to make sure that as we begin to digest whether or not they're doing the job, we come back to this House.

The section of Bill 1 that refers to how we will hold these programs under Bill 1 to be accountable and use the financial tools outlined in the bill, from royalty credits to grants: we need to know how we're going to make that accountable in the best way to the people of Alberta through the representatives of the people in Alberta. Rather than reporting to the Legislature, Bill 1 suggests that we should just report it to the minister and to Executive Council. Madam Chair, we would suggest differently, that it is not a good idea to sidestep the people's representatives. Rather, bring it back to the Legislature for appropriate oversight and insight.

I would finally just wrap up my comments, Madam Chair, by saying that it's not good enough to just have the programs and the Alberta Petroleum Marketing Commission send reports to the minister and to the cabinet. The government is the steward of a hugely important resource that we have in energy in this province. We've been gifted with this resource, and it's something we need to steward and to manage very carefully for the best interests of the people of Alberta. So it's critical, absolutely critical, in an era of openness and transparency that the reports be brought before and be tabled before the Legislative Assembly.

Madam Chair, at the end of the day, the buck stops with the people that have been elected in this Legislature. We have and should have the final say on how this government is acting and how the programs and the legislation that we have carried forth into this House and into the rest of the province are functioning. We would argue that we need to consider the Auditor General when he called for improved reporting from the Alberta Petroleum and Marketing Commission, that we take into consideration his wise counsel, that the Alberta Petroleum and Marketing Commission is currently running on a trust-us mode, that we know that that's not good enough, and that we bring this back into the House and into the Legislature for the final approval of the people through their legislators, MLAs.

Thank you for your time, and I would urge the government to support this amendment.

The Chair: The hon. Member for Calgary-Fish Creek.

Mr. Gotfried: Thank you, Madam Chair. I rise today to speak in support of the amendment by my hon. colleague from Calgary-Foothills.

Madam Chair, this is about accountability. It's about accountability that we all take on when we take on a role as a Member of this Legislative Assembly and the opportunity to serve our constituents in a way which is a responsible one and one which recognizes that we answer to them at the end of the day. This amendment asks us to not only honour that but to actually embed it into this legislation to ensure that we actually will meet that requirement of diligence on their behalf and to ensure that we report back to them when we move ahead and that when we move ahead with legislation, we do so with a degree of diligence that I think is not only expected of us but that we owe in terms of our ability to represent the province.

Madam Chair, we've talked about some of our concerns with this bill on a broader perspective. We've talked about the fact that we do not believe that the economic fundamentals of this province have been held intact and, certainly, in reflection of some of the past advantages that we've had – and I use the Alberta advantage – where we did not need to incentivize businesses to invest. I've been following it quite closely. We had lost – and this is going back over a year now, to actually probably as early as 2016 – at that time over \$34.8 billion worth of foreign direct investment in this province. I

think that I'd mentioned before in this House that I look at the foreign investors often as the canaries in the coal mine here on whether Alberta is a good place to invest, a great place to invest, or not. Unfortunately, the terms "political risk" and "Alberta" have been used in the same sentence all too often recently. Hence, we are needing to sweeten the pot for investors to even consider coming to Alberta and investing. I think that in doing so, we are taking an opportunity here, and we're taking some moves.

We've perhaps damaged the economic fundamentals with respect to the carbon tax, with respect to the minimum wage, with respect to increased personal taxes and increased corporate taxes that have scared away these investors. Now we're coming up with legislation that says: well, we want to attract you back. I think that in doing so, we need to also take into account everyday Albertans, who are on the sidelines, saying: is this good? We've heard the term "corporate welfare." We've heard different things there. Of course, we have found ways to support industry in the past, many different ways. We used to have an unlevel playing field that had Alberta and the Alberta advantage over and above our competitors around the globe. We need to get back there, Madam Chair. We need to get back there.

But in the meantime we're stuck with putting some Band-Aids on some critical wounds here in the province because of flawed fundamentals with respect to our economic situation and the confidence that investors have in our province. In doing so, I think that the hon. Member for Calgary-Foothills has put in an amendment here, one that, again, goes back to that accountability to the people we serve, those that are lucky enough to still be employed and those that are unlucky and have not found employment, not just for a short period of time but many of them getting on to two and three years. Their benefits have run out, and their opportunity to thrive in this province has run out. Many of them are leaving, and we've seen that. We've seen an exodus not only of capital, but we've seen people leave this province.

Of course, if you're not a growing province, if you're not attracting people and having that influx of investment, the creation of new jobs, eventually it leads into net negative immigration in the province, which then affects so many other industries, Madam Chair. I was in the home building industry, and the big measure for us at the end of the day was net migration. Are we adding people to Alberta? Are they choosing Alberta to invest in? Are they choosing Alberta as a great place to live and make a living? Madam Chair, that's where we run into an issue here. Are we doing that the right way?

We're accountable to all of those people. Some of them may have a spouse that's lost a job, but one member of the household is still paying taxes as a hard-working Albertan. The other member of the household may be trying to make ends meet or may have taken employment that was certainly below their qualifications just to make ends meet and to ensure that they have that opportunity to support their families but at the same time are supporting this province through their hard-earned tax dollars. We need to respect that if we're going to embark on any of these types of opportunities, albeit, again, because of flawed and damaged economic fundamentals, Madam Chair, we need to consider how we're going to approach this.

I think that we're in a situation here where we are asking this House, this Legislature, and those organizations like the Alberta Petroleum Marketing Commission and the minister's office and the ministerial staff to be accountable to this organization, to this Assembly here, and through this Assembly to Albertans on a broader perspective. I think we owe that diligence, Madam Chair. We owe that diligence, we owe that respect, and we owe that level of accountability to every Albertan who takes a look at this and may

not understand it as deeply as we do. People in industry understand it. They have lawyers, they have accountants, and they have all kinds of experts in the field to take a look at this and to see how it impacts their decision to invest in this province. That's fine. That's what we expect. We expect that those industries are going to do that, and we hope – we hope – that they'll leverage that investment and that assistance that we're providing to them and, hopefully, invest more.

4:00

What I am concerned about is that if we take away some of these supports and incentives, people will say, "Thanks very much, and now we're leaving again" and that we will actually have damaged the economic fundamentals even further by creating a subsidy that is there and actually lowers productivity and lowers the ability for us to compete on a global scale, Madam Chair.

Those are the things that concern me, and that's why I believe in this amendment. Actually, the spirit of this amendment, the wording of this amendment, is such that it ensures that we in this House are accountable to everyday Albertans, to the people that put us into this Assembly, that vote for us every day of the week, and who pay those taxes. At the end of the day, if we remind ourselves, there is no such thing as government money, Madam Chair; there are only taxpayers' dollars. Because of that, I will be supporting this amendment, and I encourage everyone in this House to do so.

Thank you.

The Chair: Any other members on the amendment? The hon. Member for Calgary-Hays.

Mr. McIver: Thank you, Madam Chair. I appreciate the opportunity to speak on this amendment to Bill 1, moved by my hon. colleague from Calgary-Foothills. It seems a common-sense amendment.

But just before I get into that, I'm going to, interestingly enough, take issue with what our hon. Member for Lac La Biche-St. Paul-Two Hills said when he was on his feet. He actually disparaged the honour of *Stampede Wrestling* at one point in his remarks, and I would like to say that that was first-class entertainment and as authentic as anything that I recall. That's what I have to say about that.

Back to the amendment. Madam Chair, this is common sense. It says:

The Minister shall prepare an annual report on the Minister's progress in establishing and implementing . . . programs under section 2, and . . . lay the report before the . . . Assembly.

Now, it's just a simple accountability matter. It seems completely common sense to me.

If a minister of the Crown from any party at any particular time is going to put in place subsidies, supports for businesses at the taxpayers' expenditure, I think it's only reasonable that the taxpayers should get a report back on what the program is, on how successful it is, on what the government hopes to achieve on behalf of the taxpayers for it, I would say, in terms of tax revenue, in terms of employment, in terms of basically expanding a particular industry in order to build a critical mass so that the industry could flourish and develop further. In short, the government ought to be able to express and explain to the public that when they do this, they actually have a plan, they have intentions, and they should be able to actually express to the public measurable goals that they had and then come back each year and report progress against the measurable goals that the government ought to put in place.

If ever there was an amendment, in my view, this one makes sense. So I thank the hon. member that put that forward, the hon. Member for Calgary-Foothills.

Now, it also says:

The Alberta Petroleum Marketing Commission shall annually, and more frequently if [required], report to the Minister on any project supported by the Commission through any programs established under section 2.

Again, the first piece is about – actually, they’re both about accountability to the public, but the second piece is also about accountability to the minister, that the agency or commission reports to the minister, that the minister is responsible for appointing people to the commission. I think it’s only right that the minister ought to hold the commission accountable. The minister ought to know what the goals are. The minister ought to require the commission to report on a regular basis their progress against the stated goals. Again, under Bill 1, if it’s using taxpayers’ dollars, then through the minister and through this Legislative Assembly that report really properly and rightly ought to be put in front of the citizens of Alberta.

Madam Chair, if there was ever an amendment that was common sense, that makes sense, that members on all sides of this House really ought to get behind – and it’s surely not partisan. There’s surely nothing here that casts a negative pall on the government side or any other side of the House. I think it’s just making – whether anybody likes this bill or doesn’t like this bill, this improves it. On that basis, I would respectfully ask members on all sides of the House to support this common-sense, nonpartisan amendment that improves the legislation that’s before this House.

Thank you.

The Chair: Any other members wishing to speak to amendment A1? Grande Prairie-Smoky.

Mr. Loewen: Thank you very much, Madam Chair. Yes, I did want to take a moment to talk about this amendment that my colleague from Calgary-Foothills brought forward. Again, I want to speak in favour of supporting this amendment. You know, in reading it here, it says that the “Energy Diversification Act be amended by striking out section 4.” Now, section 4(1) presently reads:

The Minister shall annually, and more frequently if the Premier directs, report to the Executive Council on the Minister’s progress in establishing and implementing any programs under section 2.

Of course, what’s going to be substituted in its place is:

The Minister shall prepare an annual report on the Minister’s progress in establishing and implementing any programs under section 2, and shall lay the report before the Legislative Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next sitting.

Madam Chair, I think this is a pretty good amendment to bring some clarity and to bring some light into what happens with this bill as it progresses. I think that, obviously, taking it to Executive Council rather than the Legislative Assembly – now, Executive Council, of course, is just, you know, the cabinet of the government, so obviously this isn’t something that’s going to be seen in public like it will be if it’s brought into the Legislative Assembly. I think it only makes sense that if this bill has the effects that the government suggests and it’s such a great bill, then I’m not sure why they wouldn’t want to bring forward the results of this bill, bring it forward to the Legislative Assembly so that we can all see it and so the people of Alberta can see it and decide for themselves, too, the success of it or the failure of it, whichever is the case.

Madam Chair, I think this is a great amendment, and I think it definitely will bring an opportunity for some clarity and also to make sure that it’s transparent. This government talks a lot about transparency and how they want to claim that they’re the most transparent government ever. Of course, we could debate that long

into the night, but if they want to make that claim, this is an opportunity to bring just a little bit more transparency to what they’re doing here. I think that’s a good part there.

Now, if we look at section 4(2), it presently reads:

The Alberta Petroleum Marketing Commission shall annually, and more frequently if the Minister directs, report to the Minister on any project supported by the Commission through any programs established under section 2.

Now, of course, this amendment is going to change that section to read:

The Alberta Petroleum Marketing Commission shall annually, and more frequently if the Minister directs, report to the Minister on any project supported by the Commission through any programs established under section 2 . . .

And then this is where it changes.

. . . and the Minister shall lay the report before the Legislative Assembly if it is then sitting or, if it is not then sitting, within 15 days after the commencement of the next sitting.

Again, Madam Chair, this is another opportunity not only to bring light and transparency to what’s happening in this bill but also to what’s happening under this bill based on what the Alberta Petroleum Marketing Commission is doing. Instead of, you know, just bringing it to the minister, with what the Alberta Petroleum Marketing Commission is doing, it’s going to be brought to the Legislative Assembly. Of course, this is where the public will have a chance to view this. Obviously, in the minister’s office the public doesn’t have opportunity to sit in the minister’s office and see every document that comes through, but the things that go on in this Legislature the people of Alberta do have an opportunity to see.

So I think this is a great opportunity for this government to show a little more transparency and have an opportunity to show Albertans the work that they’re doing and the results of the bills that they’re passing in this Legislature. Again, if this bill is that great and is going to do all these great things, I would think that they would want to bring it forward here so that they can show Albertans what’s happening and have that opportunity.

4:10

I think there are some odd things, of course, with this bill. I mean, the NDP is bringing in this bill after three years in government. I’m not sure what the problem is. I guess I could probably surmise what the problem is. It’s that the government has been driving investment out of Alberta for years, since they’ve gotten in. They’ve had three years of driving away investment and raising taxes and everything, so now they have to do something to gain that back.

Of course, there are things that the government could be doing to attract investment and keep investment here in Alberta, but the government has been doing the opposite. They haven’t done anything to reduce regulations; in fact, they’ve increased regulations. They haven’t done anything to reduce taxes; in fact, they’ve increased taxes. They’ve created a lot of uncertainty for the people that invest money in large projects in Alberta and elsewhere. It’s not like this money isn’t being spent now; it’s just being spent elsewhere.

Obviously, this bill is basically an admission by the government of failure. Of course, if this bill is going to do all these great things, then I think it only makes sense that the results of this bill come before the Legislative Assembly, not be hidden in cabinet, not be hidden in the minister’s office or anywhere else but be brought forward here to the Legislative Assembly so that the people of Alberta can see exactly what’s going on.

I think this is a great amendment. I think we should all support this amendment. Thank you very much.

The Chair: Any other members wishing to speak to amendment A1? The Deputy Government House Leader.

Ms Larivee: Thank you, Madam Chair. At this point I would like to move that we adjourn debate on Bill 1.

[Motion to adjourn debate carried]

Ms Larivee: And that we rise and report progress.

[Motion carried]

[The Deputy Speaker in the chair]

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

Mr. Piquette: Thank you, Madam Speaker. The Committee of the Whole has had under consideration a certain bill. The committee reports progress on Bill 1. 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: Any opposed, say no. So ordered.
The hon. Deputy Government House Leader.

Ms Larivee: Thank you, Madam Speaker. At this time I'd like to move that we shorten the bells for all bills for the duration of committee for this afternoon to one minute.

[Unanimous consent granted]

Government Bills and Orders Committee of the Whole

[Ms. Jabbour in the chair]

The Chair: I call the Committee of the Whole back to order.

Bill 1 Energy Diversification Act (continued)

The Chair: Are there any further speakers on amendment A1?
Seeing none, are you ready for the question?

[The voice vote indicated that the motion on amendment A1 lost]

[Several members rose calling for a division. The division bell was rung at 4:15 p.m.]

[One minute having elapsed, the committee divided]

The Chair: Just for the benefit of our guests in the gallery wondering why we've got all these ringing bells, it's the way we call members back into the House for a recorded vote. We will proceed with that.

[Ms Jabbour in the chair]

For the motion:

Clark	McPherson	Starke
Gotfried	Nixon	Strankman
Hanson	Panda	Swann
Loewen	Smith	Yao
McIver		

Against the motion:

Anderson, S.	Ganley	Miranda
Bilous	Gray	Nielsen

Carlier	Hinkley	Piquette
Ceci	Hoffman	Renaud
Connolly	Horne	Rosendahl
Coolahan	Kazim	Sabir
Cortes-Vargas	Kleinsteuber	Schreiner
Dach	Larivee	Shepherd
Dang	Littlewood	Sucha
Drever	Loyola	Sweet
Eggen	Malkinson	Westhead
Feehan	McKittrick	Woollard
Fitzpatrick	Miller	
Totals:	For – 13	Against – 38

[Motion on amendment A1 lost]

The Chair: Before we proceed with the bill, we've had a request to revert briefly to Introduction of Guests, for which we need unanimous consent.

[Unanimous consent granted]

Introduction of Guests (reversion)

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

Mr. Strankman: Thank you, Madam Chair. I'd like to introduce today to you and through you to all members of the Assembly the school group from the Assumption school in the little town of Oyen, which is along the border. Some great number of years ago in the diverse constituency of Drumheller-Stettler their present representative was born in that town. I'd like all those wonderful students and their parent chaperones to rise and receive the traditional warm welcome of the Assembly.

4:20 Bill 1 Energy Diversification Act (continued)

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

Mr. Clark: Thank you very much, Madam Chair. I rise to make a few brief comments about Bill 1, and then we'll be proposing an amendment, which I hope the government would agree would improve the bill. You know, in general terms I think that taking steps to expand Alberta's energy industry in any way is always a positive thing. It is interesting that this legislation doesn't really do a whole lot that the minister can't already do, so I have some concerns that the bill itself is somewhat redundant, that it's really more of a showpiece bill, as Bill 1s occasionally can be, and really allowing the government more to promote a particular political agenda rather than actually do some substantive legislating. However, having said that, it does give us an opportunity to improve upon what is already in the bill.

One of the things that I think is important is that, noting that Alberta has benefited greatly from the energy industry throughout our history, that benefit has not always been evenly distributed through our province, be that geographically or socially. So one of the things that I think is important is that we use whatever funds that are generated from a bill like this, using a portion of those to ensure that everyone around the province, those in under-represented groups both geographically defined and otherwise, have an opportunity to participate.

Given that, I will pause briefly and hand out this amendment to the page.

The Chair: It will be known as amendment A2.

Mr. Clark: Thank you very much, Madam Chair. I move that Bill 1, Energy Diversification Act, be amended in section 2(1) by striking out clause (e) and substituting the following:

- (e) encourage increased participation and leadership from under-represented groups and geographic communities in the energy sector, and.

I'll just read section 2(1).

2(1) The Minister shall establish programs that have the primary purpose of supporting economic growth and energy diversification, including, without limitation, programs that

and then right now the current section (e) reads:

- (e) encourage increased participation from under-represented communities in the energy sector.

That's great, encouraging participation from underrepresented communities in the energy sector. What my amendment would do is expand that out beyond increasing participation and leadership, not just participation but active leadership from underrepresented groups and geographic communities. I think that's an important distinction. It's not a huge difference in terms of what the government bill currently has, but it is expansive, I think, and perhaps better representative of what the minister is going to do.

I will note that the bill itself says the words "without limitation" in 2(1), so certainly the minister is not limited just to this list, but there is a list all the same. Given that, I think it's important that if we're going to name names – one of the first things I was taught when I went into public office was that when you give a speech, if you're going to name names, be sure you get absolutely everyone or name no one because you're almost certain to offend. In this case the government has chosen to name some names and list different groups or different things that the minister may do, although saying "without limitation" that "the Minister shall establish programs that have the primary purpose." So the minister has gone and named these names, and I think that in doing that – there are some great things here, but it is perhaps not as comprehensive as it could be.

So the intent here behind my amendment is to simply improve the bill by expanding out some of the wording. You know, as we move in Alberta in our energy industry to satisfy the world's energy needs, be they hydrocarbon based or other, we are in this province on the cutting edge in many ways of developing new ways to harvest, to store, to distribute, and manage energy. That gives us a tremendous opportunity to develop value-added industries in new parts and different parts of the province that perhaps historically have not simply had the blessing of having those natural resources immediately adjacent. That's going to inspire, I hope, a new generation of energy researchers from different communities in Alberta than have historically participated and different groups, including indigenous groups, that have not been full participants in Alberta's energy industry so far.

The intent here is to do a better job by including diverse geographic communities in energy diversification, diverse cultural communities, and especially and with enthusiasm indigenous communities, so I hope the government sees merit in this amendment. I would encourage all members of the Assembly to support it.

Thank you very much, Madam Chair.

The Chair: Any other members wishing to speak to amendment A2? Calgary-Foothills.

Mr. Panda: Thank you, Madam Chair. I would like to thank the Member for Calgary-Elbow for bringing this amendment, but I have a few questions. Maybe he can help me understand this. We are removing 2(1)(e) and then replacing it with:

- (e) encourage increased participation and leadership from under-represented groups and geographic communities in the energy sector.

When you say "leadership from under-represented groups," I'm just curious to understand. Is that the leadership in those companies, like, at CEO level? When you talk about geographic communities, is your idea to spread the development across the province? If that is the case, our Official Opposition is all for spreading out the development to all parts of Alberta. Particularly when I toured in your area, Madam Chair, up north, there is a lot of potential there, but it also has to be practical.

Also, I just want to caution the Member for Calgary-Elbow that when the federal government brought in Bill C-69 – I mean, it's not exactly the same thing. I'm just cautioning from my experience with that bill. For approving pipelines, the Prime Minister wanted to apply a gender-based approach, labour considerations, things that directly won't have any impact other than ideological. In this case I don't think that's the intention of my friend from Calgary-Elbow. My understanding is that it's about spreading the development evenly across the province and bringing up the underrepresented groups like the First Nations, who were here the other day. We all thank them for their contributions in building a better Alberta and Canada. If that is the approach, I and my colleagues are open to supporting that, and I encourage everyone to support this amendment.

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

Ms Larivee: Thank you, Madam Chair. At this point I would like to move that we adjourn debate on Bill 1.

[Motion to adjourn debate carried]

Bill 10

An Act to Enable Clean Energy Improvements

The Chair: Are there any questions, comments, or amendments with respect to this bill? The hon. Minister of Children's Services.

Ms Larivee: Thank you, Madam Chair. At this point I would like to move an amendment to Bill 10, An Act to Enable Clean Energy Improvements, and I have the requisite number of copies for you.

4:30

The Chair: This will be known as amendment A1.

Go ahead, hon. minister.

Ms Larivee: Thank you, Madam Chair. We've received feedback from stakeholders, particularly municipalities, during the debate of Bill 10. We are listening and responding to those conversations with stakeholders, including a recent conversation between the Minister of Municipal Affairs and Edmonton's Mayor Iveson. I would like to introduce some amendments to Bill 10 as a result of those conversations.

The amendments do not change the intent or the structure of Bill 10. This is still enabling legislation, and municipalities will have the choice to pass a bylaw to establish a PACE program or not. Instead, the amendments will bring additional clarity and certainty on how we expect the program to be run should a municipality make the choice to implement PACE. The amendments provide additional clarity regarding how a clean energy improvement program is expected to operate.

A municipality is expected to pass only one bylaw to establish a clean energy improvement program and authorize borrowing to fund the program. This bylaw will include the types of property and improvements that a municipality would like to make eligible for

improvements and borrowing requirements such as the amount of money that a municipality will borrow to fund the program, maximum interest rates, and terms of repayment.

The amendments also reduce redundancy regarding the listing of a clean energy improvement tax on the tax notice as this is already required under the Municipal Government Act, change the term “agricultural property” to “farmland” to align with terminology used in the MGA, and update the wording regarding prepayment of outstanding PACE taxes to align with the similar provision for local improvement taxes under the MGA.

The amendments also provide greater clarity regarding petitioning of a clean energy improvement program. Specifically, if a successful petition leads to a clean energy bylaw being repealed, existing agreements will remain in place, and those taxes will continue to be paid.

Finally, the amendments will specify that a complaint about a clean energy improvement tax, as it is entered into voluntarily, can only be made in the first year that it is imposed.

I ask that members support this amendment to Bill 10, that will bring further clarity and guidance for municipalities and respond to the feedback provided by the city of Edmonton and others.

With that, at this time I would like to move that we adjourn debate on Bill 10.

[Motion to adjourn debate carried]

Bill 2 Growth and Diversification Act

The Chair: We will now consider Bill 2, the Growth and Diversification Act. Any questions, comments, or amendments with respect to this bill? The hon. Member for Calgary-Fish Creek.

Mr. Gottfried: Thank you, Madam Chair, and thank you for the opportunity to speak to Bill 2 in Committee of the Whole. I’m going to start out by giving some kudos. The minister for economic development, I know, works very hard. I have a lot of respect for the work that he does. I know that he’s been travelling around the globe a little bit recently, in some of my favourite parts of the world, to ensure that we keep the lights on and make sure that we’re promoting as best as we can in some of the Asian markets: China, Singapore, Hong Kong, and vicinity. I think that those are important initiatives.

But, Madam Chair, I guess I look at him as being kind of the jack of spades of the government over there. Sometimes he’s out there as a brave knight promoting things, but sometimes it feels maybe to me that he’s got a deck of about 37 cards and that he’s gambling Alberta’s economic future with a little less than a full deck. I mean that in the nicest way.

Madam Chair, you know, this government talks about boutique tax credits as sort of the saving grace of our economy. We’ve heard myself and other members talk about them as Band-Aids and candy and things like that. I think it’s a reminder to us that the economic fundamentals of this province have been severely damaged by a number of different things: an ever-increasing carbon tax, which we know in the future, from all indications, is actually going to end up in a situation where it goes into general revenues. We’ve seen an increase in minimum wages, and those will continue to increase, creating a greater burden, I think, on our struggling small businesses.

We’ve seen increases in personal income tax, which has had the effect of chasing away many of our high-income earners, who, not surprisingly, are the same people that invest in venture capital and many different things and try and move ahead our economy and are deal makers and entrepreneurs and risk takers and those sorts of

things which those of us on this side of the House greatly appreciate, that respect for risk capital and that respect for the rewards that may come from those risks but are never guaranteed. The fact is that those are the people, those are the individuals who actually make those deals, and they network with each other, and they interact with each other and typically are looking for those venture opportunities that come up.

Of course, increased corporate tax: we could talk about at great length as to what that’s done, Madam Chair, what we’ve seen in terms of the investment-repelling and job-killing policies that we sometimes talk about on this side of the House. I hope that the people on the other side of the House are thinking about that as well. We’ve lost \$34.8 billion in foreign direct investment. Again, that number is from almost two years ago. I wonder what the real total is now. If we throw in the pension fund money that we know has left this province as well, I would suspect that we’re probably well in excess of \$50 billion, \$60 billion, or even \$70 billion that has left this province because of what is perceived as political risk and what could be also perceived as death by a thousand cuts, the death of the Alberta advantage by a thousand cuts of ill-advised and ill-thought-out policy and the overburden of labour and employment standards, which I hear on from restaurants, I hear on from small businesses day after day after day.

In fact, Madam Chair, I was in a restaurant not that long ago, about four or five weeks ago, and the owner there was telling me that they had gone from working 50-, 60-hour weeks and had already not been paying themselves any wages but were forced into tightening up on the hours for their employees as best as they could and were now individually themselves working 70-hour weeks so that they can actually keep the lights on and still not paying themselves a wage. She shared with me that, thankfully, her husband was still employed and was paying the mortgage and keeping food on the table in their home but that she was not only not paying herself for a 70-hour week but not taking home any return on her investment in doing so. Those are some other layers, more of those thousand cuts that we see coming along.

Madam Chair, this government needs to be more concerned with protecting and enhancing the fundamentals of the Alberta economy. I’d say that the fundamentals of the Alberta economy, those are really where we have to focus. We have to focus on being attractive not just to the investors that we have tax credits for and capital investment credits for and digital tax credits for but for the entire economy – the entire economy – because it’s an entire economy we all live in, an economy which is very much engaged and interactive and dependent on each other.

We’ve been blessed in the past to have a robust energy sector. Make no mistake, Madam Chair, that the entrepreneurs that came here that weren’t in the energy sector came here because there was disposable income, because people had disposable income to spend on the great idea that they may have brought here from Saskatchewan or Manitoba or British Columbia or the Maritimes. They knew that Alberta was a place of opportunity and a place of advantage, the Alberta advantage, again, that we talk so much about, that this was the place to come with their good idea and make it a great idea, that they could do that and they could find investors, and they could take the risks with their own assets and their own blood, sweat, and tears and make a go of it and have success in this province because of the Alberta advantage. That was the attraction to this province for so many people. It wasn’t just the jobs in the energy sector.

4:40

When I was with Calgary Economic Development in 2012-2013, in this province we created 87 per cent of the new jobs in this

country, and that was before we had this. We actually had an unlevel playing field, Madam Chair, but – guess what? – we were the ones that were at the high end of that unlevel playing field, and things came. People climbed up that hill, that unlevel playing field. They climbed up that hill to come to Alberta to make a success of themselves because they knew that they could take risks here and that they could succeed through hard work and a great idea and that they could find investors to invest in those ideas because of a robust economy where people had disposable income, the disposable income that is so compromised when the economic fundamentals of this province are damaged, where so many people are living now not just paycheque to paycheque but minus at the end of each month with paycheque to paycheque and relying, maybe and sadly, on their credit cards or on taking equity from their homes or on dipping into retirement savings because one member of the household is unemployed.

They've tightened their belts, and they've tried to reduce their burn rate to survive and succeed and maybe not have to change their lifestyle as drastically as they have to. But many of them are having to do that. They've having to change their lifestyles drastically, in many cases, to avoid foreclosure on their homes, to avoid foreclosure on their businesses. Those small-business people that were hurting because of bad economic fundamentals, Madam Chair, don't have EI, and if they run up their debt, their short-term debt, on a credit card or take money out of the equity of their home, when they finally have to close the doors on their businesses, I'm saddened by the fact that they may look back and say: "The mistake I made was not closing it two years ago because now I have a compromised mortgage, now I have a credit card that I can't pay, and I have no safety net, no EI because I'm an entrepreneur. I'm a self-employed individual, and I don't get EI."

I worry about those families. We hear about them from Todd Hirsch, the economist from ATB saying that he's worried that there is going to be an increased incidence of foreclosures in this province. That, of course, begets a whole other cascade of impact on the communities that we live in because when there are foreclosures, it actually depresses the value of other real estate in those areas. When businesses close in strip malls, then you have that burden, that impact that's put on the landlords and passed up and maybe on to their investors.

So the level playing field: we've had the minister mention that before we had these programs, we were uncompetitive and that we needed to level the playing field. But we actually had an unlevel playing field – and it was to our advantage – when we kept our eye on the ball of fundamental economics. If the NDP had not severely damaged our economic fundamentals with their bad policies, we would not need to be looking at tax credits like these. We would be having the people taking the risks, in the deal flow, attracting people from around the globe but even just here in Alberta investing in venture capital opportunities. We need to reduce the regulatory and tax burden for businesses and investors. That would do far more good for Alberta, Madam Chair, in Alberta's ability to attract investment, than these tax credits would be.

I mentioned before, you know, that I was in the building industry. You know what? The builders of this province – and I talk to many of them – live and die by net migration. At the end of the day, if you're not a growing province by population, by investment, by business creation, by job creation, you're probably a declining province, and net migration is key to them. They're suppliers to the economy in many ways. They build homes, and they hope that there are enough people that feel confident enough, so not necessarily just new people but people confident enough to move up or to change their lifestyle and maybe downsize. It creates opportunities for those builders to survive and thrive. We know that there are

indicators out there, Madam Chair, that are just not responding to this.

Again, we're picking some winners and losers because this is not applying across the economy to all those small businesses and all those entrepreneurs who take risks and have taken risks with an eye towards an opportunity, but when they see the lack of confidence out there, they don't have the ability to pass on the additional carbon tax and the addition to the minimum wage because they're scared of losing their customers every day of the week.

Take a look around this province, Madam Chair, and look at the specials in the restaurants: come and see us on Tuesdays because of this and Wednesdays, which is that, and Thursdays. There's a special every day of the week because they have to to attract their customers because people have less disposable income. They have less disposable income. That is the economic fundamental that will drive an economy, that ability for people to feel the confidence, to develop and to be able to earn that disposable income, which is that little bit that they earn over and above paying their taxes in three levels of government, paying for their housing, which typically is somewhere between 30 and 40 per cent of their income, and paying for their everyday expenses: the insurance, the food on the table, their utilities, and all those other things that they pay for outside of taxes and housing. Then if they're lucky enough, they have a little bit left over at the end of the day.

In a good economy, a robust economy, where the economic fundamentals are strong, they have an opportunity to actually have a little bit more, Madam Chair. Then they go out and spend it in the economy, and that's where we get the economic multipliers which support a robust and healthy economy. That's what Albertans are not feeling today. It was shared with us before, and we've seen it from some of the economists.

Madam Chair, you know, I've had some great opportunities recently to talk to people from Alberta Innovates, Alberta Enterprise Corporation, Tecterra, Calgary Economic Development, Edmonton Economic Development, many of the economic developers across the province, Innovate Calgary, and some of the start-up groups, and the chambers, and I'm impressed. These people are working hard to attract businesses. They're working hard to work with their membership or their stakeholders to try and ensure that they can position their cities or their jurisdictions or their towns or their regions and this province to attract the kind of investment we need. Some of them probably do need some of these credits because, again, they're suffering the same malaise of bad economic fundamentals and bad policy which is hurting this province, Madam Chair.

It's hurting this province every day, and it concerns me because it's not just us today. This could be multigenerational, inter-generational. Madam Chair, dare I mention that the debt burden is being put upon us by this government's irresponsible spending and not understanding how you generate additional income, how you attract the investors to come here to increase the size of our economic pie so that we can tax fairly. Tax "fairly." I'm not sure that that word is understood because anybody who actually generates income and takes a risk and makes some money seems to be just a pocket to reach deeper into. Those are the deal-makers, those are the investors, those are the risk takers, and those are the venture capitalists.

As we've talked before, it's not just them. It's the large corporations who have chosen, those canaries in the coal mine, which I've mentioned on a few occasions, which are the international investors. When they leave, they are the canary in the coal mine, Madam Chair. They are leaving here. Then the local companies, the big ones that have the wherewithal to invest internationally, start wondering what they're doing that maybe they

shouldn't be doing, and we start hearing of large companies talking about relocating to Houston or Denver or moving their assets and moving their productive capabilities to Texas. That's not growth. That's not strong economic fundamentals. That's not attraction of investment in new businesses. That's decimation of that.

Now, I worry about that for my kids and grandkids to come down the road sometime. I want them to be able to not only stay in Alberta but thrive in Alberta. I have brought my kids up to think of the world as the place where they will work. If they want to work in Singapore or Timbuktu or London or Paris or Johannesburg, I encourage them to be global in their thinking. But I want this to be their home. I want them to have the opportunity to have gainful employment in their chosen fields in this province, not just a job but a career and an opportunity and the chance to make a living and to build the kind of lives that I believe my generation has had the opportunity to do, as generations before me have had, because of the opportunity, the can-do spirit, the entrepreneurial spirit, and the 'agripreneurial' spirit that has built this province. I'm scared, Madam Chair. I'm scared that we're losing that.

This policy is again focusing on playing favourites and delivering, you know, a narrow focus of tax credits for a very small sector of industries and cross-section of industries. It creates a potential for market distortion, and maybe it even damages productivity and competitiveness. What happens when another jurisdiction says: "We've got a better credit. We've got a better subsidy. We're going to help you out even more"? Is this a race to the bottom, Madam Chair, where we think we're now having a level playing field? Well, that level playing field can be tipped very quickly if your fundamentals are not strong enough to attract people within their own rights, to attract investment and businesses to create business activity and economic activity in this province. That can be upset very quickly.

4:50

You might find that the competitive analysis that we have shows that New Brunswick or B.C. or Manitoba sweetens the pot because they say: "Oh. Look what Alberta has done. We've lost a couple of businesses to Alberta, so let's sweeten the pot." And then you may have created an opportunity for them to say: well, if you don't sweeten the pot again for us, we're going to have to move to B.C. or Saskatchewan or Manitoba or Texas or Idaho or Pennsylvania or Brooklyn or wherever it is. And that scares me because what that does is that it begets a lack of productivity and competitiveness that this province needs to focus on. We need to be competitive globally.

We've had various economists and credit-rating agencies point out time and time again that our rapidly accelerating debt levels are damaging our competitiveness, yet this current government has done nothing to curtail expenditures and I do not think actually fundamentally understands how to increase revenues. We've heard even more rumblings yet again from the Moody's and the DBCs of the world that we're on watch. We're on watch because we can't seem to get anything done. We can't attract the investment we need to get out of this hole. Like I say, what happens when those credits and subsidies disappear?

Madam Chair, I was in the airline business, and I've seen time and time again: "Well, airline X or Y, why don't you come to this destination? We'll subsidize you for the first couple of years just to get you here. We want you to come and fly to our destination." I can tell you what happens two years later. "Well, that million dollars of yours isn't quite enough, so unless you give us a million and two, we're going to have to pull out." That's what happens. You attract them there. You subsidize them. They become used to having that kind of subsidy. I worry about that when we're talking about pipelines, that we're creating a situation here where nobody

is going to come to Alberta unless we have a big cheque waiting for them, equity or indemnity or whatever you want to call it, and that concerns me.

The government will point to the tax advantages that Alberta has relative to the other provinces. Well, less than they were before. That was the result of some better economic fundamentals, where we actually focused on attracting people here through competitive tax levels, and that has deteriorated. But, you know, we see here comparisons. We're still the best in Canada. Well, guess what? You're welcome, from the Conservative governments of this province in previous years. We need to compete on a global stage, not to have a race to the bottom on a global stage.

Madam Chair, I'm going to share some statistics here so that we can talk about what this looks like, what this economic fundamental looks like, not the up, up, up we hear from the Minister of Finance. That's not what I'm hearing from my constituents. I talk to my constituents every day and to people in the business community every day. I talked to a fellow this weekend, a gentleman who was in the oil and gas industry for 45 years. He's worked in Venezuela. He's worked in Canada. He's worked in the United States. He said that in the 45 years of his career, he's never seen it this bad. That's what we're facing, a failure of economic fundamentals and a failure for people that have seen the ups and downs of this industry.

Madam Chair, this is not a bill that we can support at this time. Thank you.

The Chair: Any other members wishing to speak to the bill? The hon. Member for Calgary-Mackay-Nose Hill.

Ms McPherson: Thank you, Madam Chair. I rise today to introduce an amendment to Bill 2, the Growth and Diversification Act. This amendment seeks to include foundational pieces of modern digital media products; namely, structure data such as geophysical information, GIS, that is useful for learning about the environment and climate, and real-time data such as positions of vehicles or energy generated, used, or stored. So I move that Bill 2, Growth and Diversification Act, be amended in schedule 1, the Interactive Digital Media Tax Credit Act, in section 1(d) by striking out subclause (iii) and substituting the following:

- (iii) is capable of presenting information in at least 2 of the following forms:
 - (A) text;
 - (B) sound;
 - (C) images;
 - (D) structure data;
 - (E) real-time data.

I will give the amendment to the pages.

The Chair: Hon. member, can I just clarify that you are moving this on behalf of the Member for Calgary-South East?

Ms McPherson: Sorry. Yes, Madam Chair. Thanks.

The Chair: This will be known as amendment A1.
Go ahead, hon. member.

Ms McPherson: Thanks. The existing list already covers two visual information formats that can be displayed on a screen both in text and images. I'm sure the minister didn't intend to omit other information formats critical to interactive digital media applications, but listing only two suggests that other visual formats do not qualify. As written, the bill would not cover Smart boards, which is a true Alberta innovation success story, since real-time changes to a virtual whiteboard may not contain any text at all nor necessarily be accurately described as an image or even a series of

images. Now, if you've ever scratched on one of those, you know what I mean.

[Ms Sweet in the chair]

Similarly, the bill would not cover three-dimensional interactive visualizations such as those used to train surgeons to perform surgery in virtual reality or those used by geologists to explore formations in caves. As written, the bill would not cover a product that displays a real-time chart of household energy usage because it would not necessarily be text nor would it be an image comparable to a photo of the Legislature. Alternatively, if we want to define images to include charts, there's no reason to keep text as a separate category.

I urge all MLAs to support this amendment. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members wishing to speak to amendment A1? The hon. Minister of Economic Development and Trade.

Mr. Bilous: Thank you very much, Madam Chair. I'll thank the member for her amendment on this. I just want to explain real quick the reason that the definitions in 1(d)(iii) and then (A), (B), (C) are just text, sound, and images. Essentially, we modelled this piece after legislation from British Columbia. We did a cross-jurisdictional scan when we looked at different interactive digital media tax credits. The rationale for using a combination of the text, sound, and images as a requirement is that these are primary sensory methods of interaction with an IDM product. Data, either structured or real-time, is not a method of sensory interaction; it's information. The addition of those two would significantly broaden the scope of the program well beyond its policy objective to specifically support the interactive digital media sector.

[Ms Jabbour in the chair]

You know, an example that we've come up with if we did broaden it and accept this amendment by adding structured or real-time data is that a business could use the program to develop an online app that provides things like weather, news, or stock exchange information, which is not an interactive digital media product. For that reason, I will be encouraging members of the Assembly not to vote in favour of this amendment.

The Chair: Any other members wishing to speak to amendment A1? The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Thank you very much, Madam Chair. Seeing as we're speaking of media and the promotion, I did take a little walk down memory lane earlier, and apparently I might have stepped in it a bit and upset some of the security forces here that stand and protect us in the House every day. It's kind of like telling your kid brother that there's no such thing as Santa Claus or the Easter Bunny. Apparently, I've upset them by saying that *Stampede Wrestling* wasn't real. So I do apologize for that, and in recognition of that, I'd like to talk a little bit about it.

Mr. Sucha: Predetermined. The term is "predetermined."

5:00

Mr. Hanson: Predetermined. Sorry.

Stampede Wrestling was established in 1948 and actually ran till 1984 and had a long list of alumni. I'll read them into the record for you if I could. We have Adrian Street, Abdullah the Butcher, Bad News Allen, Hercules Ayala, Ben Bassarab, Black Tomcat, Steve Blackman, Bulldog Bob Brown, Kerry Brown, Leo Burke – all real people; that's why I'm bringing this in in recognition of these folks;

this was a real program; these were real people – Larry Cameron, the Cobra, Cuban Assassin, Steve DiSalvo, Dynamite Kid, Dory Funk Jr., the Great Gama, Sumu Hara, Bret Hart, Bruce Hart. And the list goes on and on.

I'd just like to apologize to the good security. I didn't mean to upset anyone.

Thank you.

The Chair: Hon. member, was that in relation to amendment A1?

Mr. Hanson: Yes, ma'am. Thank you.

The Chair: Okay. Thank you.

Calgary-Mackay-Nose Hill.

Ms McPherson: Thank you, Madam Chair. I just wanted to make a point. I'm not sure if there's maybe a gap in understanding. I am moving this on behalf of another member, so I don't have the benefit of the context that the amendment was developed in.

Something that the minister said: he was talking about structured data and real-time data not being part of interactive digital media. With all of the data that's presented, however data is presented to a user, there is data being fed behind it that facilitates that interaction between the user and whatever application there is. The example that I used in the comments was Smart boards, and that is definitely an interactive application of data. So I really am not understanding what the concern is in particular. I heard that it would open things up, but it seems that things are quite closed off by the limitations right now. I just wonder if the minister would be able to offer some clarification.

The Chair: The hon. minister.

Mr. Bilous: Thank you, Madam Chair. My point was that text, sound, and images are the ways that an individual interacts with the media. Structured data, real-time data are not modes of interaction; therefore, we feel, I feel that it doesn't necessarily augment this program. What it does do is open up the scope to businesses that may use it for non interactive digital media purposes, which really is the crux of this program. Hopefully, that helps clarify.

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

Seeing none, are you ready for the question?

Hon. Members: Question.

[Motion on amendment A1 lost]

The Chair: We are back on the bill. Are there any further questions, comments, or amendments with respect to this bill? Calgary-Mackay-Nose Hill.

Ms McPherson: Thank you, Madam Chair. I have another amendment that I would like to move. This is a simple amendment that enables smaller businesses starting out in digital media to benefit from this bill at the time when they would benefit most from the support by reducing the threshold from \$50,000 in wages to \$25,000 in wages. On behalf of the MLA for Calgary-South East I move that Bill 2, Growth and Diversification Act, be amended in schedule 1, the Interactive Digital Media Tax Credit Act, in section 4(1)(c)(ii) by striking out "\$50,000" and substituting "\$25,000."

The Chair: This is amendment A2.

Go ahead, hon. member.

Ms McPherson: Thank you, Madam Chair. Not every business or Albertan who works in interactive digital media starts out in that industry as their main business or full-time occupation. The skills required to succeed in digital media overlap with other sectors, with many other sectors such as graphic design, video production, animation, programming, engineering, artificial intelligence, health informatics, data visualization, and other vocations that are enabled for anyone who can afford a laptop. Consequently, there is a much larger pool of talent who contribute to the interactive digital media industry than who work full-time.

Recognizing the actual structure of Alberta's digital media workforce is key to the success of the bill. Apps are routinely designed by students who aren't necessarily working full-time in interactive digital media but who wish to enter the interactive digital media industry. Companies and organizations with existing data that could benefit more Albertans might not want to become interactive digital media companies but may still invest in a part-time or contract role to put their data and information online in an interactive way. Individuals employed at organizations might want to explore careers in interactive digital media during their off hours. What better way to support more Albertans to experiment in interactive digital media than by offering them a boost to get in? We can do better for Albertans by reducing the threshold from \$50,000 to \$25,000 to open the interactive digital media door to more Albertans.

I urge all members of the House to support this amendment to improve the lives of Albertans pursuing business in interactive digital media.

The Chair: Any other members wishing to speak to amendment A2? The hon. minister of economic development.

Mr. Bilous: Thank you, Madam Chair. My pleasure to rise and speak to this amendment. I want to start off by thanking the member and her caucus for putting this forward. I completely appreciate the spirit of this amendment as far as lowering the salary from \$50,000 to \$25,000.

What I will say is that, you know, my ministry did some comprehensive work reaching out to different companies, looking at different jurisdictions across the country as far as what they do in other jurisdictions. What's interesting is that in British Columbia, for example, the minimum threshold is actually \$100,000, substantially higher than what we proposed. The reason is that this tax credit goes to employees that are game developers, program developers, programmers. These are typically high-paying jobs. The median wage in Alberta in this space is I believe somewhere between \$70,000 and \$75,000. That's part of the reason that we decided to make the minimum \$50,000. We want to make sure that we catch different wages and ensure that we catch employees.

We actually took initial feedback from the companies when we were first designing this credit program, again, as I said, in a crossjurisdictional scan and looked at what the wage are. I can tell you, Madam Chair, that, again, \$50,000 is the amount that the majority of stakeholders that we've spoken with have also agreed is middle ground between a high enough threshold for dedicated IDM companies but not so much that legitimate small firms would be inadvertently unable to access the program. Really, what we want this for is for companies that are serious about growing and scaling. You know, if there are companies that are more in the area or aligned with doing this as a hobby, that isn't necessarily what this tax credit is aimed at because, really, we're trying to help support and grow the industry.

Again, we shopped that number around in conversations with a number of different stakeholders, and when you look at where

Alberta is, again, British Columbia's is the minimum of \$100,000. We decided to go with \$50,000, but I'm a little concerned that dropping it down to \$25,000 could have some unintended negative consequences, or it could be potentially encouraging, you know, a race the opposite way, a race down to the bottom as opposed to recognizing that the majority of these positions are well-paying jobs. That's what we want to promote and support. Again, I think the \$50,000 is a reasonable number that will allow for companies to be able to make use of this but not to take advantage of it.

Thank you.

5:10

The Chair: Rimbey-Rocky Mountain House-Sundre.

Mr. Nixon: Thank you, Madam Chair. I'd ask the Chamber if we could revert to introductions briefly, please.

[Unanimous consent granted]

Introduction of Guests

(reversion)

The Chair: Go ahead, hon. member.

Mr. Nixon: Well, thank you, Madam Chair. It is my pleasure to introduce to you and through you to all members of the Chamber a grade 6 class that is here from Eckville in the great riding of Rimbey-Rocky Mountain House-Sundre. It was a pleasure visiting with them just a few moments ago as we were taking our picture. They were telling me that their favourite thing about Eckville is actually GTI in the middle of the town, which happens to be my favourite thing because when you ride around a riding as big as yours and mine, Madam Chair, you get to know the gas stations very, very well. In Eckville the GTI always treats me very, very well, so I agree with them on that. I would ask them all to stand – go ahead; don't be shy – and receive the traditional warm welcome of this Assembly.

The Chair: Hon. Member for Strathmore-Brooks, did you want to do an introduction?

Mr. Fildebrandt: An introduction, yes.

The Chair: Okay. Go ahead.

Mr. Fildebrandt: I don't do too many introductions around here, but I wanted to welcome – if he could stand and rise – a new employee in my office, Michael Tiberio. He's from Calgary and is working in my very large caucus office. We've now come to a staff of two. He's a passionate young conservative and a former semipro soccer player. A condition of employment was that he now has to cheer for Germany. He has not agreed to it, but we'll see how good a job he does. If all members would join me in giving him the traditional warm welcome of the Assembly.

Bill 2

Growth and Diversification Act

(continued)

The Chair: On amendment A2, the hon. Member for Calgary-Mackay-Nose Hill.

Ms McPherson: Thank you, Madam Chair. Thank you to the minister for his comments. I did have a couple of points that I wanted to make. I've heard a couple of comparisons to British Columbia so far this afternoon, and a point that I would like to make

is that B.C. has a good decade's head start on us in terms of the development of their tech sector. I think that it's really incumbent upon Alberta to not just be reasonable but to be unreasonable in the pursuit of developing the digital media business industry in Alberta as well as the tech industry as a whole. For those reasons, yes, \$75,000 is a median salary at a big company like BioWare, but what this amendment does is that it opens up the playing field for small players, for people who don't have a lot of time to dedicate but are very committed and passionate about digital media.

I'm thinking of an example of somebody that I used to work with. I worked in IT for a number of years. This was a young man who was very talented in network administration. Unfortunately, he had an accident, and he broke his leg. Now, this isn't directly related to digital media, but it shows what our circumstances can do in terms of promoting our ingenuity. He was actually really badly injured in this accident, and his leg was so badly injured that he risked losing it. He was on crutches for a number of months. What he did was that he came up with an exoskeleton for people to wear on their legs so that they didn't have to use crutches. Crutches are very cumbersome. They're very uncomfortable. It's very difficult to get around with crutches. He was able to start playing with his kids again by using this thing that he developed.

Now, he wasn't a full-time product developer. He was a network engineer, and he's been able to access some funds to help get his product off the ground. I think it's stories like those that really should encourage us to open up programs like this to more people who are innovative, who don't necessarily have the structure of a company around them, who aren't even interested in starting their own company, because they need to be able to prove their product, and all they can afford to do is to hire a developer for \$25,000 a year part-time.

This suggestion for this amendment came from a stakeholder. It came from somebody who's already in the business. This has validity. It comes from the industry itself, and I would really encourage, urge all of the legislators here in the Assembly to be unreasonable and to support this amendment because it does open up this industry to more people.

Thank you.

The Chair: Any other members wishing to speak to amendment A2? Calgary-Hays.

Mr. McIver: Thank you, Madam Chair. I looked at this, and just from a practical standpoint and from the government's position, you know, legislation should probably be drawn up, whenever possible, to last a few years. I think the government would agree with me on that, and probably the mover of the amendment would agree with me on that.

To be clear, I'm not onside with the government's plan to raise the minimum wage to \$15. Nonetheless, they're the government, and they will probably be in government long enough to raise the minimum wage to \$15. I believe that's a fact. So I'm just considering that for somebody that makes \$15 an hour, when the government gets there, even at minimum wage and working 40 hours a week, that's \$600 a week. At 50 weeks you're looking at \$30,000. That's above this.

Just from a practical standpoint, the minister said – and I think he's reasonable in his assertion – that if the government is going to give subsidies or supports to a company, if they're going to get government support, they don't want to be fooling around at something; they want to be serious at it. I think I'm in line with what the minister said there: not a part-time person.

So if you've got a full-time person even making the minimum wage – and one would think that in any technical industry they

would be making more than the minimum wage, which actually more than makes my point – even the lowest paid full-time person in that tech company making the minimum wage would be making \$30,000 a year if they're full-time, which makes me scratch my head a little bit and wonder how we would pick this particular chosen number, a number below what people are likely to be making in Alberta a year from now.

I would be interested if the mover wants to stand up and talk about this, but I think even the mover will understand why I'm asking the question, and I'm not trying to be hard on the mover. I'm sure that the mover's intention is good, and I'm not suggesting anything otherwise but just on the practicality of having an amendment to a piece of legislation that essentially, if it's not out of date today, will be out of date the next time the province raises the minimum wage. They do have a majority and they do have a year left in their mandate, so I think there's a pretty good chance that they will do that. As much as I think it's a bad idea, I haven't heard any evidence that they're changing their mind on that.

I think I'm asking a reasonable question, and I would be interested in the mover's opinion on the choice of that number of \$25,000.

Ms McPherson: I'm intrigued by your question, but I'm not clear what it is.

Mr. McIver: If that's the case, then the mover shouldn't be surprised when I vote against her amendment if she's not clear on what I just said, because I thought it was crystal.

The Chair: Any others wishing to speak to amendment A2?

Seeing none, I'll call the question.

[Motion on amendment A2 lost]

The Chair: Any further questions, comments, or amendments with respect to this bill? The hon. Member for Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Madam Chair. I will have a series of amendments coming forward, which I'm sure all members here are looking forward to with delight. Many of them are in the same vein, but they'll have to come in different pieces because this bill is constructed in a rather unique way, not in regular sections but in schedules.

The bill itself is packaged and viewed so far, in the lens of the media, as just a regular corporate welfare bill, that we're going to take tax dollars and give some of it back to specific businesses for doing things the government wants them to do. Most corporate welfare, you know, be it GM or Bombardier or perhaps now even Trans Mountain, is generally some way of trying to keep the business afloat when it has run into problems, be it their own fault, like GM or Bombardier, or when it's not their own fault, like Trans Mountain. But I have yet to see a form of corporate welfare in this country that seeks to micromanage the employee composition of a private business, that seeks to take finite tax dollars from all businesses and redistribute it back to them if they meet gender and racial quotas. Now, members can correct me if I'm wrong, but I'm not familiar with any other province that has to date done this. I would certainly hope no others have. This is a quantum leap in what we do through corporate welfare.

5:20

Now, part of this bill is dealing very specifically with the Interactive Digital Media Tax Credit Act, which is dealing, obviously, with this specific area of corporate welfare. But it also is dealing with the broader Growth and Diversification Act, which is across the entire economy.

This bill will be taking finite tax dollars from businesses and individuals and redistributing it back if they hire certain groups that this government will define at some point, one would imagine, as deserving of special help. Certainly, some groups are advantaged, and some groups are disadvantaged. But when government gets in the business of deciding who they are by classifying people as groups and categories, treating them as bar codes and numbers on a spreadsheet to tally up points, we're no longer treating people as humans. We're no longer treating people as individuals, as people with their own lives and their own experiences.

You know, government and political parties have long engaged in quotas on race, on gender, sometimes based on region if you're building a cabinet. We've done that since 1867. We would balance religion and language. There are all sorts of things that go into building cabinets because those are political considerations. Within the bureaucracy governments have engaged in more explicit and legislative racial and gender quotas for a long time. Governments seem to be able to afford that because the resources of government are effectively infinite. It can always borrow and borrow. It can tax and it can borrow whereas the private sector cannot.

In the private sector virtually all hiring is on the basis of merit. Perhaps you might hire a friend. Perhaps you might hire a family member, or, you know, an uncle put in a good word. But, overwhelmingly, people are hired in the private sector on the basis of merit. Now, we are not living in a horribly prejudiced and hateful society. [interjections] You know, I'm surprised to hear many New Democrats across the way scoff at that. Do they really believe that the people who have elected them are hateful or bigoted, racist or sexist or misogynist? Do they really believe that people in the private sector need to be told who to hire specifically?

This is only going to apply to certain groups, and this is just one of the many problems with having government in the business of not just picking winners and losers between businesses, as regular corporate welfare does, but picking winners and losers based on the colour of people's skin, based on their sex. They're going to pick winners and losers by classifying people into groups, and it doesn't seem to make particularly much sense.

You know, the daycare that my daughter goes to is staffed exclusively by women, and they do a fantastic job. Maybe having a man on staff would help things, maybe not. Either way, they are a private business, and it is their decision, and I'm confident in that daycare to provide good, quality care for my daughter. I really don't care about the colour of the employees, and I don't care about the sex of the employees. The fact that it happens to be an all-female workplace is their business. If I don't like it, as a consumer I can take my business elsewhere.

That's the way free enterprise is supposed to work. If you are not hiring someone because you are prejudiced against them based on their sex, their race, their religion, or even their soccer team – I came close on that front; he's an Italy fan. If you hire anybody on a basis other than merit, you are only going to hurt yourself. In my case I'm going to hurt the effectiveness of my office and organization. In the case of a private business you are going to hurt your profitability and only hurt yourself. A qualified person who's been discriminated against will probably find a good job somewhere else, and the loser is the employer who refused to hire them. By putting people into these categories of race and sex, we are denying their individuality.

You know, I know quite a few members of this House pretty well and members across the way a little less well, but I've gotten to know some of you. But I don't know where you come from. I don't know what your story is. Some of you might be white, male, Protestant, straight, essentially all of the things that would not get you a tax credit here, but I don't know your backstory.

Perhaps you're privileged. Perhaps you come from a wealthy background and a good family that had two parents. You got a good education, were wealthy. Perhaps you come from that, but maybe you come from a broken home. Maybe you come from a rural, isolated community. Maybe you come from a poor family. But based on the categories established in this kind of legislation, if you are poor, from a broken family in an isolated community, you're still considered just as privileged as the Justin Trudeaus of the world. You might come from a racial minority background, and you also might come from a poor family, a rural, isolated, broken family, and also not be advantaged. But you also, despite coming from a minority background, may have a good family background, have a good education, come from a higher economic strata with a good education. There is no way to determine who is really privileged here or not. There are privileged, and there are underprivileged, but government has no possible way of determining that.

You know, I come from a series of small army and air force towns, low-income places. The number of people I grew up with, my friends in school who were on welfare, who got caught in drugs, who were into dealing drugs – you know, a lot of the people I grew up with didn't get out of there. They never got out of those small towns, or they joined the army and they fought in Afghanistan because that was the only opportunity. Some of them are just dead. But they came from demographics that according to this bill are privileged. They are not privileged, and they deserve just as much of a hand up as anybody else regardless of their race and their sex. We are denying their individuality. We are saying: "We're going to make a judgment on you like judging a book by its cover. We're going to judge you by your demographics and say that you are privileged or not privileged based on that, and your backstory, your life experiences, don't matter."

Now, this is well intentioned from the members across. I know there's no hateful intention. It's not bigoted towards any one group. You know, we were dealing with the '60s scoop yesterday. That was government action and legislation that targeted people based on their race but with malicious intent, and I do not believe that this bill has malicious intent by any stretch. I believe that they are genuinely trying to help people, but it will not. It is still legislating judging on the basis of race and on gender, and there is something wrong with that. We should not be singling people out.

I'm going to have a series of amendments here dealing with this in different sections of the bill. I'm precluded from doing it in one larger single amendment, which I'm sure makes members very sad. I'll speak about this amendment in particular once it's distributed by the pages.

The Chair: This is amendment A3.

Go ahead, hon. member.

5:30

Mr. Fildebrandt: Thank you, Madam Chair. This amendment deals with schedule 1 of this bill, more specifically on the Interactive Digital Media Tax Credit Act. Other amendments that I bring forward will deal with this topic of race and gender quotas more generally, as are being imposed through the Growth and Diversification Act, but this will be dealing more specifically where it's essentially noted a second time in the bill as a part of the interactive digital media tax credit.

The government has got no business deciding what races and genders should make up the employee roles of private businesses. If the government does believe that every business should be a microcosm of Alberta's demographics more broadly, do they then agree that the daycare where my daughter goes to has to hire 50 per cent men or should? Will the daycare that my daughter goes to be

eligible for a tax credit if they hire 50 per cent men? They're already quite diverse in terms of race. Perhaps, you know, there are a lot of East Indians there, so do they have to diversify to other groups as well?

We are micromanaging the specific employee composition of private businesses. Government has not got the skill and expertise to make a decision on what decisions a business should be making in general – that's one of the many problems with corporate welfare – but they certainly have no expertise to determine what employees they should be hiring.

This amendment will very clearly strike out clause (l) in section 1, strike out section 7, amend section 20(1) by striking out clause (a) and substituting:

(a) defining "eligible activities" and "salary and wages"; and also strike out clause (e).

This will be the first in a series of amendments to, at the very least, if the government is going to go forward with a corporate welfare bill, take all references to race and gender out of it. If a company is going to hire somebody, let them just make the decision on merit alone.

Thank you.

The Chair: Any other members wishing to speak to amendment A3? The hon. Minister of Advanced Education.

Mr. Schmidt: Thank you, Madam Chair. I want to respond to a number of the comments the Member for Strathmore-Brooks made in bringing forward this amendment. First of all, let me disabuse the Member for Strathmore-Brooks as well as anybody who might be inclined to side with him on this that we are in any way implementing any quotas. There's not a minimum requirement for hiring particular numbers of gender or ethnic groups to qualify for the tax credits. It's hiring one underrepresented employee described in the regulations. We're not saying that a company needs to have a minimum percentage of women in their corporation or a minimum percentage of people from an ethnic group, which is what a quota system would be. So let me just disabuse everybody in the House of this notion that we are somehow implementing a quota system. We are not.

Secondly, I want to take a few minutes to discuss an issue because this is an issue that is important, I think, and doesn't get a lot of discussion at our level. The member says that we don't have an electorate that's actively sexist, particularly when it comes to the interactive digital media world. I want to just remind the members of this Assembly about an issue that struck the interactive digital media world quite severely three or four years ago, and that was the Gamergate discussion.

To remind everybody in the House or to educate those who maybe weren't paying attention, the Gamergate controversy started when a jilted ex-lover of a female game developer wrote a 9,000-word blog post accusing that woman of having an illicit affair with a game reviewer to get good reviews for her game. Madam Chair, that woman was the subject of death threats, rape threats. She was forced to flee her home, and it didn't stop there. The people who were on the side of this blog poster took it upon themselves to not just attack the particular woman who developed that particular game but thought it was their duty to chase women out of the gaming industry entirely. So they focused on other women developers in the gaming system. They focused on media critics who looked at issues of sexism in the gaming industry.

There is a very high profile case of a media critic named Anita Sarkeesian who also was the subject of death threats, rape threats, who also had to flee her home because people found her personal information, her address, her workplace, posted it online so that

people could hunt her down and find her where she lived, Madam Chair. She had to cancel a number of speaking engagements on university campuses, where she was supposed to talk about issues of sexism in gaming, because these people who were hounding her online were making violent threats to hurt her if she appeared in person on campus.

So for the Member for Strathmore-Brooks to get up and say that there isn't sexism in the gaming world is completely untrue. Sexism is virulent. It is very dangerous in the gaming world, and it needs to be addressed.

Madam Chair, my only regret is that this doesn't go far enough to address the serious and very present threat that sexism makes to female gamers and female employees of the gaming industry. But it's a step in the right direction, right? Women are incredibly underrepresented in the gaming world. They don't play games at the same rates that men do, they don't work in the gaming industry at the same rates men do, and the gaming industry is really being held back by that fact.

You know, the gaming industry is one of the largest entertainment industries in the entire world, and it's managed to achieve that by locking out almost half of the world's population. Madam Chair, imagine how much more successful and profitable the gaming industry could be if it opened the doors to the other half of the population that it currently actively seeks to keep out. That's what we're trying to address. By tackling the issues of sexism in gaming, we're making the current world of gaming safer for the women who are already there and we're expanding opportunities for more women to feel safe and to feel valued and included and to participate in the gaming world. That will make them safer. That will make the gaming industry more profitable and more successful.

So for the member opposite to get up and say that this has absolutely nothing to do with the growth and success of the gaming industry is completely false, and I really hope that the Member for Strathmore-Brooks goes back home tonight, reconsiders his comments, and – well, ideally, I'd like him to retract this amendment. I don't think that my words have been persuasive and convincing enough to get him to do that, Madam Chair. But to anybody else who is listening, I just want them to understand how destructive sexism is in the gaming industry and how our tax credit to employ more women in the gaming industry will help that industry be successful and will help our women feel welcome and included in a world that they aren't feeling very safe in right now.

For all of these reasons that I've laid out, I urge everyone in this House to vote down this amendment and to support getting more women into the gaming industry.

The Chair: Any other members wishing to speak to amendment A3? Strathmore-Brooks.

5:40

Mr. Fildebrandt: Thank you, Madam Chair. You know, the member's comments around Gamergate are interesting. Obviously, what happened in that case was disturbing, but I don't think that a couple of nerds sitting in their underwear in their mom's basement harassing somebody justifies collective punishment. I don't think it justifies the government legislating how many women or men or what specific races should be involved in a particular field.

It's not just about gaming here. This government's bill here, Bill 2, is not dealing just with gaming or even just with digital and online issues. It extends into the entire economy. If his goal is simply to get more women into gaming, why doesn't the bill specifically say so? It doesn't just say: women into gaming. It just says: "underrepresented groups."

That's a bit difficult to swallow because it's not just about women. It's now talking to racial groups. I don't think that you can make a very strong argument that, you know, it's a rabidly racist industry within it, say, that Southeast Asian Albertans or east Asian Albertans are being systemically excluded from the gaming industry. That's patently false, yet this bill makes no distinction. This bill is simply going to give businesses money from their competitors for having people on the payroll who are simply from "under-represented groups." This is not just in gaming or digital; it's across the entire economy.

If we're talking about underrepresented groups – and I will have an amendment to clarify what the government means by that at a later stage here – if that is the case, in some industries you might have men underrepresented, and that's okay. Sometimes – and perhaps it might be heresy to say so in the NDP world – in some industries or professions certain sexes gravitate towards certain professions. Not always so, but sometimes that happens. You know, the nursing profession is overwhelmingly women. That's great, but it doesn't mean that there's a problem for men there. Teachers are disproportionately women. I think that's a good thing, that certain professions disproportionately attract people from different demographics. That's okay. They should be open to everybody. Nobody should be barred from it.

My mother-in-law was one of the first lawyers to work in Calgary in her day. She's retired now, but when she broke in, she was one of the only women to be a lawyer in downtown corporate Calgary. That was not a friendly place for women, but she broke into it. Now my sister-in-law is a lawyer, and she's certainly far from alone now, but she's still outnumbered by men. Some professions are just going to disproportionately attract people from one demographic or another. With the military, no matter how many quotas you bring in there, I'm willing to say that the military is going to be disproportionately men even if you mandated that it wasn't. You know, that's people's free decisions. People are individuals, and not every business, not every institution needs to be a makeup of Statistics Canada. Private businesses have the right to hire who they want, and employees are going to be attracted to the jobs that they want.

The member across says that this is not a quota. No. It is a quota. It is not a hard quota in the sense that businesses are forced at the gunpoint of government to do so, but it is an incentive quota, that if they do not meet the government's race and gender quota system, they will be denied the tax credits given to their competitors. They'll still be paying taxes to the government, but the government will take those revenues and give them to their competitors who accept the government's quotas. It is a soft quota, it is an incentive quota, but it is a quota nonetheless, and it is legislating on the basis of people's race and on the basis of their sex.

Now, I don't know the member's background. I don't know what his family history is. I don't know how wealthy a background he comes from. I don't know his educational background, other than that he runs it. But I judge him as an individual. On the surface he is a white male, and I don't know much about his background other than that. That does not give me any ability to judge him or his life story, what he's been through. Perhaps he comes from privilege, but perhaps he does not. Perhaps he comes from a rural area, a poor area. Perhaps he comes from a broken family. Would that make him still a privileged person? Well, under this legislation, yes, it would because the legislation will judge him as a book by the cover.

That's not right. We're supposed to be beyond that. The modern left's obsession with race and sex and identity politics is driving people mad. Most people outside of this House just don't care. If they're in the private sector, they just don't care. They're going to hire the best person for the job. There is going to be the odd racist

or sexist or misogynist, but it is not this grand epidemic across the province.

The Premier, for goodness' sake, was elected duly by the people of this province. I certainly didn't share the opinion that got her elected, but she was not stopped from being the second woman Premier of this province. I think that's fantastic. I may very strongly disagree with her policies, but there is clearly no evidence of this sexist and racist epidemic gripping the majority of Albertans, that is distorting the hiring decisions of people on the ground, stopping people from getting jobs if they're the most qualified persons for them.

I'll reference a story of someone I know. I won't name him for privacy purposes. He's a young man applying for university. His application was sent back to him, and he was asked essentially if he could check any of the boxes that would mean that he's not privileged of some kind. He had to think about it. He had to think about what he could come up with because they were simply not going to give him that slot and that scholarship if he could not prove that he was anything other than, unfortunately, the demographic that I fall into. It's not fair. He doesn't come from a background of privilege. He comes from a middle-class background but nothing special, and he comes from a family with a single mom. Yet he is being treated under this legislation as a Justin Trudeau, someone born into power and wealth and celebrity, with all the possible advantages that you could hope to be born with in your life.

Any legislation that comes before this House dealing with gaming, dealing with industry more generally, or dealing with the private sector or public sector, any legislation that comes here that seeks to codify and categorize people by their race or their sex or their gender or anything other than the merit of who they are as an individual man or woman is beneath the duty we have to maintain the equality of opportunity for all Albertans and should be voted down accordingly.

The Chair: The minister of economic development.

Mr. Bilous: Thank you very much, Madam Chair. I'll try to keep my comments brief. There are just so many things wrong with what the member just said that I don't know where to begin. What I will say, first of all, is that diversity is a strength, not a weakness. On this side of the House we celebrate diversity in the workplace and we celebrate diversity everywhere, quite frankly. What we'd like to see and what you do see in a lot of very successful companies is that the companies reflect our society, similar to what we're trying to promote.

Now, Madam Chair, I can tell you, first of all – and maybe the member is confused – that this is a 5 per cent top-up to a tax credit if a company so chooses to hire people from underrepresented groups. The member had made a comment. I just want to clarify that, you know, when you look at our postsecondaries and you look at, for example, the University of Alberta's gaming program, women make up about 30 per cent of the classroom, of the students. However, their employment rates are much, much lower. The Entertainment Software Association of Canada estimates that in 2015 only 16 per cent of workers in the IDM sector were women. So there are clearly barriers to employment. What this diversity top-up does, Madam Chair, is that it provides an additional carrot or helps the market catch up, again, as a carrot for companies to be more diverse in their hiring.

5:50

I can tell the member, you know, that I think it'd be a little far fetched to say that a company is about to take unqualified people for a 5 per cent tax credit. So for 5 per cent of their salary they're

going to hire someone completely unqualified: not at all, Madam Chair. What this is doing is drawing light and attention to the fact that especially in the IDM sector it's very homogenous as far as the workers that are typically employed in that sector. Again, what we're trying to do is to help encourage diversity.

With this amendment – I don't even think I need to strongly encourage members of this House not to support it. I think they will see for themselves the value of what we are trying to do in this bill and how this amendment would take away from that.

The Chair: Any other speakers to amendment A3? Strathmore-Brooks.

Mr. Fildebrandt: Well, I want to thank the minister for his comments. I would agree with his first statement on the face of it, *prima facie*, that diversity is a strength, but diversity is a strength when it's natural, when it's organic, when it's something that people have done voluntarily, as citizens coming together. It is never a strength to force people to hire someone or to give them extra money to hire someone over someone else because when you provide a subsidy to a business, even 5 per cent, they are going to change who they're going to hire based on that. You know, it is a carrot on one side, but it's a stick to somebody else. Businesses, unlike government, are finite in how many people they can keep on the payroll. If they have one spot open and one person might be slightly less qualified than the other, but they're going to get a 5 per cent top-up, for a business operating on the margins, as businesses do, that's going to make a real difference.

You don't lift somebody up by putting somebody else down, and that's what this bill will do. It is incompatible with our universal beliefs in equality of opportunity because this is focused on equality of outcome. I've certainly noticed the noticeable lack of other Conservative voices in this debate, for reasons I won't speculate on. But possibly the least conservative thing we could do would be to vote for a bill codifying race and gender as reasons for corporate welfare. It is putting equality of outcome before equality of opportunity.

I don't think I've been nearly eloquent enough to sway members of the government, but I would certainly hope that all members of the opposition take a principled stand against any attempt by the government to legislate race and gender above merit.

Thank you.

The Chair: Any other members wishing to speak to amendment A3? Calgary-Mackay-Nose Hill.

Ms McPherson: Thank you, Madam Chair. I just thought it was important for somebody who was actually a woman in technology to get up and say a few words. I don't agree with this amendment. I think that the provision in the bill makes a lot of sense.

I was often the only woman in many of the departments that I worked in. I really strongly believe that technology should be developed by both men and women. It should be developed by a diversity of people so that the products that are created out of that

development accommodate the people of our society. If we only have white men predominantly developing products, that's the bias that's in there inherently. It doesn't mean that they're rabid misogynists. It doesn't mean that they are even somebody that would consider themselves to be sexist. I see that I got some little side eye here about that comment. This is based on a lot of research. Companies do better when they embrace diversity. Encouraging diversity I think is a smart move.

From what I've seen of the bill, it isn't a requirement that you have X number of people of this gender or X number of people of colour. It incentivizes. I think there's a lot more that can be done by society to encourage companies to embrace diversity so that they can realize the benefits to their bottom line. Also, it's just the right thing to do. It's just the right thing to do to make sure that you have fair representation of women, of people of colour, of people of all minorities reflected in a business, and for these reasons, I will not support this amendment.

The Chair: Any other speakers for amendment A3?

Seeing none, I'll call the question.

[The voice vote indicated that the motion on amendment A3 lost]

[Several members rose calling for a division. The division bell was rung at 5:56 p.m.]

[One minute having elapsed, the committee divided]

[Ms Jabbour in the chair]

For the motion:
Fildebrandt

Against the motion:

Bilous	Hanson	McPherson
Carlier	Hinkley	Miller
Ceci	Hoffman	Nielsen
Connolly	Horne	Piquette
Coolahan	Kazim	Renaud
Cortes-Vargas	Kleinstauber	Rosendahl
Dach	Larivee	Sabir
Dang	Littlewood	Schmidt
Drever	Loewen	Schreiner
Eggen	Loyola	Shepherd
Feehan	Malkinson	Sucha
Fitzpatrick	McCuaig-Boyd	Westhead
Ganley	McIver	Woollard
Gotfried	McKitrick	Yao
Gray		

Totals:	For – 1	Against – 43
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[Motion on amendment A3 lost]

The Chair: The committee will be recessed until 7:30 p.m.

[The committee adjourned at 6 p.m.]

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