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The 30th Legislature First Session

Alberta Hansard

Monday evening, November 4, 2019

Day 38

The Honourable Nathan M. Cooper, Speaker

Legislative Assembly of Alberta The 30th Legislature First Session

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Legislative Assembly of Alberta

7:30 p.m.

Monday, November 4, 2019

[The Deputy Speaker in the chair]

The Deputy Speaker: Good evening, everybody. Please be seated.

Government Bills and Orders Second Reading Bill 21

Ensuring Fiscal Sustainability Act, 2019

[Adjourned debate October 30: Mr. Orr]

The Deputy Speaker: Are there members wishing to speak to second reading? The hon. Member for Edmonton-Whitemud.

Ms Pancholi: Thank you, Madam Speaker. It's a privilege to rise today to speak in response to Bill 20, the Fiscal Measures and Taxation Act, 2019. Not surprisingly, perhaps, I'm going to be speaking out against this particular bill for a number of reasons, particularly because I think it's very clear that this bill as well as Bill 21 and the estimates that were filed by the government last week are just intended to take money out of the pockets of Albertans. The goal behind that seems to be that the government has a debt to pay off, and that debt to pay off is actually the one that they've created themselves. It is the one created by the \$4.7 billion no-jobs handout that no jobs were created, but actually – are we on Bill 21?

An Hon. Member: Yeah.

Ms Pancholi: So sorry. My apologies, Madam Speaker. I'm aware now that we are actually on Bill 21, which is the Ensuring Fiscal Sustainability Act, 2019. But my earlier comments still stand with respect to my concern. With respect to that bill the comments are the same, which are that I do not support Bill 21 because it is actually a package of changes that go along with Bill 20 as well as the budget tabled by the hon. Minister of Finance, and as well as with Bill 20 and the budget, Bill 21 is designed to take money out of the pockets of Albertans.

So let's talk a little bit about the concerns. In particular, I'd like to highlight my concern right off the top with the decision of this government to temporarily suspend, as they've called it, the indexation of benefits for the assured income for the severely handicapped, of course known as AISH, as well as removing the indexation for income support in the seniors' lodge program.

With respect to AISH, you know, I actually recall that when I first got involved in politics, it was 1999. I worked in the constituency office of an opposition MLA, and at that time Ralph Klein was Premier. It was closely around that time when, I believe, recipients of AISH, who are some of the most vulnerable Albertans – these are Albertans who have significant and severe medical disabilities which affect their ability to work either permanently or to work in a very meaningful way because of their disabilities. They are very dependent on AISH in order to survive. Let's be clear. AISH is by no means a generous benefit. It's very minimal.

Back in 1999 I remember that the Conservative government even then was attacking the people on AISH, and really that was because, I think, they count on the fact that they are the most vulnerable and that they'll be the least able to actually stand up and collectively be heard by a government that seems to prioritize and benefit those individuals who make donations and are generous to the governing party at the time. I think that they took advantage of that by attacking those vulnerable individuals on AISH, and we are seeing the same thing here.

What's remarkable, even more remarkable, about this is that the Premier repeatedly stated that he actually did not support the deindexation of AISH, and in fact a number of members on the government caucus side stood up in this House when – it was the NDP government that brought in the provisions to index AISH to the cost-of-living increase. Just as life gets more expensive and the cost of living goes up – the cost of food, transportation, housing: all of those things go up for all Albertans – individuals on AISH were being hamstrung by the fact that their benefits were not increasing with the cost of living.

It was the NDP government that came in and indexed AISH to the cost-of-living increase. That, quite frankly, is just common sense, honestly. As anybody who buys products, buys food, buys housing, you know that the costs go up, and if your income stays exactly the same, your buying power, your purchasing power, and your ability to survive if you're a vulnerable Albertan on AISH is significantly impacted. The NDP government brought in the indexation of AISH, and a number of the members on the UCP side, on the government side, at that time supported the indexation of AISH to the cost-of-living increase because they recognized that that is humane. It is the right thing to do, it is the moral thing to do, and it is the least, honestly, that we can do.

To see now, when this government is in power, them rolling back and going back, frankly, on their word and deindexing AISH, not only is it duplicitous in terms of their position when they were in opposition, but it is also duplicitous with respect to the position they took during the campaign and that the Premier took during the campaign, and it is an attack on the most vulnerable individuals.

I, frankly, find that to be repugnant, especially because we're talking about something like \$1,600 a month. For the Premier to come out when he brought out this budget and say that he did not believe that this was an onerous impact on individuals just shows to me how out of touch this government is and the Premier is with respect to the most vulnerable and what they're living on. For somebody on \$1,600 a month not having their benefits increase with the cost-of-living increase, that is actually the difference between more than one meal, probably, in a week. It's actually a difference between eating and not eating. It is onerous, and it's particularly onerous when you don't have the ability to change your circumstances because you have a significant medical disability.

To me, that is a shock, and frankly, because the language in Bill 21 is talking about temporarily suspending and given that this government has already demonstrated that it will not keep its promises to the most vulnerable Albertans, I certainly don't think that we can take any comfort from the fact that this is supposed to be a pausing, as the minister has said, because there's no indication that this government's word is good. That's my first comment with respect to Bill 21.

I also want to talk about ending the tuition freeze for the next three years, lifting the Bill 19 tuition freeze, that the NDP government had put in place, as well as increasing the student loan interest by 1 per cent. In my riding of Edmonton-Whitemud we're a great riding, and we're a lot of people who have a lot of young people who are in postsecondary, a lot of families that are continuing to support their children who are entering into postsecondary, but a lot of those kids are also working very hard to pay for their own tuition. I think this just goes to show where this government's priorities are, and it's not on postsecondary. That's been very clear. In fact, even when I was meeting with my constituents prior to the budget being released, after seeing the government's blueribbon panel report, the MacKinnon panel report, one of the things that I consistently said to my constituents is to watch for the attack on postsecondary. I already had a pretty good feeling that this government's word was not good with respect to maintaining or increasing funding for education, and that was made painfully clear with the budget that was brought out because they have not funded enrolment growth at all despite their assurances.

In fact, we saw that writing on the wall with respect to education, but I thought it was particularly alarming to see the attack that the MacKinnon panel report made on postsecondary. What that means to me is that it's really a short-sighted vision for this province. In fact, when I go back to why I chose to run in this most recent election as part of the NDP under the leadership of the Leader of the Official Opposition, I knew it was because there was a vision there for a future for our province. It was a future of diversification. It was a future about investing in innovation and in tech and in the way our province should be going, and it was a real fulsome vision. What I was concerned about also was that I believed the vision that was laid out under the Premier's leadership and under the UCP platform was a regressive one, and this budget and this bill confirm that.

This is not a government that is actually committed to investing in postsecondary education, and by ending the tuition freeze for young students, what we're really seeing is that we're going to be seeing a lot of students drop out of the postsecondary system because they simply can't afford it. At a time when we are already talking about shortages in jobs, shortages in meaningful work for a lot of Albertans, to actually then cut out from under them our postsecondary system is to show that we actually don't have any plan. This government has no plan to fix that problem. They're not investing in our future. They're not investing in our young people, and I can say with absolute certainty that a number of the families in my constituency will be affected by that.

Not only is tuition – it's always, actually, a substantial expense for students, but predictability in planning their postsecondary education is also critical. It's critical that they have an idea of how much debt they'll take on, how much they need to save, how much they need to work, how much they are going to have to pay for postsecondary, because if they don't have that predictability, they can't plan for their education. What it means is that they're going to be the ones who are going to suffer, who are going to have to decide partway through their education that they can no longer afford to continue to do this. They may not qualify for loans. If they do qualify for loans, we now know that they're going to be paying a lot more in interest to pay that back.

7:40

I think it's a real short-term vision that this government continues to lay out for young people. I know that in particular I've already received a number of e-mails from constituents, a number of letters from constituents who are deeply concerned about that. You know, even just prior, earlier today, we were discussing Bill 19, the government's TIER program, which the government members were touting during that debate, how much that program is going to be investing in innovation, when actually that plan did not invest any more in innovation than the NDP's plan under the climate leadership plan was investing in innovation. Really, there's no further investment by this government in innovation, and then we see that they've actually gutted innovation by not just cutting the tuition cap but also failing to invest in various tax credits and incentives for innovation in this province. I'm not sure what that's about with this government. I'm not sure if it's that there's a mistrust of postsecondary, a mistrust of intellectualism. I don't know what it is, why they seem to feel that postsecondary is not valuable, but in a province where we already have the lowest number of our young people participating in postsecondary, they seem to be pretty determined to lower that even further. That's not actually looking out for the future of Alberta, and it's certainly not looking out for Albertans. I know that there are a number of Albertans in my riding who are certainly going to be paying more for their tuition and more all around. If they have existing student loans, they're now going to be paying a significant amount more on that.

I also want to talk a little bit about the – well, actually, I'm going to defer this to one of my colleagues who I know is going to speak in detail about the reversal of the replacement worker ban in the public sector. Again, I feel like this government has demonstrated that it doesn't have a great deal of respect for decisions of the Supreme Court of Canada, particularly when it comes to labour decisions. They seem to be, again, thumbing their nose at our highest court in Canada. The decision to put in the replacement worker ban was the result of a Supreme Court of Canada decision, so to overturn that, I think this government seems to be inciting some more labour unrest but also litigation.

I don't know why the government thinks that it is a better use of public funds to invest in litigation than it is to index AISH to the cost-of-living increase. I don't know why they think it's a better use of public funds to give away \$4.7 billion to corporations, who are fleeing the province, who are not investing in Alberta, and who are taking that money and increasing dividends to shareholders or paying off their own debt, but they're certainly not creating jobs. To me, it's quite remarkable that this government continues to platform or position itself as a government of fiscal responsibility, yet they are literally throwing money away on lawsuits and corporate handouts.

Meanwhile it is the average Albertan who is suffering because we don't have the services not only that we want but that we need and deserve. They are continuing to hamstring not only the services we receive but those employees, those public-sector workers, who rely on the delivery of those services. That's their livelihood, and they perform critical public services, yet this government seems to be devaluing their work and devaluing them as workers. I've continually said, even in the previous session – and I'm saying it again now – that this government seems to prioritize certain workers over others when, really, all Albertans deserve to be valued and employed and to be respected for the work that they deliver, whether it be in the private sector, whether it be in oil and gas, whether it be in our classrooms or in our hospitals. Those are critical services for all Albertans that we all benefit from, and it doesn't serve us well to cut those services simply on a gamble.

That's really what the \$4.7 billion corporate handout is. It is a gamble. They have actually failed to provide any facts to support that it will create the jobs that they've promised. In fact, it's becoming increasingly evident that with this government's platform of jobs, the economy, and pipelines, they're failing to deliver on all three fronts. They're picking fights. They've created no jobs. Actually, 27,000 jobs have been lost. Therefore, when this government is tabling legislation around the budget, around taxation and their fiscal plan, what they're showing is that they actually are not being responsible with our dollars. They're not being responsible. They're not delivering the services that we require. They're simply gambling, and they're cutting on the people who are the most vulnerable, whether that be people on AISH or whether that be students who we are relying upon to build a strong future for our province.

I want to thank you again, Madam Speaker, for the opportunity to speak to this. It is very clear that I will not be supporting Bill 21.

The Deputy Speaker: Are there any members wishing to speak under Standing Order 29(2)(a)? The hon. Member for Peace River.

Mr. Williams: Thank you, Madam Speaker. I appreciate the comments from the hon. lady opposite, and I think any 29(2)(a) needs to begin with an appreciation for the message discipline of the member opposite. No matter what the bill is, they have the exact same attack lines and talking points, and if we have any deficit on our side of the House, it really is there, that we do not have the message discipline the members opposite have. No matter what we say, we will find the exact same attack lines coming from the opposite side of the aisle.

On the point of debt, Madam Speaker, I feel that while the hon. member brought up many prized NDP policies from the previous government, they forgot to bring up the policy of indebting future Albertans. We had debt growing at an unsustainable rate that was unparalleled to any point in Alberta history given we were debt free in 2004, and we find ourselves now barrelling towards \$100 million inherited NDP debt. I believe it's an important policy because debt is taxation delayed. They not only had a carbon tax crippling Alberta's economy, but they effectively have implemented taxation on Albertans going forward because there is no way to pay that back short of taxation. We are government. Debt is worse than that because it's taxation compounded as well. It is the most punishing of all the taxes that could be presented.

For this reason I'd like to commend the member opposite for bringing up some of the former NDP policies but remind the members opposite that they had much more of a history than just that. They also had the carbon tax, and they had debt crippling our province.

Thank you, Madam Speaker.

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

Ms Pancholi: Thank you. I'd just like to respond and say that, yeah, it's really actually not that difficult to have discipline on messaging, Madam Speaker, when the two bills are pretty much doing the exact same thing, which is gambling away Albertans' money and not delivering on critical services that they need. Certainly, Bill 20 and Bill 21 are pretty indecipherable, so it's not difficult to not have different messaging.

With respect to that, I note that the government's budget that has been tabled actually increases the deficit by \$2 billion beyond what the former government had, so I'm not actually seeing any demonstration from this government that they're making any headway with respect to reducing Alberta's debt while at the same time they've given away money to corporations, billions of dollars to corporations, and have also failed to deliver quality public services. They're gutting public services and also gutting Alberta workers.

That's just my response with respect to that hon. member's statement. It's true that debt is a problem, but they're making no progress in actually paying down our debt. But they are making progress in cutting the services and quality of services for Albertans and taking more money out of their pockets and making life less affordable for Albertans. They're certainly very successful on that.

The Deputy Speaker: Any other members under Standing Order 29(2)(a)?

Seeing none, any other speakers? The hon. Leader of the Official Opposition.

Ms Notley: Well, thank you, Madam Speaker. I'm pleased to be able to rise to put on the record my multiple reasons for being very much opposed to Bill 21, the so-called Ensuring Fiscal Sustainability Act, 2019, which, let me tell you, is a very, very creative use of the English language. Nonetheless, this is a bill which has effectively been introduced to operationalize and implement and, I guess, execute some of the high-level plans of this UCP government.

Let me just sort of start where the last conversation ended. I will say, you know, that throughout my political career, when I have been engaged in conversations with folks on the right, they have been very, very intense and passionate about the need to eliminate the deficit and get rid of the debt. Now, I will say, quite honestly, Madam Speaker, that I, too, believe that one needs to be fiscally prudent and careful because, of course, we owe an obligation to the people of this province to be very careful with the money that we get from them through taxes and other sources of revenue.

7:50

But I always find it very interesting, Madam Speaker, when I hear about these things from the right because one of the things that they repeatedly do, just as a starting point with the matter of debt, is that they only look at debt as it relates to the numbers on the page, and they fail to acknowledge what happens with, say, something like infrastructure debt. For instance, when you're in a situation where you stop building schools for years and years and years on end, suddenly you are in a position like that of many of the members opposite, for instance, who live in Calgary, where they learn that, in fact, there will actually be a cap on the number of students who can attend high school in a building in the city of Calgary thanks to the decades-long failure to invest in important infrastructure. Soon we're going to have to be offering online courses to high school students because we literally will not be able to find room for them, because these folks here didn't see that as an investment.

I mean, that's one example. You, of course, have the other example of health care, where, for instance, the members opposite thought that having a modern, technologically up-to-date facility within which to treat the people of southern Alberta for cancer was akin to building a fancy box. That's how they talked about the Tom Baker cancer centre. They didn't see the failure to invest in that, oh, 15 years after the current Tom Baker centre had met capacity. They didn't see that as a form of debt. Yet it is, Madam Speaker, and indeed what it does is that it accelerates costs in a number of other ways.

Economists and people who look at balance sheets and at assets understand that letting something just fall to pieces is not good investment, it's not good management, and ultimately it can be more costly. Yet year after year after year in my somewhat long political career now I am subjected to this simplistic argument by those on the right, that somehow we should not be investing in important infrastructure upon which we then are able to grow our economy.

Anyway, that being said, what I find with this particular government, Madam Speaker, which is even more interesting, is that they wax poetically and passionately about the evils of debt – notwithstanding, of course, I must put this on the record, that Alberta does have the lowest debt-to-GDP ratio of any jurisdiction in the country by a long shot. And at the point, when the budget is balanced, or at least when it would have been balanced under our leadership, we still would have retained that position. Independent economists said that we had the healthiest balance sheet in the country.

But what I find so crazy about the passion with which the members opposite address this issue and the degree to which this

Bill 21 hurts hundreds of thousands of Albertans in very cruel, short-sighted, mean-spirited, hard-hearted ways is that we're going through all this because we care so much about debt. And you know what, Madam Speaker? The debt will be reduced by \$2 billion. We would have had it balanced at \$95 billion; they will have it balanced at \$93 billion. So all this song and dance, all these many attacks on Albertans are going ahead so that we can secure the difference between \$95 billion and \$93 billion.

The reason, then, of course, that we are having to embark upon all of these cruel, hard-hearted, mean-spirited attacks on the most vulnerable, not to mention the short-sighted, mean-spirited attacks on our youth and our future opportunities and our ability to diversify the economy, the reason we are engaging in this incredibly negative, not to mention somewhat misleading attack, if you were to compare it to what the members opposite told the people of Alberta a mere six months ago in the election, is so that we can, in theory, eliminate the debt. But you know what? They've made nary an impact on the accumulated debt. In addition, they've increased the deficit by \$2 billion this year alone. So the members opposite, who wrap themselves in the tattered blanket of deficit slayers, really aren't very good at that either.

However, Madam Speaker, what they are good at, as evidenced by this bill, is undermining the future of hundreds of thousands, probably millions at this point, of young Albertans, whether they be in K to 12, whether they be people that are hoping to secure the benefit of some form of postsecondary education, whether they be people who hope to engage in the benefits of a truly diversified economy. They are going to be very good at undermining the future of those Albertans, they are going to be very good at attacking the most vulnerable, they are going to be very good at creating labour chaos, they are going to be very good at alienating our front-line health care professionals, and they are going to be very good at breaking the promises they made in this election to municipal leaders elected throughout this province. Let's see. I'm just flipping through here. Have we covered all the things that Bill 21 does in the most general of ways? I think that we have. Oh, yes. And they're going to be very good at making every Albertan pay more in the form of electricity costs. These are, for the most part, the things that are embedded in this Bill 21, a number of strategies that will successfully undermine the quality of life for Albertans.

Of course, I always find it interesting that members opposite still talk about making life better for Albertans. Just to be clear, one member opposite talked about message discipline, and I'm sure those across will know that we talked about making life better for Albertans all the time. I find it amusing that the members opposite continue to say that, too, even as they are literally throwing young Albertans onto the street and rendering them homeless. They have the unmitigated gall to talk about making life better for Albertans. Wow. Like, pick a lane, folks. If your plan is to attack Albertans to allegedly reduce the budget by \$2 billion, by whatever that is - I don't know; 2 and a half per cent? - reduce the debt by about 2 per cent and to give away billions and billions and billions of dollars to wealthy corporations and then sit back, cross your fingers, close your eyes, and hope that five years later, when you wake up, somehow economic prosperity has arrived in its little magical form, if that's your plan, you know, you might want to pick some messaging that actually aligns with that plan. Let me tell you: making life better for Albertans? Not so much. That is really not what, in particular, is executed through this bill.

Let's talk a little bit about this bill. What are some of the things that we see in Bill 21? You know, I know they talk about ensuring fiscal sustainability. Let's call it an Act to Ensure that Life Gets a Whole Lot Worse for Albertans. That's the act that we're talking about today. One of the things that is being done with this piece of legislation is that they are changing the legislation that we had put in place, that had legislated a cap on tuition. Now, why would you want to do that? Well, first of all, when we first got elected, in 2015, Alberta had the uncelebrated position of being ultimately – when you took into account tuition, noninstructional fees, market modifiers, when you put all those things together in a pot, Alberta had the unfortunate distinction of being the most expensive place in the country to go to university. Everybody here was: why are so many Albertans not going to university? Well, I don't know. Maybe because it's more expensive to go to university, or that was one of the things.

So we said: "You know what? That doesn't make sense, because we see education as being one of the most fundamental tools you can use to share in opportunities with people who desire to seek them, who desire to put in the work and the effort and the discipline and the creativity to pursue those opportunities, and the way to do that, then, is through postsecondary education." What we cannot do, Madam Speaker, is close the doors of postsecondary education to those Albertans solely on the basis of how wealthy they are or how wealthy their parents are. That was the road that we had definitely begun to walk along, so we made a decision that we would cap tuition and also eliminate or extremely limit noninstructional fees and market modifiers.

8:00

Having done that, we went from the most expensive jurisdiction in the country to the third-least expensive, and we were on-track to become the least expensive. Just imagine if we had succeeded in that, Madam Speaker. Just imagine how many bright, young people from the rest of the country we could have attracted to Alberta. Now what's happening already is that families in this province are looking at whether they can find a place in another province where their kids can get into that educational institution and where they can afford for them to be. We're actually now going to start pushing our young people out of Alberta. I can't imagine a more shortsighted plan.

You know, we talk in Alberta about our natural resources. We talk, of course, about nonrenewable resources as it relates to the oil and gas industry. Those are, without question, incredible endowments that none of us did anything to earn but were given to us by Mother Nature, I guess, that have given us tremendous opportunity in this province.

Another tremendous asset that we have in this province is our young people. I remember as Premier getting ready for meetings with Premiers from across this country and looking at the position of our province in relation to other provinces in terms of taxation and debt and economic activity and GDP and population demographics and health care costs, all those kinds of things. I remember being blown away by what an incredible opportunity we have in Alberta because we really truly were the youngest province in the country, the besteducated province in the country, so we had this resource that was so fundamental to building a strong province for the future. I would look at some other provinces where their population was aging at an incredible rate, where their tax base was shrinking, where their health care costs were skyrocketing, and where they had very little economic activity and room for diversification. I thought: boy, we have a tremendous opportunity right here in Alberta, but that window will close if we are not careful.

If we continue to look backwards, we will be looking backwards as the window in front of us closes on the opportunity to truly diversify our economy so that we remain the economic leader of the country. That will disappear before our eyes. Of course, that's one of the things that is happening within this bill, within Bill 21. We are very intentionally looking backwards to a past that no longer

It will hurt families as well. It will simply hurt families. Families save for years. I'm sure many folks over there are aware of the practice. You know, a baby is born, and you immediately start putting money aside in their RESP. You start planning for their education future. I don't know about you, but in our family we planned on the basis of certain assumptions. We planned that we would be living in a city with at least two postsecondary institutions. We planned that those postsecondary institutions would be sufficiently well funded, that kids could get in there if they wanted to get in there and that they wouldn't need to have a 99.9999 per cent average in order to get in there. These folks over here had reduced the number of spaces to a point where nobody could actually get access anymore. That is the assumption that many, many people in this province made. They also made the assumption that tuition would be affordable, that they would not be trying to save to send their kids to the equivalent of an American Ivy League university.

What the folks over there want to do is jack up tuition because I think implicitly – I can only assume – that the folks over there actually think that postsecondary education is only for the wealthy and the privileged and that nobody else should get access to it. Certainly, that is the absolute, direct outcome of the plans that are embedded in Bill 21. It's exactly what is happening here. That is going to further increase inequality in this province and, ultimately, undermine economic growth and economic health. Quite frankly, I'm sure that folks over there spend a lot of time reading more than just Jack Mintz in terms of economics, and most economists will tell you that inequality breeds economic stagnation and is the enemy of economic diversification and growth. What we have here, as far as the plans with respect to postsecondary education go, is a fairly effective plan to enhance inequality across this province.

Another thing that is in this quite poorly-thought-out piece of legislation is the decision to eliminate the regulated rate cap for the cost of electricity. Now, the government is currently estimating that over, I believe, four years they will save about \$400 million. Put another way, that means that consumers over the course of four years will pay about another \$400 million. So there you go, \$400 million being offered up for consumers in Alberta, regular families with homes. That's what we're talking about. We're not talking about industry here; we're not talking about the money that's being lost there. To be fair, \$388 million the government will save by removing the regulated rate cap, and that is a direct transfer to the bills of regular families, regular homeowners, regular folks just trying to keep the lights on while they sit around the table helping their kids with their school work because, of course, they haven't seen a teacher for three days. Anyway, I digress. This is the plan that this government has in place. It's to transfer that cost, roughly \$400 million, to regular families in terms of the cost of electricity.

But wait, Madam Speaker, it gets even better when it comes to electricity because this is to be added to the fact that just recently on Bill 18 the government also voted down our amendment that would have put in place rules against economic withholding and would have ensured the goal of a reliable supply of electricity available at a reasonable cost to consumers. Of course, the members opposite chose to vote down that amendment. Apparently, they are not big fans of doing things that might be done at a reasonable cost to consumers because, again, regular Alberta families are not, actually, who is number one with the bullet with the folks over there.

So what we're going see is roughly \$400 million downloaded onto family budgets in every part of this province, and at the same time they're not even going to have reliability and predictability with respect to that because, on top of it, these guys think it's a great idea to go back to an energy-only market, where we will see the price of electricity go up and down to the tune of about a thousand per cent at any given time without any kind of warning or predictability. That, too, is something that folks over there thought was a great idea. Why? Because one or two electricity producers told them that they might come here and build electricity infrastructure if they had the privilege of playing around with people's electricity prices to the tune of a thousand per cent from month to month. Folks over there, when offered up that proposition, went, "Well, that sounds just great to the average Alberta household; we think that people would like that kind of unpredictability with their electricity costs because, you know, it's not onerous," to use a well-repeated line, which, yes, you will hear a great deal more of because your leader's idea of onerous is clearly framed through a particularly unique version of privilege that the vast majority of Albertans do not enjoy.

8:10

Now, in addition to that little piece of cost that's been downloaded onto Alberta families here, we're also going to see some challenges experienced by families as it relates to their access to health care. In particular, this government has decided that what they're going to do is two things in order to really do everything they can to push doctors out of Alberta. The first is that they are going to attempt once again a strategy that has been ruled by the courts as unconstitutional at least once, maybe twice already, which is to tell doctors where they can practise and where they cannot practise. The courts have said that this is not a thing that you can do. It is illegal. It goes against principles within the Constitution. What do the members opposite do? They say: "Eh, let's do another illegal thing. You know, we haven't spent millions and millions of dollars on legal costs yet today, so let's do another thing that will generate millions and millions of dollars of legal costs," which, to be clear, you will lose.

So they initiated this attempt to limit where doctors can practise. Maybe it's nice talking points, to be able to write letters to the editor saying: we're going to do everything we can to force young doctors to practise only in your small town, no matter what. I know it sounds nice, and sometimes, you know, it is tempting to make public policy on the basis of what sounds good in a local paper's opinion piece, but I suggest that when you are in government, you actually have an obligation, Madam Speaker, to do the research and actually talk to people about what you can actually really do. This is a thing that is only going to result in creating a great deal of hostility, and undoubtedly after we've spent millions of dollars on lawyers, we will discover that we're not allowed to do it, and we will probably also owe a bunch of money as a result, too. Anyway, they've done that, and that's in this bill. It's unwise, it's silly, it's wasteful, and of course we can't support it for that reason.

Now, the other thing, though, when it comes to doctors, as though that's not good enough: we're also going to apparently give ourselves the authority to break contracts with the doctors. I don't know if there's been any negotiations with them, if there have been any attempts to actually sit down with them and talk about a strategy that might be more respectful. I know that our Member for Edmonton-Glenora, the former Minister of Health, spent a great deal of time talking with doctors in order to get them to come to the table to take reduced costs as we were working on bending the curve in terms of health care costs. You know what? It may well be the case that more needs to be done; I wouldn't suggest that that is not true. But to sort of walk in like a bull in a china shop – I cannot for the life of me believe that there's been any kind of substantive

Let's just talk a little bit more about other people who are providing important front-line services to Albertans. Now, the issue around the rollbacks are not specifically embedded in this bill, but there is no question that there are a series of provisions that are absolutely designed to create unrest with the almost 200,000 people in this province who (a) pay taxes, (b) provide important services to all Albertans, and (c) contribute mightily to the economic health of this province through the fact that they actually are mortgagepaying consumers in an economy that, you know, needs more of those, not less. This government has decided that no, 200,000 people: that's a good-sized group that we should pick a fight with and be profoundly disrespectful to. Interestingly, a majority of them are women. This is hardly surprising because that's a whole other pattern that we see reflected in pretty much everything that this government does.

Nonetheless, this bill repeals the ban on replacement workers, which is part and parcel of the essential services legislation. Now, as members opposite know, the essential services legislation was something that came into place as a result of a decision of the Supreme Court of Canada. Once again, it turns out that the government of Alberta was breaking the law left, right, and centre under the previous government and breaching the constitutional rights of roughly 200,000 Albertans. We had to bring in legislation that allowed for essential services legislation. Fine. Now, the way essential services legislation works is that various providers of services - let's take health care, for example - go before the Labour Relations Board. The employer and the union go in, and they talk about what services must be there in the event of a strike and what services the employer, i.e., the government, can do without for a period of time in the event of a strike. This negotiated work is done over a period of time. This is the system that exists in many other jurisdictions.

It is part and parcel of that system, then, that a ban on replacement workers is also put in place because otherwise, if you were not to do that, the negotiations themselves would be distorted and would likely not ever result in any kind of effective and useful outcome. In addition, anybody who knows anything about labour relations will tell you that by allowing for replacement workers, or scabs, as most people in the labour movement refer to them, what you do is you actually escalate and accelerate unrest and hostility and dysfunction within the bargaining relationship. That is why other jurisdictions, even very right-wing conservative jurisdictions, who inherit NDP bans on scabs ultimately maintain them, because they realize that, in fact, better labour relations and more productivity and better outcomes actually occur when you have a system that compels people to sit down and negotiate equally and respectfully and that if instead you invite scab labour into a labour dispute, what will happen is that hostility will occur and a great deal of dispute and conflict will occur. The number of days that are lost to a strike go up, and productivity goes down. That's clear stuff out there. It's actually clear.

Contrary to popular belief over on that side of the House, it's actually the case that with NDP governments we are typically more successful at getting more productivity out of both the public-sector and the private-sector workforce because we treat workers with respect. It shouldn't actually be a great epiphany to hear that because it comes down to this: you respect the rules and you treat people with respect, and ultimately you get folks back to work sooner. What this legislation does is it sets up the opposite. It sets up a plan to pick a fight, to draw a line in the sand, to create conflict, to create hostility, and to ultimately undermine the security of those services and to ultimately undermine and reduce the productivity that would otherwise exist were you able to get to a resolution with respect to the bargaining regime faster. That is happening.

Meanwhile, we have – but we're not quite sure what the legal consequences are – another piece in this legislation that in theory is merely formalizing the bargaining oversight of the government as it relates to AHS and postsecondary institutions and school boards and a whole host of other intermediaries. But we're not sure if it's also trying to give them cover for what is otherwise an open-and-shut case of bargaining in bad faith as triggered by the Finance minister's backing and forthing between, on one hand, threatening rollbacks and, on the other hand, threatening people with being fired.

8:20

Just to be clear, this is a repeated theme. I guess I'm not doing as well as some of the members in my caucus, but this is all so we can pay for a \$4.7 billion corporate handout that thus far has resulted in 27,000 jobs being lost and hundreds of millions of dollars being invested in other jurisdictions and companies like EnCana leaving Canada. It's not working out so far so well and also creating huge pressure for this government to do a number of really unwise things that make people's lives harder. It is being done for that reason.

At the same time, were the minister actually successful in getting a 4 or 5 per cent layoff – you know, I asked during the budget, and I've not yet got an answer, if he could provide to us the briefings he's received from his officials about what a 5 per cent rollback to 200,000 people would do to the economic activity of this province; it's not nothing. Or if that 5 per cent rollback was taken out by way of layoffs or firing, what would that do to the economic activity? That's separate and apart from looking at what the absence of those services would mean to the economy, which also, I suspect, would drag it down quite a bit. Anyway, these kinds of provisions are remarkably poorly thought out. They're bad for the economy. They're bad for the services Albertans rely on. They're bad for regular Alberta families. They're just bad, and they're very, very disrespectful.

I do not understand why it is this government literally gets up every Monday morning and says: hmm; we haven't broken a law yet when it comes to working people; let's see if we can do another one. You know, why there is so much hostility to the idea of working people coming together in order to secure more benefits for themselves and their families I do not know, but it's certainly alive and well with the folks over there.

Now, speaking of doing damage to other people and also doing things – and this was the second theme that I was going to mention, that this bill is just rife with broken promises. The folks over there misled Albertans. Pretty much every time their leader opened his mouth during the election campaign, something came out, and the exact opposite has happened ever since. If you look at the very verbose – and I'm pretty sure the leader must have had something to do with it – platform that came out in the last election, you can just go through and go check, check, check or highlight, highlight, highlight, depending, you know, on how you like to review things, maybe with stickies on the side, for every broken promise. It starts to look like quite pretty. It's like a little bit of an art project that your kids bring back from school with all the little stickies coming off it, all the promises that are throughout that document that show where the Premier spoke, promised one thing, and clearly is delivering the exact opposite.

One of those places relates, of course, to the relationship between this government and municipal leaders and municipalities across the province. Now, when we get to Bill 20, I'll talk about that in more detail, but it is in this bill that we see the ability of the government to take more money from municipalities as far as it relates to traffic fines. Just to be clear, you know, it seems like we've talked about this a lot in the Legislature during question period, but the Attorney General seems profoundly unable to understand what it is he's just done. I have to assume he doesn't understand because otherwise he would actually be saying things that he knew weren't true, and we all know what the word for that is. What's happened here is that by proposing to change the way they share the revenue from traffic fees, the minister is taking just from Calgary and Edmonton alone about \$20 million a year. About \$20 million times four years is \$80 million. I know that the minister over there loves to talk about: oh, well, we're giving up to \$40 million in increased funding in ALERT. But, you know, I know that math is tough. No one wants to see a New Democrat try to do math, but I will throw it out there anyway; \$80 million minus \$40 million is a difference of \$40 million, which means \$40 million less for police, and that's just in Edmonton and Calgary.

I really wish that maybe back in the Confederation Room there some of you could have a little chat with your Attorney General, walk him through the numbers so that he stops saying things which are so obviously untrue because it's embarrassing. Quite frankly, he's becoming a little embarrassing. If I were you, guys, I would just give him a little briefing on that one.

Either way, the fact is this. When we go back to this matter of the UCP platform and the commitments that were made to Albertans in the last election, the fact is that Albertans were not told that they were going to get fewer resources dedicated to policing, yet that's what they're getting now. Albertans were told that they were going to get a government that was really concerned with law and order. Between the many police resources that I'm sure are still being taken up dealing with the whole kamikaze investigation and then, on top of that, the amount of work that's going into breaking labour legislation and breaching the Constitution, you know, I would say that law and order is not a number one priority over there, Madam Speaker. Frankly, Albertans deserve better.

Mr. Schow: Point of order.

Ms Notley: Another thing that I would like to talk about as it relates to Bill 21 . . .

The Deputy Speaker: Hon. member, a point of order has been called.

The hon. Member for Cardston-Siksika.

Point of Order Imputing Motives

Mr. Schow: Thank you, Madam Speaker. I rise on a point of order on 23(h), (i), and (j), particularly (i), "imputes false or unavowed motives to another Member." The Member for Edmonton-Strathcona clearly just suggested that law and order is not important to us on this side of the House. It's also language that could certainly cause disorder in this Chamber, and I ask her to be cautious but also to retract those comments. On this side of the House we do believe that law and order is paramount and a priority for us, and I'd ask her to be cautious with the things she says. The Deputy Speaker: The hon. Member for Edmonton-North West.

Mr. Eggen: Thank you, Madam Speaker. I'm pleased to take the opportunity to speak on this. It was clear that the Leader of the Official Opposition was speaking about the government. It's a matter of opinion. In no way, shape, or form is it suggesting anything that would cause either disorder, nor would it be anything that is outside the ordinary function of this Chamber in regard to speaking on perspectives on government policy, which is what we debate here in this Chamber.

The Deputy Speaker: Thank you, hon. members, for your opinions on this matter. I would argue that talking about matters outside of this House that don't have anything to do with government policy is probably not actually talking about government policy.

Furthermore, there have been a number of instances throughout this course of debate, particularly comments made by the Leader of the Official Opposition, that are most definitely pushing the limits on the ways in which we speak about members and about governments, particularly around misleading the public or, you know, fast and loose with the truth. Those types of comments are not very helpful through this debate. I know that the hon. Leader of the Official Opposition is a skilled orator and can certainly find better ways to discuss topics like these. I don't see a point of order; however, I would stress caution moving forward.

The hon. Leader of the Official Opposition to proceed.

8:30 Debate Continued

Ms Notley: Thank you very much, Madam Speaker. The next area that I was going to go to and that I think I will end on with respect to this particular bill, of course, relates to the series of decisions around indexing AISH, employment and income support benefits, the seniors' benefit, and the seniors' lodge program. You know, this is a tough one because this one – well, all of these are very close to our hearts, and I actually kind of thought it was close to the hearts of the members opposite as well. I know I won't be the first one to mention this, but it bears repeating because it does go to the degree to which Albertans can trust the members opposite when they say and do things and promise things.

Before the last election our government brought forward a bill to ensure that indexation was legislatively provided for in this House, and the reason we did that was because we were tired, in a province like this, of having so many people living so far below the poverty line. It just seemed wrong. And every year that inflation continued – to be clear, it did every year – people lost more, Madam Speaker.

You know, I always say that one of the proudest elements that I had or the proudest accomplishments that I had as the leader of the government that we led over four years was that over the course of those four years, even in the midst of one of the deepest, darkest, hardest recessions, created by the dramatic drop in the price of oil internationally, over that time we pulled 40,000 children out of poverty. We cut child poverty in half. Some people go into their political career to achieve only that. Now we have members opposite who seem to be absolutely committed to undoing that work, and one of the first places they are going to go to undo that work is to the most vulnerable Albertans we have: disabled Albertans who receive AISH, Albertans who have barriers to full employment who receive income support, Albertans who have no barriers but their EI has disappeared and they have no other choice but to receive income support, and low-income seniors. These are the people that these folks over there have decided are the go-to payers for this \$4.7 billion corporate tax handout, and it is shameful.

It is also shameful, of course, because before the last election, when we brought this legislation in, everybody voted for it. Everybody said that it was long overdue, and everybody said that they supported it. They went into the election and said to Albertans: "Look at us. You can count on us. We're not mean. We'll protect you. You can trust us. We voted for this thing." Then they came in here and undid it, and I honestly, for the love of God, don't know how many of you can look at yourself in the mirror after that. It is a profound betrayal of Albertans who need people in government to be on their side the most.

You know, another interesting statistic, which I discovered not too long ago, was that even in Calgary - and we know how hard Calgary has been struggling with the drop in the price of oil and with all the jobs that were lost in Calgary and continue to be lost under the leadership of this government - over that time I was quite surprised to discover that the number of people living in poverty, below the poverty line, actually went down. That was because government stood up and said: "Even when times are tough like this, we can have one of two choices. We can turn our backs on each other, we can create a divide and then spread it apart so that there are those who have and those who do not, we can sow division and make people angry at each other for the difficult situation we find ourselves in, or we can take a different approach. We can have each other's backs, we can support the people who need our support the most, and we can make sure that when we come out of this difficult time, we come out of it together, stronger, with more capacity than we had when the difficult time began."

That is the choice that our government made when we passed the legislation to begin indexing and to legislatively protect and to increase the rates of income for these groups. Members opposite say: oh, well, you didn't pass the legislation till, you know, the fall before the election. Well, what we did do was that we increased the rates to more than surpass what they would have been at had we begun indexation in 2015. So don't for one moment try to suggest that that wasn't a priority for us always and that we didn't in fact ensure that indexation was a feature of our whole term, because it was.

Now folks over there have decided that in order to pay for a \$50 million handout to EnCana, in order to pay for a \$230 million handout to Husky, in order to pay for a \$25 million handout to another one of the oil companies, the name of which I cannot remember right now, we have to reach into the pockets of some person with a severe disability who may or may not have children, who is relying on that AISH income to help put food on the table, and we need to remove, as of January 1, roughly – was it \$20 or \$30? I guess it depends on what the rate of inflation is – between \$20 and \$30 a month.

And the leader of those folks over there says: that's not onerous. I hope to God that at least some of you cringed when you heard him say that, that somehow for somebody who makes less than \$1,700 a month, trying to pay rent and put food on the table and pay the electricity bill and get from point A to point B on public transit and to do all the things that people do when they're living a life - to suggest that it is not onerous for that person to lose \$20 or \$30 a month and then another \$20 or \$30 the following year and another \$20 or \$30 the year after is cringeworthy. It reveals a profound level of entitlement that, you know, Albertans were promised they weren't going to see when they elected the UCP. They were told: "That's just a Conservative thing; that's not who we are. We're not entitled. We're a new brand of right wing." I think your leader stumbled a little bit there, and the curtain revealed a pretty oldschool level of entitlement and tone-deafness to what it means to people to try to make ends meet on that small amount of money.

Seniors. I mean, we know, of course, that the seniors who rely on that benefit that will no longer be indexed are primarily women: your moms, your grandmothers, your aunts. Somehow they're okay to be the ones to fund your corporate handout. My goodness, it really is a difficult-to-process set of choices. You know, politics is about choices. There's no question; it is absolutely about choices. The majority members in this House, the government members, the UCP members, have clearly signalled to Albertans who they are and what their values are in the choices that are embedded in this budget and embedded in Bill 21. The choice to retain and preserve the ability to hand out \$4.7 billion to wealthy corporations and their shareholders, probably the majority of whom do not even reside in the province, and to make your grandmother pay for it in a loss of between \$20 and \$30 a month, starting on January 1: like, wow. Seriously? Anyway, I just don't know how you make those kinds of choices.

I mean, I can see disagreeing with us on what is the best way to incent economic activity. I can see disagreeing with us on what the best strategies are for diversification. But to stand here and break a promise, to quietly sit while we read back your quotes to you from a mere eight or nine months ago, and to make eye contact as you vote to support this kind of mean-spirited, cruel cut in order to support \$4.7 billion to well-established, profitable corporations, who appear to be using the money to subsidize their moves out of the province: that takes a lot of political will, I have to say. You've really got to believe in the need to pick on the most vulnerable really deep in your heart in order to make those kinds of choices.

8:40

What I will say is that in our caucus those are not our choices. We think that when you are confronted with hard times, you need to pull together, and those who can afford to pay a little bit more should. It doesn't matter if times are good or times are tough, your measure as a person comes down to how you respond to those who need your help the most when times are tough. It's easy to be generous when times are good. The question is: what kind of choices do you make when times are tough? I think that you must always be focused on supporting those who are struggling in poverty, whether it be your grandmother or the grandchildren who are living with that grandmother who are looking for three healthy meals a day. The choice should be to support them. That is the exact opposite of what we see revealed in Bill 21, an act to make life more difficult for Albertans. As you can imagine, we will be doing a great deal to resist the passage of this piece of legislation because it really goes against our fundamental values, and I would argue that it actually goes against the fundamental values of many, many Albertans.

We've had this conversation before, but just to be reminded, the Premier suggested that there was no need to have consultations with Albertans before the budget was released because, you know, they had this great consultation during the election. But I would argue that when the written version of your consultation with Albertans before the election now looks like a grade 3 kid's art project because there are so many colours and stickies beside all the different things that you've now broken promises on, the consultation is no longer a valid justification.

I would argue that even those Albertans who are struggling with what's been going on in our economy since the price of oil dropped – we've seen what's going on with the energy industry, and even as it recovers, we know that it's restructuring and that it will not even recover in exactly the same way, with as many jobs per barrel of oil. I would argue that the people who are very angry and very frustrated about that and, absolutely, angry at us, too – I'll be the first to admit it; there's no question about that – I don't think that

those folks would choose to give \$4.7 billion to wealthy corporations while we pull money away from vulnerable Albertans, severely disabled Albertans, low-income seniors, who are primarily women, and out-of-work construction workers. I don't think those people are the ones who should be paying for these \$4.7 billion corporate handouts. No matter how angry those folks might be at me - fair enough - I also still think that those aren't their values. It's not the values of the vast majority of people to do what's being done here, and it's not something that's going to garner you a tremendous amount of support when you go home at Christmas and describe to people the choices that you are making here today.

I think at this point I'm getting close to my sort of high-level analysis of Bill 21. I haven't had the chance to go through it in more detail, but we've hit the key points within it that are troublesome to us. I certainly do reserve the right and the opportunity to point out additional difficulties as they are revealed. This is what we've got from having gone through it and having analyzed it thus far.

I am very much appreciative, Madam Speaker, that I've been given the opportunities to speak as long as I have been in order to outline our concerns with Bill 21. I certainly hope that members opposite will take some of these concerns to heart and will consider making some of the changes that I know we will be looking forward to proposing once we get to that stage in debate. Of course, because this is an omnibus, which of course is another thing, it is jamming way more into it than you would normally see in a regular piece of legislation, and it will probably be a rather extensive conversation because there is so much in here that we will be seeking the opportunity to amend and correct and make better. So I look forward to having more conversations in more detail about those elements of the bill that we think can be improved. Until that time, thank you very much, Madam Speaker, for the opportunity to speak today.

With that, I move that we adjourn debate.

[Motion to adjourn debate carried]

Bill 20 Fiscal Measures and Taxation Act, 2019

[Adjourned debate October 30: Mr. Schmidt]

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

Ms Pancholi: Thank you, Madam Speaker. Well, I'm pleased to rise for what, I guess, now seems like the second time to Bill 20, but really is officially the first time speaking to Bill 20, which is the Fiscal Measures and Taxation Act, 2019. You know, I'm still actually processing the eloquent statements by the Leader of the Official Opposition with respect to Bill 21, which absolutely apply to Bill 20 as well, mostly because it speaks to the values. It speaks to the values of this government caucus, but also it speaks to the values of the opposition caucus. If I ever needed a reminder as to why I'm here today and why I chose to do this - we all make a choice when we run for politics to make sacrifices with respect to our families and our lives, but it's because we believe in what we're doing, and we believe that we hold certain values to be true, and we want to promote those values. I can just say that once again, as I often feel when I listen to the Leader of the Official Opposition speak, it reminds me of exactly why I'm here and why I'm so proud to stand as a member of this opposition caucus.

I want to speak to the provisions in particular of Bill 20 because, like Bill 21, they have the same effect, which is that they are making life less affordable for Albertans. They are a series of choices about hitting the most vulnerable people the hardest but also breaking promises to Albertans and also making choices, because the government made a choice to give away \$4.7 billion to corporations, and here we are seeing the outcome of that choice. You know, they rushed to do that, and in fact it was one of their promises that they kept with respect to their platform, to cut the corporate tax rate, but what they were not forthcoming about were all the cuts that would be coming to all the services and all the Albertans as a result of that choice. What they also were not honest and upfront about was the fact that that decision to cut corporate taxes was just, really, a gamble. It was a wish and a hope on something that would happen, that has clearly not happened yet.

The details of Bill 20 also show not only, again, that this government is making choices to sacrifice the well-being, the dayto-day life of Albertans for corporations' bottom lines, but it also shows, again, a lack of vision for the future of this province. It shows short-sightedness when it comes to diversification, about investment in postsecondary, and about investment in our young people. It continues to show and demonstrate that this government wants to roll back the clock 50 years to where we were in a different time and in a different world. But the world has progressed, and this government has not.

Specifically I'll mention, for example, the decision in Bill 20 – I'm going to keep referring to them as decisions and choices because that's exactly what this government has done, made a series of choices. They've chosen, for example, to end the interactive digital media tax credit and the capital investment tax credit and the community and economic tax credit and the Alberta investor tax credit and the scientific research and experimental development tax credit. Now, all that speaks to is that they're continuing to put all of Albertans' eggs in one basket. They're continuing to demonstrate that they don't actually care about diversifying our economy. They don't care about the growth that has taken place over the last series of years, both under the NDP government but even leading up to that, where there was so much great innovative work that was happening in this province.

8:50

Again, one of the reasons why I chose to run was because I saw in the innovation that was coming out that there was a way to diversify, to continue to show that we are an innovative group of people, we are an innovative province. We did that with our oil and gas industry, we did that in so many other ways, and we can do it with other industries, too. Yet this government continues to cut out those supports in favour of putting all of our eggs continually in one basket.

I also want to talk about the broken promise that this government made with municipalities. You know, I think we've all at this point heard the outrage from the mayors of Edmonton and Calgary with respect to the decision by this government, the choice by this government to rip up the city charters framework. Really, that was a clear broken promise because not only was the commitment to the city charters in the UCP platform, but repeatedly this Premier stood up and said that he was not going to do that. Yet he did exactly that. Certainly, when you listen to the comments from the mayor from Edmonton and the mayor from Calgary, they said that even in their conversations with the Premier, pretty much up until the point that this legislation was tabled, he had continued to maintain that he was going to keep city charters. Well, that was completely – I mean, a broken promise is a nice way to put it. In fact, what he was doing was telling untruths to the faces of the mayors of Calgary and Edmonton because he was saying he was going to do it and he did not do it. He actually ripped that up.

All that means is that we, Albertans and the city of Edmonton, the city of Calgary, are going to continue to pay the price for that. Actually, the Premier has said it himself: there is only one taxpayer. There's only one taxpayer, whether we're paying taxes to the municipal government, to our provincial government, to our federal government. The Premier has stood up and he has made the situation for the people who live in the major municipalities in this province much harder. All that is going to do is download the responsibilities of the provincial government on to the municipal governments. We as Albertans are still going to pay for that. We're still going to pay for that whether we pay for it with increased property taxes, which is somewhat inevitable, but we're also going to pay for it in the fact that we will continue to have, which we had for 44 years under the Progressive Conservatives, an infrastructure debt. We carried a huge debt with respect to that, and now that debt is being created again by this provincial government by refusing to maintain its commitments to municipalities.

You know, I also note, by the way, that even just as recently as today the mayors from Edmonton and Calgary urged this government to consider an amendment to Bill 20, an amendment that would tie municipal revenues to provincial revenues at a 1 to 1 ratio which would give municipalities more resources when more resources are available, but when they're not available, they would also get scaled back, tying, basically, the revenues to the provincial revenue stream. It's my understanding that without even considering a formal amendment, the Minister of Finance has already refused to accept that. It seems like the Minister of Finance and this government are determined to make it incredibly difficult for municipalities to follow through on the commitments that they've made as a result of promises from the provincial government but also to download those costs on to Albertans.

I also want to speak a little bit about another broken promise. There is a consistent theme that's coming out here because Bill 20 in particular, but Bill 20, Bill 21, and the budget all reflect a series of broken promises from this government. The next broken promise – actually, I found this one to be quite surprising in its irony – is that this government is no longer indexing income tax brackets or the personal income tax exemption. Why this is so ironic? Well, it's called bracket creep, and where did that term come from? Well, from the Premier himself when he was the head of the Canadian Taxpayers Federation. He used to lobby against this kind of deindexation because he basically said: "Well, you know what? It's just raising income taxes without being up front and transparent about it." Guess what? He's right. That's exactly what he's going to do.

Speaking about broken promises, this Premier campaigned strongly against, you know, the ogre of the carbon tax but also saying that he would not increase taxes, yet that's exactly what he's done, and he's done that to every single person. Every single Albertan is now going to be affected by that. That is an increase in their income tax.

I'll tell you that I represent a riding that tends to be a little bit more affluent. There are a lot of people, not everybody - certainly, not everybody in my riding is doing well, but certainly a little bit more privilege in my riding. Yet I have had a number of people, who maybe even voted UCP - I don't know - reaching out to my office, and they're saying: "What? This is not what we were promised. We were not told by the Premier that our income taxes were going to go up." In fact, they thought he was the champion against taxes, yet one of the first things this Premier does is that not only does he break his promise about no increase in taxes, but he's doing exactly what he used to lobby against when he was the head of the Canadian Taxpayers Federation. In fact, this might be the only time in history that the Official Opposition agrees with the Canadian Taxpayers Federation that this Premier is actually increasing taxes, and we're both shocked that he would do it. Now, I don't think there's ever going to be a time when we're going to be aligned again with the Canadian Taxpayers Federation, but with respect to that, all Albertans from all sides of the spectrum are shocked because this was a blatant broken promise. Yet that's what he did.

Let's also talk about amending the funding agreements for the LRT in Edmonton and Calgary. This was something that - again, when we're talking about transitioning and thinking about the future of our province, we really have to show a commitment to public transit such as the LRT. Again, this is a broken promise from the Premier to municipalities. He's basically deferred payment on those LRTs. And let's just say, once again, that when we're talking about a Premier who has a record, in only six months of being Premier, of breaking promise after promise, when he's saying that it's deferred until 2023, his word doesn't carry a whole lot of weight because he's also already demonstrated that when he says one thing, he can break that promise immediately and do something else. I don't think any of us are feeling any comfort when this government uses terms like "suspend" or "pausing" or "deferring" because really what we know is that their word is mud, frankly. It doesn't carry a lot of weight there. Certainly, I know that I'm concerned as somebody who lives in Edmonton and was relying on the idea that the LRT would be extended. I don't believe that this province is going to be funding that, and I'm not surprised that the mayors of Edmonton and Calgary would also not believe that anymore.

I also want to speak very quickly to the end of the lottery fund and moving that money into general revenue. Now, again, my constituency is comprised of a lot of very active volunteers. They actively volunteer within their community leagues, within their school councils. They're often very involved in nonprofit organizations. They do a lot of charity work in my constituency, and I'm very proud of that. People in Edmonton-Whitemud give back a significant amount. They put in a lot of their time and a lot of their energy into helping nonprofits, and they rely on things like casinos for lottery fund money.

Again, this government claims that they're just moving it into general revenue to save on administration costs, but we also know what happens when things get moved into general revenue. The amount of money that becomes available specifically for that allotted requirement disappears because all of a sudden you're competing with all the other draws on the general revenue fund. Actually, what the government caucus members used to rail about - although they were wrong, they'd say that the carbon tax was going into general revenue as a slush fund. They seemed to have a concern about that. Why? Because they thought it was just money that was going into the pool that could be distributed however government sees fit. But that's exactly what they're doing with the lottery fund. They're distributing that money into general revenue, so now all of those nonprofits, all of those school councils, all of those organizations that rely upon that money, that casino money, are now feeling like that money may not be there for them.

Can you blame them? I don't blame them. I don't blame them for feeling uncertain about that, particularly when, again, this government has shown its consistent track record of breaking their promises. They're using fudgy words like "deferring" and "pausing" and "suspending," but really they're just simply – the trust is gone. The trust has completely been eliminated when it comes to how this government is dealing with their funds. Let's just talk about the other ways that – community leagues, for example, rely heavily on CFEP, rely heavily on CIP. Those have all been cut significantly.

So, of course, I have no words of comfort for my constituents when they say: "Is the money that we're raising, the money that we're working so hard for our nonprofits just going to be distributed? Are we going to ever see that money back?" I say: "You know what? It's really hard to trust anything this government says right now and particularly this Premier because right now everything they say is a broken promise. What we're seeing in Bill 20, what we're seeing in Bill 21, what we're seeing in the budget: all broken promises." I really suspect that the Premier is going to need to get a little bit more communications advice. When he says, "Promise made, promise kept": I'm sorry; he's run out of opportunities to use that because now all we're seeing is promise made, promise broken. That has been consistently the case for particularly what we're seeing in these bills.

I am certainly very concerned. My constituents are very concerned, and I wish I could give them some comfort, Madam Speaker, but I certainly can't, not when the comfort is supposed to be coming from the mouth of our Premier, who has broken promise after promise.

Thank you, Madam Speaker.

9:00

The Deputy Speaker: Hon. members, Standing Order 29(2)(a) is available. The hon. Minister of Finance.

Mr. Toews: Well, thank you, Madam Speaker. I simply want to respond to a number of the comments that I've heard from across the aisle tonight on Bill 20. Firstly, in terms of our broad-based approach to incentivizing investment in this province and ensuring that we have an environment that will attract investment and encourage diversification, a broad-based approach, in fact, does encourage investment for sustainable diversification. It's the approach that doesn't have government manipulating capital flows, that may or may not be based on market realities or the sustainability of actual, real returns on investment, again without government interference. I'm confident that our broad-based approach will in fact lead to long-term, sustainable diversification.

In fact, our job-creation tax cut will disproportionately benefit nonenergy companies as resource companies support or contribute in a significant way through royalties, and thereby their corporate tax contributions through the corporate tax system tend to be somewhat lower than nonresource companies. Again, our jobcreation tax cut will disproportionately encourage diversification in this province.

I do also want to just talk very briefly about debt. We've inherited a trajectory of \$100 billion of debt from the previous government if we'd stayed on the track that we found ourselves on. Our fiscal plan very transparently puts us at \$92 billion, but if we calculated the debt, in fact, if we used the same methodology as the NDP government did, we would in fact be at \$86 billion of debt after the end of four years. Madam Speaker, \$86 billion is a large amount of money, but it's significantly less than the \$97 billion that the previous government put us on in terms of the trajectory.

Madam Speaker, when I campaigned during this last election, there was one common-denominator issue that virtually all Albertans agreed on, and that was that we could not continue to spend and leave large, massive amounts of debt for the next generation. This was an issue that crossed gender lines, that crossed socioeconomic lines – it was oil and gas workers, it was teachers and nurses, it was parents, it was single folks – but there was the common sentiment that we could not continue to spend recklessly at the rate we were spending. In fact, the previous government's operational spending increased by almost 4 per cent per year at a time when revenues were flat.

Our budget and fiscal plan turn that trajectory down so that we, this generation, can live within our means and not pass burdensome debt on to our children and grandchildren. Madam Speaker, what this means is that not only will we be able to deliver programs today to Albertans, but we will be able to deliver high-quality programs to Albertans tomorrow and next year and for the next generation.

I'm pleased to support Bill 20 also because we are taking this time to clean up a number of funds that are simply no longer needed and, in fact, are costing Albertans, including the lottery fund, which we have evaluated. We've determined that if we dissolve the lottery fund, we can continue to support the great work that charities and nonprofits do in our communities at precisely the same levels of support that they received before. But, more importantly, Madam Speaker, by sound fiscal cash management, by dissolving these funds that no longer serve a purpose, we can save Albertans \$13 million a year. We would be irresponsible not to make these key moves to provide Albertans sound fiscal management, the very type of management that they elected this government to provide.

With that, I will conclude my comments for now.

The Deputy Speaker: Are any members wishing to speak to the bill? The hon. Leader of the Official Opposition.

Ms Notley: Well, thank you very much, Madam Speaker. I'm pleased to rise to speak to Bill 20, and I'm sure you'll be happy to know that I don't think I'll be going the full 90 minutes on this, so that's good news for everybody. That being said, it will take some time to outline why it is we are opposed to Bill 20 because there is no question that there are a number of features to it that are quite troubling.

[Mr. Milliken in the chair]

I think, just sort of carrying on from where the Finance minister was just speaking, I'm certainly curious to hear the different calculation methods between the \$86 billion and \$92 billion, which I actually thought was \$93 billion, but I'm happy to double-check. Again, in our case, as I said, the last time our debt was projected was when we were planning on bringing in an \$8.9 billion deficit. At that time it was \$97 billion, and then of course we brought in a \$6.7 billion deficit. Of course, that would mean that our accumulated debt would actually be, well, below \$95 billion but at the very maximum \$95 billion.

Again, it's lovely to hear the minister talk about the evils of debt and the way in which that can impact on the ability to pay for things in the future, but I would suggest, then, that given that there's really no difference between their plan and ours, what we seem to be focusing on instead is the decisions of this government to give \$4.7 billion to profitable corporations.

But that's not all they're doing. There are, in fact, other things that they are doing in the course of this budget as reflected in this bill, so I'd like to take a few moments to talk about them. I've essentially divided them into four categories.

The first one, of course, which the hon. Member for Edmonton-Whitemud spoke about, was this \$600 million tax increase. I've got to say, it's kind of surprising, the chutzpah of the Premier, who literally made his career railing against what he called an insidious and pernicious tax grab, a sneaky tax grab. There's no way he didn't realize what he was doing. Certainly, there was no way he missed the part in the very long-winded platform, that I'm pretty sure he had a fair amount of input into, where they said: no new taxes. He understands – again, I'm not trying to attract 23(h), (i), and (j) here; I'm just using the Premier's language – the nature of the insidious ...

Ms Phillips: Invidious.

Ms Notley: Invidious. Oh, sorry.

... invidious, pernicious, sneaky tax increase that is embedded in this budget and in Bill 20, wherein Albertans pay another \$600 million over the course of four years. You add that up to the cost of the removal of their cap on electricity, and we're already at a cool billion that we've asked regular Albertans to pony up on over the course of the next four years. But wait; there is more, but that's not necessarily entirely covered in this bill, so I'll just talk about the \$600 million.

What I will say – and really this goes to trust. Now, I think that people should endeavour to be as straightforward and up front with voters as they can possibly be. You know, it's hard. I get that when you get into government, you are suddenly overwhelmed. You talk about drinking – oh, what is the phrase?

9:10

Ms Phillips: From a firehose.

Ms Notley: A firehose.

... from a firehose when you get elected to government. You just have so much stuff that comes at you, so much complexity, so much import. So it's hard sometimes to completely stick with your promises that you made when you ran in an election.

But my view is that when you present yourself to an electorate – in this case, the people of Alberta – you should do so with the utmost honesty and do everything you can to be as honest and as up front as possible. For instance, back in 2015 we did two things on that front. The first one: many people will remember that we put out a platform, and in it we had a budget. It turned out that we had miscalculated. Now, not everybody would have noticed that. In fact, it's very possible that no one would have noticed that. But I remember thinking: no; there is no way that we are going to try to pull a fast one on the people of Alberta. So we came out the next day and we said: "You know what? Sorry; we made a mistake." That's what I think Albertans are owed when they go to the task of casting a ballot.

The other thing we talked about in that election was that we said, "Hey, we're going into tough times" – we knew we were going into tough times – "so some people are going to have to pay more because that's the way we come together when you're going into tough times." We said that corporations needed to go from 10 per cent to 12 per cent, and we said that we were going to get rid of the flat tax and make high-income earners pay a little bit more, and that's exactly what we did. Just to be clear, even having done that, we still enjoyed an \$11 billion tax advantage over not the national average but just over the next lowest taxed province, adjusted for population. So I think we were okay.

Now, the reason I raise that, of course, is because the Premier has dedicated his whole life to being an antitax person. All he can do is go on about how taxes are bad, and all he could say in the last election was to talk about how taxes of any type are bad. That's all he ever said, Mr. Speaker, yet in his first budget, what does he do? He introduces a \$600 million tax grab onto every taxpaying Albertan in the province. I don't know about you, but that sounds to me like a fundamental breach of trust with the people of this province.

I agree that there probably does need to be more taxes paid -I would argue, about \$4.7 billion more taxes paid - in this province. But the point is that you can't run on one thing and do the opposite. That's what this is. On pure principle of supporting a broken promise, I can't do that. We can't vote for this because the members opposite were not honest with the people of Alberta when they last ran, in the spring election.

Now, the second thing that is embedded in this piece of legislation is the cancellation of the film industry credit, the AITC,

the capital tax credit, the scientific research and experimental development tax credit, the tuition tax credit, the education tax credit, and the community economic development corporation tax credit. All of these were elements of the plans that we had put in place to diversify Alberta's economy away from being solely reliant on oil and gas. Of course, Mr. Speaker, this is something that people in this province have talked about for decades, but we'd never moved on it. All of these strategies were geared towards focusing on incenting certain types of diversification and economic development and growth.

You know, Mr. Speaker, I know that the members opposite love to quote a couple of different economists to argue that their \$4.7 billion corporate handout is going to be the magical elixir from which many new jobs will suddenly appear in the province of Alberta. But I would argue just from an economic point of view – I mean, at least one of those economists developed their projections on the basis of national numbers, not Alberta's numbers, so essentially their economic modelling was incorrect. The other one, you know, also tends to pair his positions with respect to corporate tax cuts with an equivalent increase to a sales tax and an ongoing call for a sales tax. Somehow these folks have just managed to pick and choose the models.

I would argue that either way it's an outdated model because to the extent that anyone believes that an open-ended corporate tax cut is the way to incent economic development, the fact of the matter is that that is only the case when you are moving from a highly taxed scenario to a very low-tax scenario. As I've already outlined, that's not the situation that we were in. That also, you know, assumes that we have just this clean sort of model with no other factors in place. We're not dealing with the fact that many other jurisdictions are competing with us in a whole bunch of other ways, that we are actually playing on an international level, and that quite frankly our efforts to diversify our economy need to be far more sophisticated and far more thoughtful. As a result, this broad-based corporate tax cut is unlikely to be successful. Indeed, where we've seen it experimented with in other jurisdictions in the world, particularly south of the border, it has proven to be an utter failure.

I'd like to just read a few quotes from folks on the issue of the broad-based \$4.7 billion corporate handout to already profitable corporations, most of whom are leaving the province, versus some of the targeted strategies that we had in place which are now being eliminated by Bill 20.

James Keirstead, president and CEO of Levven Electronics, criticized the UCP government for its plan to cancel targeted tax incentives like the Alberta Investor Tax Credit, choosing instead to reduce corporate income taxes.

'This is going back to the old way of doing things as opposed to targeted programs that can drive diversification,' Keirstead said. 'A broad-based tax decrease doesn't help drive the economy. It's really nearsighted.'

And get this:

'I can't believe I'm saying this but I kind of agreed more with the way the NDP were doing things... and I'm a staunch Conservative.'

That's what he had to say about this government's \$4.7 billion risky corporate handout.

Keith Warner is in the digital media space.

'It was a bitter pill for me to swallow,' said Keith Warner, whose video-game studio, New World North, opened earlier this year and now employs 26 people, with other positions still unfilled.

'I'll be honest, I was pretty upset.'

Mr. Warner said he set up shop in Calgary over Toronto after being enticed by the province's tax incentives, as well as the affordable housing market and proximity to his company's headquarters in Colorado. Now, none of the provincial funding is available.

And then,

'I am absolutely 100 per cent questioning our decision... I would've made a different choice ... I feel beat up on this one,' is essentially where he ends that.

Now, as far as the film industry credit, we have Emily Andras. She says:

I grew up in Calgary, now live in Toronto. I created a TV show, #WynonnaEarp, & chose to bring it BACK to Alberta to film (now in our 4th season). I am creating new series & also hope to make them with the best crews in Canada, #ABFilm. I can't if #ABPoli's disastrous cuts stand.

Finally, Bryan de Lottinville on the provincial budget. 'As one of the larger software companies in Alberta, we were disappointed by aspects of the Alberta budget, particularly as it relates to the need to support the burgeoning tech sector in this province,' de Lottinville told BetaKit. 'Both the removal of some of the tech-friendly tax incentives, and the comments of the finance minister to the effect that diversifying revenues is a "long term luxury" reflect, at best, a bit of short-sightedness and, at worst, willful blindness.'

That's what some folks have to say about the cuts that are embedded in this bill. They will not succeed in driving the kind of diversification that we need in this province. They will certainly – certainly – help shareholders who live in other parts of the country. But, really, how does that help our economy?

9:20

If you're talking about a 5 per cent rollback, if you take \$5,000 out of the pocket of a nurse who lives in Camrose, then - guess what? - the people who have businesses in Camrose are going to find that that nurse has \$5,000 less to spend in that community. Now, if you turn around and give that \$5,000 to a shareholder with EnCana, as we just have done, that shareholder, likely living somewhere in Manhattan - let's face it; people who own shares in major companies like that do not tend to be, you know, Joe and Jane Average Person - that person could go out and buy themselves a lovely \$5,000 purse, probably somewhere in Manhattan. That is great for the \$5,000 purse industry in Manhattan; it is not so great for the small-business owners who needed that nurse in Camrose to spend her money in their businesses. I mean, that's a whole other element to this handout to wealthy corporations who have literally no obligation to demonstrate any loyalty to the province of Alberta and the businesses here.

What else was cut through this bill? Well, we see, of course, that this is the one that cuts the tuition tax credit. Again, that is something that is worth thousands of dollars a year to Alberta families, regular Alberta families who were counting on that credit to either help them pay for their kids' university or, alternatively, to help those kids themselves pay off their student loans once they finished borrowing money to get themselves through university, once again a direct hit at either the incentive or the support for people who invest in getting a postsecondary education so that they can be the people who are our greatest resource, that younger, better educated population than anywhere else in the country. That's our greatest resource, and that's who we are targeting through the efforts here in Bill 20.

What else are we doing here? Well, the minister talked about the merging of a number of different funds: the cancer fund, \$450 million; the lottery fund, \$50 million; the environmental enhancement fund, \$150 million. All this money is being wrapped up and moved into general revenue. Now, the minister had made a lovely compelling argument for why that might make sense: oh, it's easier to administer, and we can save \$13 million.

But I can only go to the quotes and the comments made by the members opposite about their view of the sanctity of commitments around how money within general revenue will be spent. Back when we had the carbon tax, we actually had it established by way of legislation, that made it very clear in that legislation that you could not spend it on anything that was not related to reducing emissions unless it was one of the exceptions; i.e., the rebate or the small-business tax cut. We said that, but they said: oh, my gosh, no; the general revenue fund is the equivalent of a slush fund; you can't...

Mr. Jason Nixon: It is.

Ms Notley: Oh. He says right now: it is; it's a slush fund. You should actually listen to what your Finance minister just said. He just said: well, some people accuse us of moving the lottery fund into a slush fund, but don't they understand it's general revenue? You folks should talk.

Anyhow, the fact of the matter is – yes, I will address you, Mr. Speaker; thank you for that reminder – that I know that general revenue is general revenue, but some of the folks over there, including the House leader, seem to believe that general revenue is a slush fund. Therefore, you can certainly understand – and, indeed, he just once again confirmed his belief that general revenue is a slush fund – why people who are very concerned about what would happen to the proceeds of the \$450 million cancer fund or the people who are concerned about what would happen to the proceeds of the \$50 million lottery fund, which supports community groups, nonprofit groups, charities throughout our province, why they might be a little nervous about these funds being released into general revenue, which, notwithstanding the lovely assurances of our Finance minister, appear to be perceived by other rather influential members of cabinet as the equivalent of a slush fund.

So people are worried. People are looking for answers. People are looking for guarantees. I certainly hope that when it comes to considering amendments to this legislation, in order to protect the sleep of those worried Albertans and to have them not worry about the statements made by the House leader, in fact the Finance minister will consider amendments we would put forward outlining restrictions on how those funds could be used within the general revenue fund.

The final thing I want to talk about, of course, is the extensive broken promises that have been made, delivered primarily by the Premier but certainly by anybody within the UCP caucus who campaigned under the platform that was released in the last provincial election. That platform said that the UCP supported the city charter. That platform committed that the UCP would fund what was inside the city charter. That platform suggested that they would support the green line and the west LRT. Now embedded in this bill we have a promise to break the city charter. We have a promise to reduce the funding that was part of the city charter legislation that we had put in place. We have a new regime that will ensure less certainty going forward for those municipalities.

All of these things are the exact opposite of what you can find in the UCP platform. I did have the page number of the platform somewhere. I don't have it with me now, but I'm sure my colleagues will do their best to remind the members opposite exactly where they need to be looking for the contradiction between what they told Albertans in the last election and what they are doing now. I mean, there's a lot of them; I get you. It's pretty much like reading the whole document. Nonetheless, we'll certainly try to find that particular page number.

Ms Phillips: It's 77.

Ms Notley: Page 77, the Member for Lethbridge-West tells me. Thank you very much for that.

Page 77 is where the members opposite committed to the people of Alberta, including the 70 per cent of Albertans who live in Edmonton and Calgary – is it 70 or maybe 60; I can't remember, whichever, the majority of Albertans who live in Edmonton or Calgary – where they said that they would respect the city charter and that they would fund the terms that had already been agreed on. Now they're going ahead to rip up the city charter and to not fund the terms that have been agreed on. That is there, and that is a broken promise. So, obviously, in the interests of integrity we couldn't possibly support that.

The other thing, though, is that the Premier and others, but specifically the Premier, promised Albertans that he would fund the green line and that he would fund the west LRT and that he supported those projects. Now what we see is this clause that allows them to back out of the deals on both of those projects with 90 days' notice and no other conditions necessary. Contrary to what the Transportation minister has been attempting to tell Albertans, those are not standard clauses. The reason they are not standard clauses is that if you put them in there, there would be an uncertainty premium of probably 50 per cent for anybody that wanted to actually sit down at a table and try to negotiate anything bordering on an honest agreement with the members opposite because they couldn't be counted on to be at the other side of the table for more than 90 days at any given time. That level of uncertainty means that any kind of contract becomes subject to a massive uncertainty clause.

9:30

It also means, therefore, with the level of uncertainty that has been injected into both of these projects by way of the 90-day clause, that the green line is very unlikely to go forward. The members opposite will try and say, "Oh, that's a decision of the city of Calgary," but that's patently false, Mr. Speaker. It is a function of a broken promise made by the members opposite. They promised the green line. They are now kiboshing the green line. They are responsible for it. They need to be accountable to Calgarians for that decision.

Most recently we have heard from the mayor of Edmonton that they are concerned that now the west LRT is also in jeopardy because of the uncertainty that has been put in place with respect to this 90-day clause. It was interesting because originally, you know, I had heard from people at the city of Edmonton that even with the change to the city charter and the delay or the pause or the reprofiling or whatever word they want to use as opposed to "cut" that was put in place, the city of Edmonton thought they could still make the west LRT work. Then they discovered this 90-day clause, and they suddenly thought, their officials suddenly said: oh, now we are really not so sure because the uncertainty is just too much.

This is, effectively, a poison pill that these folks are injecting into the legislation for the sole purpose of killing these projects. I obviously think that is bad because I think public transportation is good for a multiplicity of reasons. I also think it's bad because it's what these folks promised Albertans in the last election, and now they're not doing it. I just think that with the level of cynicism that they are breeding in Alberta as a result of the disparity between the principles and the platform upon which they ran and the actual laws that they are bringing into effect now, it's just a sad day for our democracy, Mr. Speaker. That's a whole other reason why it's disappointing and why we obviously can't support it.

You know, as I said with respect to Bill 21, I suspect there are also a number of other very significant challenges embedded within Bill 20, but these are the ones that strike me as being the most critical and the most challenging for us as a caucus to even begin trying to support this. We will endeavour to make amendments that will minimize the damage that is contained within Bill 20, but I don't know if we can. I mean, we really are seeing some significant challenges being imposed upon municipalities, imposed upon innovators and entrepreneurs and those who wish to engage in significant diversification of our economy. We are seeing significant limits being imposed upon those who raise money for cancer research concerns, imposed upon those who raise money for a multiplicity of other charity groups. We're seeing, of course, as well, challenges being imposed on anybody who wants to get anywhere near a postsecondary institution. Then, finally, we are seeing a \$600 million tax increase collectively on every taxpayer in Alberta.

These are things, of course, that are all being done in order to finance this ridiculous \$4.7 billion handout, which we know is only making wealthy shareholders, most of whom reside outside of the province, richer while Albertans are being asked to make significant, significant sacrifices. That is the outcome. We're not making any more progress of any significant nature with respect to reducing the debt. We're certainly not making any progress with respect to reducing the deficit; quite the opposite. What we are doing is making life harder for Albertans and really undermining the hope that they would have for a more modern, forward-looking, diversified future and one within which we support important infrastructure projects that will attract additional investment and ensure a better quality of life for Albertans across this province.

This is a very, very poorly thought-out bill, just as the budget is a poorly thought-out budget, and, just as I said with respect to Bill 21, it reflects a series of choices that certainly do not reflect the values of people in our NDP opposition caucus and, I would argue, absolutely do not reflect the values of the majority of Albertans. That the members opposite attempt to crow about the outcome of the last election: really, there is so much divergence between what we see here and what we saw in the UCP platform, that, you know, if they want to go out and show us more polling, then have at 'er, but there's no way anyone could reasonably make the argument that the election was an endorsation of what we see here in bills 20 or 21 because this is a complete one-eighty on so many positions that were taken by this UCP government in the last election.

We will continue to stand up for those Albertans who believe that everyone should pay their fair share to help us all get through these tough times and that if people have a little bit more, they should do their share and that the most vulnerable Albertans are not the ones who should pay the freight for the most wealthy and that all of us need to come together if we are actually going to do that thing that Albertans do do so well, which is demonstrate entrepreneurial spirit, dedication, determination, discipline, and the energy that we have shown for so many years in the past to lead the country's economy and what we need to do going forward to lead the country's economy combined with a modern approach to diversifying the economy while supporting everybody within our province.

Appreciate very much, Mr. Speaker, the opportunity to speak to this bill, and I look forward to the opportunity to engage in discussion of amendments that hopefully can make it a little bit more reflective of who we actually are as a province.

Thank you.

The Acting Speaker: Standing Order 29(2)(a) is available. The hon. Government House Leader has the call.

Mr. Jason Nixon: Well, thank you, Mr. Speaker. Thank you for the opportunity to rise on 29(2)(a) to speak to the hon. member's

comments. The hon. member, the only Premier who ever oversaw a one-term government in the history of this province, when you listen to her comments today, you recognize that she still hasn't realized the great mistakes that she made when she was the Premier and, in fact, the impact that those mistakes had on the people that I represent and, frankly, on the people that she represents. There is so much to unpack in what she said that I may even have to rise after the 29(2)(a) to talk about this bill myself, to talk about some of the things that she said. But I want to talk about a couple of quick examples and then ask the hon. member some questions.

The first is that she refers to our platform, specifically to page 80, in regard to this commitment: maintain key infrastructure commitments in the province's capital plan, such as LRT extensions in Calgary and Edmonton. That's exactly what the hon. the Finance minister and this government have done inside this budget, exactly that. Another promise made; another promise kept.

Mr. Speaker, it does not matter how much the former Premier of that one-term government stands up in this House and how much her party attempts to mislead Albertans about the facts, it doesn't make it true.

The hon. member glosses over, while she is using her record to compare to this bill that we're debating today, about some major things that the hon. the Finance minister is attempting to fix with this piece of legislation and with the budget, that the Premier is working tirelessly on to be able to fix, which, quite frankly – not quite frankly; it is the mess that that hon. member created when she was the Premier of Alberta. She wants to talk about broken promises or misleading Albertans. The largest misleading of Albertans that I have heard of in my time in politics is when that hon. member never told them that she was going to bring in the largest tax increase in the history of this province. She never told them about the carbon tax. You want to talk about misleading Albertans?

9:40

My mom called that something very different. I can't say it in here because it would be unparliamentary, Mr. Speaker, but I'm happy to go and do it outside of the Chamber any time, because that was misleading Albertans. That's that hon. member's legacy, who then went on her way to add to that legacy while she was Premier and do some pretty shocking things, if you ask me.

Under her supervision as the Premier of this province, she pushed \$50 billion in investment out of this province then sat in this Chamber right here in the seat that is now right beside me, as the Premier of Alberta, and laughed at my constituents often in that seat. She did not care what happened to places like Rocky Mountain House or Drayton Valley under her watch. She didn't even bother to go there, Mr. Speaker, and recognize that those communities were dying under her watch, and did not bother to even take the time to come and talk to them. Over 180,000 jobs were lost under that hon. member's watch, and she wants to get up and talk about broken promises, Mr. Speaker.

How about this? That hon. member led a cheering party outside of this very building and spiked the football and told this Chamber and Albertans that she got two pipelines built under her watch. She didn't get two pipelines built under this watch. That hon. member has lost all credibility when it comes to this issue. I'm shocked that she continues to even be able to try to come here with a straight face and in any way try to defend her record, Mr. Speaker, because her record, in my view, is shameful, the way that she has treated this province.

How about some comments? This was very relevant to the budget because it fits with the direction that that hon. member was taking the province, and she wants to compare it to our budget. How about telling my constituents to take the bus? How about telling my constituents that they were Chicken Little, Mr. Speaker? How about telling the seniors inside my communities that they should hold fundraisers to pay their carbon tax? How about, while these galleries were full, people from all over rural Alberta who were being victimized by criminals, and that hon. member, while I sat in the seat that she's sitting in and asked her a question while she was Premier, laughed at them even while they were in the Chamber. You can come and see it on my Facebook page if you like. The tape is up.

Ms Sweet: Point of order.

The Acting Speaker: A point of order has been raised. The hon. Member for Edmonton-Manning.

Point of Order Allegations against a Member

Ms Sweet: Standing Order 23(h), (i), and (j): trying to cause disruption in the House, leading motives that -I need my book - trying to impute false motives to a member. Also, relevancy around how this relates to comments or questions in relation to the bill itself, not necessarily directly to the member.

The Acting Speaker: The hon. Government House Leader.

Mr. Jason Nixon: A couple of things, Mr. Speaker. First of all, we're dealing with a matter of debate. Second, however, it is a fact; you can go check the Facebook pages. The video of that dialogue between the hon. member and myself is public record, so it is on *Hansard*. And, third, it is relevant to this bill because that hon. member brought up her record in the context of this piece of legislation, Mr. Speaker, and that's the question that I am discussing with her. That hon. member brought it up in the context of this piece of legislation, and clearly the point of order is just an attempt to stop me from calling her out on that behaviour.

The Acting Speaker: Hon. member, at this stage I do not find a point of order. It's my understanding, based on my recollection of what has been stated in the last few minutes, that it would be a matter of debate with regard to the facts.

At this stage there are about 35 more seconds with regard to your comments. I would say that if you could please try to direct it back towards the bill, though I do understand that at this stage we are also just commenting on those comments. Those comments are directly related to the previous comments that were made on the general debate. If the hon. member could please continue.

Debate Continued

Mr. Jason Nixon: Mr. Speaker, my simple point was that this was my question to the hon. member: how she can stand inside this place with a straight face and talk about this piece of legislation after she treated Albertans like that. Instead of continuing to do that when it comes to legislation like this, when's that hon. member going to stand up and apologize to Alberta for what she did to it? It's a simple question.

The Acting Speaker: With 15 seconds left on 29(2)(a), seeing none, are there any other members wishing to speak to the bill? I see the hon. Member for Lethbridge-West has risen.

Ms Phillips: Well, thank you, Mr. Speaker. I rise of course to speak to Bill 20, the Fiscal Measures and Taxation Act, 2019, which is a very large piece of legislation designed to bring effect to many of the policy prescriptions that we see contained within the fiscal plan and within the government's overall budget. This budget, of course,

will make a number of changes to a number of different programs and so on on the grounds that we are better able, then, to balance our budget and take action on debt.

Of course, the specific programmatic changes this budget will bring in will have great effect on a number of people. Certainly, when we were making budgets, we felt that way, too, and that's why we did things such as lift 40,000 children out of poverty. It appears that through measures such as those contained within Bill 20 and its associated legislation, those 40,000 children will be going back into poverty, Mr. Speaker.

Now, the reasoning behind this bill and behind a number of the choices that are made in this budget such as to reintroduce very high levels of child poverty, for example, is, of course, the debt and associated issues such as the deficit. Now, the Minister of Finance indicates that some different calculation method may result in a lower level of debt. Mr. Speaker, all I can really go by is what's in the budget papers, which is \$93.3 billion. If the Minister of Finance would like to amend his budget papers, he should do so before November 19. Otherwise, I'm going to go with what's in front of me, which is \$93.3 billion in debt, certainly, and a budget deficit that is \$2 billion higher.

I'm quite certain that none of the people who sent us here, on either side of the House, would have expected, given all of the discussion of debt and deficit and taxes, for that matter, that three things would be so obvious in this budget: one, that the debt within the forecast period is within 3 per cent of the New Democrats'; two, that the budget deficit would be \$2 billion higher; and three, that every single person would be paying more personal income tax, which is, of course, one of the measures contained within this bill that we are deliberating upon today.

I find it curious that we are raising taxes for every single person, that every single person will be effectively paying more in personal income tax and/or losing income to cost-of-living changes, whichever way you want to look at it. I have described this previously as a piece of budget trickery. However, after a couple of years, when each family is looking at approximately \$300 more in personal income tax, it will not feel so trivial at that time. I find it curious that this measure is contained within Bill 20 and contained within the government's fiscal plans given that it is such a brazen measure to raise people's income taxes. I guess there is a certain amount of hubris that is guiding the decision-making.

Certainly, Saskatchewan undertook this initiative at the same time as they did other very cold-hearted things like applying a PST to children's clothing. They took away the funerals for people on social assistance. A number of other very unpopular measures in Budget 2017 Saskatchewan undertook, and they got away with it. They deindexed personal income tax.

I can only assume that this government looked east and went: okay; well, I guess we can just reach into people's pockets and grab 600 million bucks and claim that we're tax cutters, in the same way that we're going to borrow an extra \$2 billion and claim we're better on the deficit when we're not, in the same way that we're going to have \$93.3 billion at the end of the forecast period, which is within 3 per cent of the New Democrats but claim that we are such, you know, I guess, highly disciplined fiscal hawks. Anyway, the fact of the matter is that everyone will be paying more personal income tax at the end of this forecast period.

9:50

Now, I often think about the people who sent me here. Certainly, none of them expected to be paying more income tax because definitely nobody ran on that. But, you know, the folks who sent me here – Lethbridge is really known for two segments of population, seniors and students. Within seniors we have – many

pension incomes are indexed to inflation. Certainly, the parliamentary pension is one of these pensions. People, for example, who spent 19 years in Parliament and who are in line for a six-figure pension in the coming months will have that pension indexed to inflation, as the hon. Premier is, for example. His pension, which is probably - I don't think it would be an exaggeration to describe the Canadian parliamentary pension as one of the most generous pension plans in the country. That six-figure pension that that hon. member will be receiving within the coming months is indexed to inflation. Many smaller, more modest private-sector and public-sector pensions are also indexed to inflation.

As seniors receive their CPP, their public or private defined benefit or even some that have defined contribution plans as well, but definitely if they have a defined benefit pension – those are indexed to inflation, but the personal income tax will not be, so seniors will see their effective income reduced as a result of Bill 20, the Fiscal Measures and Taxation Act, 2019.

Students, too, or their families will see their effective income reduced through the elimination of the tuition and education amounts tax credits. Many students or their parents rely on these tax credits, in some ways to offset the high cost of postsecondary education. At no point did the members opposite campaign on this matter. If they did on either thing, it would have been noticed in Lethbridge-West, but there was no mention of any of these things. Certainly, the tuition and education amounts would have also been noticed by a number of parents in Calgary who send their kids to university at the University of Lethbridge.

I'm looking through this act, and there are a number of tax credits that have been rescinded as well and a number where there have been different changes made to them. I'm going to leave aside the other diversification tax credits although I believe them to be meritorious public policy, and I also believe – mark my words – that some of them will be back. I think that the government is getting an earful on this. There will come a time when they will have to take some of these measures in order to diversify the economy. Certainly, what they're doing right now isn't working as companies are fleeing this jurisdiction.

But the film and tax credit piece: there is a sort of as yet notional commitment to bring in a full film and tax credit situation as opposed to the production grant situation that we have now, which, I agree, in a small way, is not ideal to growing the kind of film industry that we want here in this province, and to really leverage our strength in terms of film and television productions. But I think what I would give the government is a piece of advice here, which is: hurry up and get it done. This is an important piece of diversification.

I know that in southern Alberta it has brought a tremendous amount of economic activity. I was talking to one of the new breweries in Fort Macleod the other night at an event. They had the *Ghostbusters* set in their microbrewery a couple of different times. Their bar was variously made into a Mexican restaurant, I think, and a store or something, but the amount of activity that that movie set generated for the town of Fort Macleod was considerable. I've had the pleasure to spend some time in the neighbourhood of High River where *Heartland* is also filmed. I know a few people on that set as well, Mr. Speaker. In its 10th going into 11th season, I believe, it is a tremendously popular show and could not be filmed anywhere else. I think that part is clear. The industry needs certainty.

If the government needs added impetus – I know they are very afraid of young people with political opinions and run around being very, very scared of them – my eight-year-old is a huge fan of *Heartland* and has pledged to become a one-man picket should that series be relocated or cancelled. You know, if you thought Greta

I think the last thing that I want to talk about, two things, on a much more serious note, Mr. Speaker – and that is this. The piece in here around the fiscal framework for municipalities is deeply troubling given that those commitments were made prior to the election and during. Many, many people rely on not just the infrastructure commitments but also the stable, predictable frameworks that the promise of the fiscal framework for the two large cities contained within it. I know that small municipalities were looking forward to finishing off similar arrangements. Now they don't feel like they can do that. That trust has been broken. That is a grave concern to those of us who rely on services in any of the smaller municipalities, of which there are many in this House. I don't believe that that trust will be easily regained.

Finally, on the matter of what we say we're going to do and then what we actually end up doing, you know, today we had more fines levied in the so-called kamikaze affair. We know of 15 people who have been fined a total of \$207,000, which reflects a win-at-allcosts sort of mentality. Win for what? To raise personal income tax, as Bill 20 proposes that we do? Win for what? To run up a debt of \$93.3 billion? To run a deficit \$2 billion higher than the NDP's? Savage cuts to social services, to Children's Services, to AISH, to income support, to housing and homelessness? Win for what? That is the win-at-all-costs ethic that has imbued this House.

The members across the way are going to have to ask themselves why so much money changed hands – we found out through a judicial review that there were buckets, you know, bags of money, very tawdry – why the promises were broken that were contained within the platform. Why, at the end of the day? Was it to balance the budget? Well, that's not happening. Was it to take action on the debt? That's not happening either. Was it to raise personal income tax? I don't think so.

Mr. Speaker, I think that as we go back and discuss with our constituents – I know I will be talking to two groups of people, seniors and students, and many, many others who did not expect their income tax to go up, who did not expect the economy to stop diversifying, who did not expect instability with respect to funding of municipalities. They're going to have questions. They're going to have questions for a group of people who will do anything to win, clearly – \$207,000 worth of fines – for a group of people who said one thing and then did another, for a group of people who raised their taxes and sold them a bill of goods on debt and deficit reduction, for a group of people who reintroduced a whole generation of children back into poverty. They're going to have to answer those questions.

With that, I think I'm going to move an amendment because it's clear that this needs to be debated more fulsomely. It's clear that none of these conversations were had during the election. I'm moving an amendment that ...

The Acting Speaker: Just being conscious of the time, would it be all right if, in order to expedite things, we just passed this around? There are only 10 seconds left.

Ms Phillips: I'm happy to do that. Great suggestion.

The Acting Speaker: What I'll do, then, is that once I take a look at it, we'll see if we need you to read it in, or maybe I'll just read it in.

Conscious of time, if the hon. member would just give a quick summary of the referral amendment, then I will read it into the record, and we will go on to 29(2)(a) after that. If the hon. Member

for Lethbridge-West would just quickly say generally what the amendment is.

10:00

Ms Phillips: Do you want me to actually read out the amendment?

The Acting Speaker: I'll read it out after. It's just that we're so short.

Ms Phillips: Okay. Well, I would like to move that the bill be not read a second time but that the bill be referred to the standing committee so that we can debate it later.

The Acting Speaker: Thanks.

I will just read it into the record very quickly. The hon. Member for Lethbridge-West has moved that the motion for second reading of Bill 20, Fiscal Measures and Taxation Act, 2019, be amended by deleting all the words after "that" and substituting the following:

Bill 20, Fiscal Measures and Taxation Act, 2019, be not now read a second time but that the subject matter of the bill be referred to the Standing Committee on Resource Stewardship in accordance with Standing Order 74.2.

With that, Standing Order 29(2)(a) is available.

Mr. Jason Nixon: Mr. Speaker, before 29(2)(a), if I could, I would like to move that we move to one-minute bells for the remainder of the evening.

The Acting Speaker: My understanding is that that would require unanimous consent.

[Unanimous consent granted]

The Acting Speaker: Standing Order 29(2)(a) is available. I see that the hon. Minister of Finance has risen.

Mr. Toews: Well, thank you, Mr. Speaker. I need to rise to respond to some of the comments that were made by the hon. member opposite and provide some clarity around our four-year fiscal plan and the amount of accumulated debt that we as a province will have under our plan. In our fiscal plan we were very transparent with Albertans. We were transparent that our plan includes the \$3.5 billion of cash that we hold on hand at the end of each fiscal year, and because the last fiscal year will be an election year, it will require an additional \$3.5 billion in cash to be held. The previous government's fiscal plan did not include that \$7 billion cash balance that would be required.

Consequently, our fiscal plan is completely transparent with Albertans. We are wanting to ensure that they are aware of the entire amount of debt that we will have as a province at the end of our four-year fiscal plan. However, at that point in time we will have a balanced budget, and we can then begin down the road of paying down our deficit.

Mr. Speaker, the member opposite alluded to the fact that children would not be better off under this fiscal plan. I want to point out that under our new program, the Alberta child and family benefit, close to 70,000 of our most vulnerable families will receive more, not less. They will receive more. This budget actually ensures that we are protecting our most vulnerable in this province. On that same line I want to point out that this budget includes increases to Children's Services, it includes increases to Community and Social Services, and it includes increases to Seniors and Housing. Along with our commitment to maintain health care spending – in fact, health care spending is going up by \$200 million – we have maintained our commitment to not decrease education funding.

This budget, more importantly, changes the trajectory of reckless, irresponsible, out-of-control spending that this government inherited and, in fact, provides a very credible path to balance within our first term, a path to balance that will not rob from the next generation, that will ensure that the next generation has highquality programs and services.

There's been some discussion around postsecondary education. We recognize the absolute importance of postsecondary education in this province, the absolute importance of ensuring that the next generation has a high-quality education, an education that will allow them to pursue every opportunity, an education that will prepare them for the inevitable challenges that they will face as a new generation.

But, Mr. Speaker, the costs of postsecondary education in this province have risen at an exponential rate. In fact, these costs in this province average \$36,500 per full-time student per year. That's close to \$5,000 more per student per year than British Columbia and close to \$15,000 more per student per year than Ontario. So this budget, along with the great work of our Advanced Education, will begin to turn that high dependency on government revenues, on government expenditures down for full-time students in our advanced education system. We need to ensure that students today, tomorrow, next year, and 10 years from now have access to a worldclass, high-quality postsecondary education. I have every confidence in our Minister of Advanced Education as he works with our world-class institutions on providing even greater value. That was a MacKinnon panel recommendation.

With that, I will conclude.

The Acting Speaker: Thank you, hon. minister.

On amendment REF1, as it will be referred to, I see the hon. Member for Edmonton-North West.

Mr. Eggen: Well, thank you, Mr. Speaker. I speak with some interest in regard to the referral amendment that the hon. Member for Lethbridge-West brought forward. Really, using common sense and looking at the totality of this Bill 20, for the casual observer or if someone happened to be handed this, it's a real dog's breakfast. It goes anywhere from taking away tuition tax credits to ending the lottery fund to increasing taxes, individual personal income taxes, changing the access to the future, putting on ice, potentially, the LRT funding for Edmonton and Calgary. You know, it's just all over the place. Quite frankly, I've never seen an omnibus bill quite like this one brought forward to the provincial Legislature in the time that I've been here.

I think it demands more careful scrutiny by both the Standing Committee on Resource Stewardship and the closer scrutiny of the general public as well to absorb this information. You have these things dropped immediately after, I would say, a very troublesome budget, and then suddenly you have two omnibus bills that skate around everywhere from personal income tax to changing employment standards here in the province of Alberta. You know, it's always a wise choice to take a sober second look at these bills, and I believe that the hon. member's referral of Bill 20 to the Resource Stewardship Committee is a very wise and prudent and reasonable way by which we can move forward for what's best for Albertans.

Thank you.

10:10

The Acting Speaker: Thank you.

Hon. members, 29(2)(a) is available.

Seeing none, are there any other members wishing to speak to the referral amendment?

Seeing none, I'm prepared to put the question.

[The voice vote indicated that the motion on amendment REF1 lost]

[Several members rose calling for a division. The division bell was rung at 10:11 p.m.]

[One minute having elapsed, the Assembly divided]

[Mr. Milliken in the chair]

For the motion: Carson Deol Eggen Feehan	Nielsen Pancholi Phillips	Schmidt Sigurdson, L. Sweet
Against the motion: Allard Armstrong-Homeniuk Copping Glubish Gotfried Guthrie Issik Jones LaGrange Loewen	Long Nally Nicolaides Nixon, Jason Nixon, Jeremy Panda Pon Reid Schow	Shandro Smith Toews Toor Turton van Dijken Williams Yao Yaseen
Totals:	For – 10	Against – 28

[Motion on amendment REF1 lost]

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

Seeing none, the hon. President of Treasury Board and Minister of Finance to close debate.

Mr. Toews: Thank you, Mr. Speaker. This bill provides key provisions in order to implement our fiscal plan and budget that we presented to Albertans. This government has inherited a fiscal scenario that requires strategic action to clean up. This bill is part of that process. We inherited a spending trajectory of close to 4 per cent per year at a time when revenues remain flat. Our four-year fiscal plan, of which this budget bill is a key component, will turn our spending trajectory to responsible levels. It also includes our approach and our initiatives to attract investment and grow the economy. We're providing a credible plan to balance within this fiscal plan.

Mr. Speaker, I'm proud to close debate on Bill 20.

The Acting Speaker: The hon. President of Treasury Board and Minister of Finance has moved second reading of Bill 20, Fiscal Measures and Taxation Act, 2019.

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

[Several members rose calling for a division. The division bell was rung at 10:18 p.m.]

[One minute having elapsed, the Assembly divided]

[Mr. Milliken in the chair]

For the motion:		
Allard	Long	Shandro
Armstrong-Homeniuk	Nally	Smith
Copping	Nicolaides	Toews
Glubish	Nixon, Jason	Toor
Gotfried	Nixon, Jeremy	Turton

Guthrie Issik Jones LaGrange Loewen	Panda Pon Reid Schow	van Dijken Williams Yao Yaseen
10:20		
Against the motion:		
Carson	Nielsen	Schmidt
Deol	Pancholi	Sigurdson, L.
Eggen	Phillips	Sweet
Feehan		

Totals: For - 28 Against - 10

[Motion carried; Bill 20 read a second time]

Bill 19 Technology Innovation and Emissions Reduction Implementation Act, 2019

[Debate adjourned November 4: Ms Pancholi speaking]

The Acting Speaker: I see the hon. Member for Edmonton-Gold Bar has risen to speak.

Mr. Schmidt: Thank you, Mr. Speaker. It's a pleasure for me to rise and speak to Bill 19. Of course, I wish to make it clear that I do not intend to support this legislation. I think it's no secret to any member of the Chamber that I and my NDP caucus colleagues believe that climate change is the most important threat that humanity faces today, and it's incredibly urgent that all of humanity take immediate action to avert this threat.

The Intergovernmental Panel on Climate Change tells us that we only have eight and a half years before our carbon budget is depleted and we can no longer avoid the catastrophic results of warming more than 2 degrees Celsius. Our government, the federal government, has made a commitment under the Paris agreement to reduce our carbon dioxide emissions by 30 per cent below the 2005 levels by 2030. Of course, as a part of the country Alberta has to do its fair share in achieving those carbon dioxide emissions reductions. Under our government we were on track to do that. With the totality of the climate leadership plan we were on track to reduce carbon dioxide emissions by more than 50 tonnes over a businessas-usual scenario by 2030.

Under this piece of legislation we take a giant step backwards. We are committed to only reducing our carbon dioxide emissions by approximately 30 tonnes less than a business-as-usual scenario. I have to impress upon members that we do not have time to be taking steps backwards in this fight against climate change. As the IPCC has clearly said, we only have eight and a half years, and by shifting our climate emissions plan backwards, we are increasing the risk that we will run out of time and no longer be able to deal with climate change and prevent the worst effects of climate change from happening in our world. It's very concerning to me that this is the direction that the government wants to take.

Of course, it comes as no surprise. The government seems to be moving backwards in every area on the environment and environmental protection. We see in the budget, of course, huge cuts to air monitoring, water monitoring, emissions monitoring, land policy, fisheries and wildlife management. Every aspect of environmental protection is being cut back significantly, most concerningly including climate change. Now, I do want to say that even though the government is mostly wrong, they're not entirely wrong, which is a shock because I think this is probably the first piece of legislation that we've seen in this House where the government hasn't been entirely wrong. They've been only mostly wrong, so I do want to congratulate them on that slight bit of progress. There are the two things that they did get right in this legislation.

First of all, they've admitted, by bringing this legislation forward and in their announcements when they released the legislation, that the federal government has jurisdiction over climate change emissions in Alberta. The minister quite clearly stated in his announcement that in order to avoid federal jurisdiction being exercised here in Alberta, they needed to bring forward this piece of legislation.

I'm glad that the government has finally admitted that federal jurisdiction over this issue exists, and I sincerely hope that after coming to this realization, the government drops its unnecessary and expensive lawsuit against the federal government over the consumer carbon tax and just gets on with the issue of reducing carbon dioxide emissions. All of those dollars that are being spent on high-priced lawyers to argue in front of courts could be spent on producing real carbon dioxide reductions here in Alberta, and I urge the government strongly to recognize, realize what they've said, that the federal government has jurisdiction over this issue, that they have the right to implement a carbon tax, and that they should just get on with the job of reducing carbon dioxide emissions here in Alberta rather than fighting something that they've already admitted the federal government has jurisdiction over.

The second thing that the government has right in this legislation is the treatment of the electricity sector. I am very pleased that the government has recognized that the way we've treated the electricity sector under the carbon competitiveness incentive regulation, that was brought in under our government, was the right way to go, and they're not making any changes to that.

In fact, I'm pleased that we are still committed to phasing out coal-fired power here in Alberta, and I'm very pleased that, despite their protestations to the contrary, this government is also committed to phasing out coal-fired power in Alberta. That is the right thing to do for the people of Alberta. It's the right thing to do for the people of Canada. It's the right thing to do for everybody on this planet. Not only will we save significant carbon dioxide emissions from phasing out coal-fired power; we will avoid any number of respiratory illnesses that result from the burning of coal.

I want to take a moment to recognize at this point the significant contributions that coal miners have made to the province of Alberta. We have a long and rich history of coal mining here in Alberta. I worked for a summer in what was then called the MD of Badlands. It's now part of the town of Drumheller. In East Coulee you can visit the Atlas coal mine, which is the largest still free-standing mining tipple in all of western Canada, one of the first coal mines ever developed in Alberta. Coal has provided reliable electricity to the people of Alberta for a number of decades. I want to thank the people of Alberta who've worked in the coal mines for the personal costs that they've borne working in coal. It's often said, Mr. Speaker, that the cost of coal is blood, because coal mining is an incredibly dangerous profession; it's incredibly dangerous working conditions. Coal miners suffer unbelievable health effects from doing their work, all so that we could have reliable electricity when we went home and flicked the switch, and I am so grateful for all of those coal miners throughout the decades who have provided the people of Alberta with that reliable source of electricity.

That's why we owe it to them to transition them away from coal justly so that they can make this transition along with the rest of the province of Alberta without suffering any negative economic effects. I urge the government to honour the commitments that the government made to coal workers when we committed to phasing out coal, that they wouldn't be left behind, that they would be able to find employment, that they would be able to make good lives for themselves outside of the coal sector. I'm very concerned by recent reports that the government hasn't made any commitments whatsoever to coal miners in this province as to honouring the commitments that we made to them to transition them away from coal. I hope that in the coming days the members opposite do intend to let coal miners know what their future holds because that's part of the deal. If we're going to transition away from coal, which this government has committed to do, then we need to offer a fair and just transition for those coal miners and make sure that they can still contribute their time and their talent to developing the prosperity of the province of Alberta.

10:30

Those are the two things that the government got right. It should come as no surprise, Mr. Speaker, that everything else is wrong.

Of course, we've had a carbon price in Alberta since 2007, and all of that carbon price that's been collected has been historically funded to reduce carbon emissions. It's been invested in innovation; it's been invested in carbon capture and storage. It's been invested entirely in reducing the carbon footprint of the province of Alberta. Now, for the first time, the government has said: yes, we will implement a carbon pricing policy, but we'll take that money, and we'll turn around and give most of it back to them in the form of a \$4.7 billion handout; we'll keep a small amount that will be invested in innovations to reduce emissions, and then some of it will be used to fund our Twitter troll farm to mock environmentalists, people who are concerned about climate change. Remarkable. It's truly remarkable, and I'm sure that Vladimir Putin is smiling and probably closely taking notes because I'm sure that he would like to have official government policy on the books to harass and intimidate his political opponents the way that the members opposite are creating with this legislation.

You know, the government has correctly identified that the price of carbon should be \$30 a tonne. It's very concerning to me, though, that the government has not indicated with any certainty what the future price of carbon will be. The legislation provides for ministerial order to set the carbon price. So the Minister of Environment and Parks could wake up one day in a particularly bad mood, which I know is uncharacteristic for the Minister of Environment and Parks, always a pleasant and amiable person who is nothing but delightful to chat with in this House – but, let's say, you know, his disposition could change suddenly – and implement a \$100 a tonne carbon price on one particular sector. Perfectly legal under the legislation. Or he could wake up and, feeling extra amiable, could lower the price to \$20 a tonne or \$10 a tonne because he wants to give his donors a break.

That's not what good climate policy is, Mr. Speaker. Industry needs to know what the price of carbon is going to be now and well into the future so that they can plan to make the investments that they need to achieve the carbon dioxide reductions that they have to achieve. So I would strongly urge the minister to amend that section of the legislation and provide the industry the certainty that they're asking for in what the future of the carbon price is going to be.

The second thing that I'm very concerned about, Mr. Speaker, is the fact that, of course, we don't see all of this money being invested into carbon dioxide emission reductions. Now, the members opposite have claimed that they have a magic wand called innovation, that the paltry \$100 million or so that they're going to invest every year in innovation is going to achieve significant carbon dioxide reductions over and above what they are already suggesting they'll produce with the carbon price alone.

Well, Mr. Speaker, we already have a number of innovations that we know reduce carbon dioxide emissions. They're called solar power, they're called wind power, they're called public transit, and they're called energy efficiency. All of those things are things that the government has scrapped, so I'm not sure what kind of innovation it is that the minister knows about that the rest of the world doesn't that will create these carbon dioxide emissions. But I don't hold out much hope that we'll achieve the carbon dioxide reductions that the government says that they'll achieve through this innovation magic wand that they apparently have when they are outright refusing to acknowledge the capability of existing technologies, those things that were innovative 10 or 20 years ago, that we know work. They're just throwing those by the wayside. I guess they seem to be much more optimistic than I am in the potential for technology to achieve these emissions reductions.

I know that I would certainly – I don't want to throw out the possibility of innovations. There are lots of things that Emissions Reduction Alberta is doing that are improving the performance of large industries here in Alberta, but we also need to do the work of reducing carbon dioxide emissions with technologies that we know work. So I would recommend that the government go back to the drawing board on their spending plans for climate change, on the TIER dollars, and invest in the things that will achieve actual carbon dioxide emission reductions for the people of Alberta, and I would suggest to all members that there would be a significant benefit. We know that the carbon tax was incredibly unpopular, but we know that emissions reduction is incredibly popular.

The Acting Speaker: Standing Order 29(2)(a) is available. I see the hon. Government House Leader has risen.

Mr. Jason Nixon: Well, thank you, Mr. Speaker, for the opportunity to rise under 29(2)(a). So much to unpack there and such little time, unfortunately. I'm sure we'll have more time to talk about it in the coming days. Instead, I'll just focus for this 29(2)(a) on two key issues.

The first is around the NDP slush fund. The hon. member referred to that slush fund in his comments, Mr. Speaker, and then discussed how this legislation that I have before the Chamber right now compares with what the hon. member's government did when he was in power. The fact is this. This legislation at its core primarily deals with the fact that it makes it clear how we'll be renaming the funds and then how the money within those funds will be handled or allowing it or a portion of it to go to general revenue. The hon. member is correct about that. What the hon. member glosses over, though, is the fact that his government did exactly that. Every minister on this side of the House knows, as they went through their budget process - the Minister of Finance would know for sure how much the climate leadership plan and the NDP's carbon tax were being used as a slush fund through the entire operation of government on the back of Albertans and certainly were not being used for emission reductions.

The fact is this. Albertans had a choice. They had a choice in this last election when it came to this issue. The NDP never told them about their carbon tax when they campaigned on it, but certainly by 2019 the NDP's carbon tax was well known by the people of Alberta. The hon. member even agrees. It was not a very popular tax. I certainly agree with him. I think that it played a large part in why the NDP lost government – maybe they agree with that; maybe they don't – but the carbon tax itself and how it was utilized within the province was known.

How this government would approach the large-emitter side of that equation was also clearly articulated in our platform. It was very, very clear that we would go with the TIER system. It was very, very clear within that how we would approach that from a regulatory perspective and, Mr. Speaker, most importantly, how it would be spent: the first \$100 million plus 50 per cent of every dollar going to the TIER fund, the majority of the money going to the TIER fund – the hon. member is incorrect in his assertion that that is not the fact – and then the other 50 per cent going into general revenue towards deficit reduction to begin to fix the mess that the hon. member's government created inside this province.

Yes, a portion of that is going to defend what is commonly referred to as the war room, or the Canadian Energy Centre, as we now know, Mr. Speaker, to actually defend the industry, something that hon. member did not do when he was in power; in fact, he sold them out repeatedly to Justin Trudeau, to his federal leader in the NDP party, who was antienergy, antipipeline, and who they seem to have, according to their own leader, at least in her case, indicated that they voted for in the last election.

10:40

The fact is this, Mr. Speaker. This government has been clear on how they will use the large-emitter portion of that, going into TIER. He's right. That's been taking place in this province since 2007. Prices have changed, different variations of it, but the reality is that this is not a new thing inside this province. What is new is the transparency of the government on how they will utilize those resources going forward, which is the exact opposite of what that hon. member did when he was a minister of the Crown, just a few months ago, with his colleagues, where they told Albertans that it was going to go to rebates and it wasn't going to go to general revenue and they weren't going to use it for slush projects and they weren't going to do that. We now know that they did, in fact, eventually even admitting within their own budget that they were putting it into general revenue. They just didn't bother to go and change the legislation. They kept trying to back-door it.

Also, quite shockingly, they did not invest that money very well. We know that they spent significant portions of it, of course, on light bulbs and shower heads. I know as a rural Albertan that we always found it quite comical. First of all, I think that all Albertans found it comical, because we're more than capable of changing our light bulbs. I know that I'm extraordinarily taller than average, Mr. Speaker, but I think that most Albertans can also change their light bulbs. They didn't need the NDP's help, and they certainly didn't need the NDP to go and hire people from Ontario to change their light bulbs. But then they went forward and got shower heads that didn't even work in rural Alberta because they weren't able to survive with our low water pressure and paid again an Ontario company to provide those light bulbs and shower heads. That's just one example.

Our government's approach will be different. You know, Emissions Reduction Alberta, which the hon. member referred to, will help to partner with us on many projects – I was happy to announce several of them this past week – that have significant, immediate emission reductions as well as water use reductions and other environmental benefits, that this government is investing in, the complete opposite, Mr. Speaker, of that hon. member's approach.

The Acting Speaker: Thank you, hon. member.

Are there any other members wishing to join debate?

Seeing none, the hon. Minister of Environment and Parks to close debate.

Mr. Jason Nixon: Mr. Speaker, I'm excited to see us vote on second reading and hope that everybody will support it, unlike what appears the NDP, who - I don't know; maybe they're climate change deniers. Now, I don't know what's going on. But they're on the opposite side this time, so it's quite alarming. But I do hope that my colleagues support the second reading of this important piece of legislation.

[Motion carried; Bill 19 read a second time]

The Acting Speaker: The hon. Government House Leader.

Mr. Jason Nixon: Well, thank you, Mr. Speaker. Thank you, first of all, to all members of the House for what has been a great evening of progress. I'm always happy to see so much progress. As such, I think that it's time to call it an evening, and I will move to adjourn the House till tomorrow at 1:30 p.m.

The Acting Speaker: Pursuant to Standing Order 3(1.1) the House stands adjourned until tomorrow afternoon at 1:30.

Tomorrow morning the Standing Committee on Families and Communities will consider the estimates for the Ministry of Health in the Rocky Mountain Room, and the Standing Committee on Resource Stewardship will consider the estimates for the Ministry of Indigenous Relations in the Parkland Room.

[Motion carried; the Assembly adjourned at 10:44 p.m.]

Table of Contents

Government Bi	lls and Orders	
Second Rea	ling	
Bill 21	Ensuring Fiscal Sustainability Act, 2019	
Bill 20	Fiscal Measures and Taxation Act, 2019	
Divisi	on	
Divisi	on	
Bill 19	Technology Innovation and Emissions Reduction Implementation Act, 2019	

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