



Province of Alberta

The 30th Legislature  
Second Session

# Alberta Hansard

Tuesday evening, November 3, 2020

Day 62

The Honourable Nathan M. Cooper, Speaker

# Legislative Assembly of Alberta The 30th Legislature

Second Session

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New Democrat: 24

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## Legislative Assembly of Alberta

7:30 p.m.

Tuesday, November 3, 2020

[Mr. Milliken in the chair]

**The Acting Speaker:** Please be seated.

### Government Bills and Orders Second Reading

#### Bill 39

#### Child Care Licensing (Early Learning and Child Care) Amendment Act, 2020

[Adjourned debate November 2: Mr. Schweitzer]

**The Acting Speaker:** Are there any hon. members looking to join debate? The hon. Member for Edmonton-Castle Downs caught my eye.

**Ms Goehring:** Thank you, Mr. Speaker. It's my pleasure to rise this evening to speak to Bill 39, Child Care Licensing (Early Learning and Child Care) Amendment Act, 2020. I spoke many times in this Chamber about being a mom. I have three kids. My oldest is 26, my middle is 19, and my baby is 16. Throughout their lives I've accessed child care. I've always been either involved in school or working, so I required child care. I wasn't a mom that was able to stay home. Some say that I'm a better mom because I work. But I've definitely experienced different types of child care over the years, so I'm excited to talk about this piece of legislation. I've got many questions that I know we'll get to once we're in Committee of the Whole, but I have to say that I have concerns.

I know that as a young mom I was heavily reliant on child care, whether it was family – but most often it was daycare that I trusted my child with. I was a young mom, I had a young child, and I was going to school. The importance and the trust that's required to leave your child when they're young are so important. I was fortunate that I had many people in my life that were supportive and wanted to help educate me on kind of some of the things to look for when you're looking for a child care place for your infant.

I learned early on in my parenting that things that you need to look for are licensing, the types of child care workers that they have. What level are they? What is their accreditation process? Are they accredited? As a young mom these were things that I'd never heard of, things that I'd never considered. I knew what to look for when I brought my child in. I wanted to make sure it was clean. I wanted to make sure that the children looked happy. I wanted to make sure that there seemed to be good bonding between the grown-ups and the littles, but I didn't understand all of those other pieces that came with child care.

I believe that as I got older, as I had more children, and as I started to go down the realm of social work, I started to understand that a little bit more, the importance of having licensing of early childhood development as part of the child care facility that I chose. I've had different types of child care facilities: I've had my children in daycare, I've had them in day homes, I've had them with their grandmother for years. I was very fortunate, but there are different types of options for parents, which I think is incredible.

One of the things that I do have concern about is the lack of affordable accessibility to quality child care, and I think that this piece of legislation, unfortunately, doesn't address some of those things. Right now we're in the middle of a global pandemic, and having affordable, accessible, licensed, good-quality child care is essential. When you're leaving your child with someone, when

you're stressed out, you want to make sure that all of those things that should be there are there. I'm concerned that what this legislation does is that it takes away some of those things that parents take for granted. I know a lot of parents through my work with Children's Services. I worked with a branch that did licensing, and unfortunately a lot of parents don't know what they're looking for. A lot of parents would assume that there are standards that are in place and that their child care facility is licensed and accredited and they have different levels of staff, but they don't really understand what that means.

I think this piece of legislation sounds wonderful. It sounds like it's a nice piece of legislation. I mean, the title of it says "early learning," but unfortunately that's the only reference in this entire piece of legislation. One reference, and it's in the title. To me, that's a bit concerning. Early learning is so important that it made its way into the title of the act. Why isn't it anywhere else in the act? We know that children are essential to our future, and we need to nurture them. We need to take care of them, especially when they're young. When they're away from parents, we want to make sure that they're in a loving, safe, nurturing, educational environment. When you read the title of it, I think the minister can get up and say: you know, this is important; early learning is important. But then not to reference it anywhere else in this bill is a little bit concerning.

I know that some of the wonderful child care places where my children have been have put a strong emphasis on early learning. When they did programming for the daycare, they were able to show the key elements that addressed early learning at each stage of their time in the daycare. They had different rooms based on age, and each room had its own clearly laid out plan. It had activities that were focused on their developmental levels. I was able to sit with the child care providers and discuss the things that my children were advancing in, areas that they were working on. This was something, I felt, so essential for what was happening in my child's life for sometimes eight hours a day, nine hours a day while I was at work or while I was at school. They weren't just sitting in a room not doing anything. They were actively involved with the child care providers. A lot of these people that have been a part of my children's lives I still see, and they're still working in daycares. They're absolutely wonderful. They take it very seriously.

I worry with some of these changes that there are those providers that, unfortunately, are going to cut costs, and they're not going to have the accreditation standards that perhaps some of the higher quality child care facilities have. As a parent and as a social worker I can tell you that I've seen that that's not something that parents often look for. They take it for granted that the child care facility has those criteria in place, and unfortunately they don't. Even when looking through a day home, I went through a company that ran day homes, so it was licensed, and it was accredited. The woman that was running the day home had all of her standards very clearly laid out. We talked at length about what her expectations were with the children that she had in her care, not just of the children but of the parents and what that communication looked like.

I'm concerned that this just seems to be somewhat of an attempt to try and convince Albertans that this minister is doing a lot more than she actually is. Simply by looking at the title of it and looking at what is happening in this piece of legislation – it's a lot of pages that really don't do anything to enhance early learning in children. It doesn't enhance the safety and quality standards of children and the facilities that you would access as a parent.

I know that part of our government – we took this very seriously, and we looked at affordable, \$25-a-day daycare. We believe that parents should be able to access affordable and high-quality child care for their children. It's something that we heard, all across the province, was a priority for parents. They want to know that when

they're leaving their children with someone, they're safe and they're being loved and they're being educated. They're being taken care of. They're not just being put in a room with the TV on. They're actually engaging with their children, and their children are learning things while they're at daycare. That's something that we know from parents is really important. Knowing that early child care learning is essential, I'm just concerned that it's not mentioned in this piece of legislation, and I fear that some of the things that she's removing are actually going to decrease the quality of child care that Albertans are able to access.

I know as a mom – when my children were at their last daycare, it was after school care, and I was the parent liaison for the daycare that they were at. The daycare decided that they wanted to have clear communication with parents, with staff, and with the schools. My role there was to be that person that could bring questions and concerns to the staff and help facilitate that communication. Having a daycare that was a hundred per cent on board, open to talking about things was confidence building to the parents there. They knew where they stood. They knew that it was licensed. They knew where their accreditation was. They went above and beyond what the expectations of accreditation were. The parents that accessed that daycare knew that their children were being taken care of. They had just such a wonderful model. I'm so blessed to have had that experience with my children.

7:40

Unfortunately, I know that that's not the case. Sometimes child care facilities get their licence revoked. They're not meeting standards. There are multiple reasons why a child care agency could lose their licence. Part of the previous legislation was that there was a two-year time limit that they had to wait before they could apply to have a licence again. That's been removed. I'm curious why, what the reasoning behind that two-year timeline is. It could be a good reason. I'm just not sure why you would take that out.

I'm concerned about what the actual commitment to ensuring affordable and quality child care is here. I know it's something that this side of the House has been talking about a lot. The Member for Edmonton-Whitemud has been incredible with her engagement with parents and child care providers across the province. She's been asking those questions of the minister, and I'm just not convinced that we've heard adequate responses. I know that there were some consultations that have happened.

I know that I speak to parents all the time in Edmonton-Castle Downs. We're fortunate that we can assist with identifying some of the things that they should be looking for. When we're telling parents what they should be looking for in a quality child care facility – licensing, accreditation, what their numbers are in terms of their levels for their staff – what does that look like once this legislation goes through? What are the standards that a parent can expect when they go into a child care facility? What is the requirement for the daycare to report that to the parents, what their licensing is, what their accreditation is? It's not here in this piece of legislation, and that makes me somewhat concerned. We have clear checks and balances right now when we're reviewing licences of an established program, and I don't see that in this piece of legislation. What are the requirements for safety standards? How is that going to be monitored? Are there people going into these homes? What will that look like?

I know that parents can sometimes really struggle when it comes to making that decision about going back to work. They will go through many different facilities and do lots of interviewing and often talk to family friends and see what their child care experience is like, but it needs to be clear. It's not just that feeling when you walk into a daycare and you watch your children interact with the

kids and with the staff. You should be able to clearly identify what facility-based programs are being run out of there, what the standards are, what the licensing status is. I'm curious: what prompted this piece of legislation, and who was asking for this? Who was asking for fewer standards and less oversight into the quality of child care?

I'm concerned that – with all of the discussion that we've been having about the impacts on women during this pandemic, we know that one of the main areas that women are concerned about with work is quality child care. Women have been hit the most during this pandemic. They have the highest rate of unemployment. They're often the ones who become the child care provider if their children can't go to school or if there is no child care. That responsibility often lies with the mother.

I was hoping that when we heard talk of a child care bill, there would be some mention of affordable, there would be some mention of high-quality standards. Unfortunately, it seems to have fallen on deaf ears because that's not part of this legislation. You know, they talked about there being concerns with the way that our \$25-a-day child care rolled out. I just don't see that as being a legitimate reason to not have it. They weren't able to explain what the concerns were, what the barriers were. I know that parents were accessing it in Edmonton-Castle Downs. We had the YMCA that offered it, and then two of the military bases had been successful candidates for the pilot. Everybody was very happy with that program, so to see that that's not part of this is somewhat concerning.

I know the child care facilities that I've spoken to have excellent programming. They have really wonderful staff that are dedicated to the kids. They're passionate about it. That's why they got into child care in the first place. I know that reducing the standards . . . [Ms Goehring's speaking time expired]

Thank you, Mr. Speaker.

**The Acting Speaker:** Standing Order 29(2)(a) is available. I see the hon. Member for Edmonton-Decore.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I appreciate the comments brought forward by the Member for Edmonton-Castle Downs, especially her personal experience as her kids grew up. I think this is information that is critical for us to be able to make an informed decision in this House. Unfortunately, I know her time seemed a little bit shorter. I was hoping that perhaps she might consider finishing off her thoughts to add to this debate, please.

**The Acting Speaker:** The hon. Member for Edmonton-Castle Downs has risen with about four and a half minutes.

**Ms Goehring:** Thank you, Mr. Speaker, and thank you to the hon. member. I know that many parents that we've spoken to, you know, are confident in their child care that they have right now, but there isn't anything in here that has an expectation that the standard changes, licensing, any of that would be notified to the parents. If the parent currently accesses a child care facility and they have this understanding and belief that these are the services that are being provided, unfortunately, there's nothing in this legislation that talks about notification to families. Do they know that this is happening in their child care facility? Are they considering what that would look like if it does change? Does that mean that they're now going to be forced to look at alternative child care for their children?

I know as a mom that that's really difficult to do because your children create bonds. They have these relationships at daycare and day home that are unlike any. It's part of your family because of the time and the care that they receive there, so if your child is accessing a day home or a daycare and the standards change, are they being notified? What is that consequence? Does that parent then have to

decide: well, they've reduced the level of learning. They no longer have this developmental component. Early learning is no longer something that's required. The daycare perhaps had to cut costs because they're not being properly funded. They're going to have to make decisions, so how are they notifying their parents? How is the daycare coming up with the idea or the solution to work with this legislation and make changes within their facility? Are they being supported through that? What does that look like?

Then what happens to those parents that had a child care facility that they were very happy with that now has reduced standards, reduced quality, perhaps no early learning at all? Does that mean that they now are being forced to look for another child care place? You know, those are questions that I'm being asked in Edmonton-Castle Downs by parents and by the daycare workers. They're nervous about what this piece of legislation is going to do and how it's going to impact their family. Does it mean that some parents and families are going to be forced to look for alternative child care options because the facility that they were accessing no longer has the same standards that they did before?

My concern is that there's nothing in here that talks about notification to parents and what will happen when a child care facility decides that they're changing the way that they've run things. They're looking at alternatives to perhaps save money, but are they telling families that this is happening? How is that child care facility coming to those conclusions? Are they meeting with families? Are they having those hard discussions?

I know that when I was the parent liaison at the daycare, that was the first time that I had ever had that position available to me as a parent, and it was something that the director and myself talked about as a way of, you know, engaging parents, making sure that there's clear communication between what the parents' expectations are and what the child care's expectations are and how both can work together. I know we did things like planning Christmas parties. We had parents that were heavily involved with kind of a Christmas hamper. There were some families within the daycare that were struggling, so some of the parents that could give a little bit more were able to do that. The daycare would work with us to identify families. Not that we knew, but they would say: this is the age of the child, these are some of the things that they need, and they're struggling with a Christmas turkey this year. Those types of things. Having a great relationship with your daycare, some of those wonderful things can happen out of there.

7:50

I know we've attended weddings for some of the daycare providers that my kids have gone to. You create this bond with these people that are providing care for your children. To learn that their standards are no longer there – that might not have been the child care worker's decision; it could've been the director or the owner – might make the staff want to leave. This is no longer a place where they feel that they're able to give and provide the kind of care that they want to children.

With that, Mr. Speaker, I will wrap up my comments. Thank you.

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

Other members looking to join debate? I see the hon. Member for Lethbridge-East has risen.

**Mr. Neudorf:** Thank you, Mr. Speaker. It is a privilege to rise in the House today in support of the Child Care Licensing (Early Learning and Child Care) Amendment Act, 2020. Early learning and child care centres play such an integral role in our communities. Not only do they fill a primary need for supervision, but they also aid in learning, give a sense of self and confidence through play,

exploration, and experimentation, and aid in children often being more ready for school and entering kindergarten with better math, language, and social skills. Quality child care benefits everyone: families, employers, businesses, and society as a whole. In the short term families are able to access care, which enables both parents to return to work. For employers, parents will miss less time away from work. In the long term quality child care fosters a society of individuals who are physically, socially, and emotionally healthy.

Bill 39, the child care licensing amendment act, if passed, will update the Child Care Licensing Act and regulations, embedding important principles of quality and safety while also reducing red tape. The changes in this legislation have been informed through extensive feedback provided through e-mail submissions, surveys, and virtual round-table discussions with Albertans. The current act and regulations have not been reviewed since 2008. Everyone in this House can attest to that a lot has changed in that time. Even just in the span of 2020 a lot has changed in how we conduct business and the level of care and attention we pay to these kinds of activities. Inviting Albertans back to the table for the first time in over a decade to consult on changes that would directly impact their lives and hearing their thoughts on what is working, what is not working, and what they would like changed allowed Children's Services to put forward this well-informed and well-thought-out piece of legislation.

Mr. Speaker, as a result of this consultation process, what you see in this act are legislative changes that are rooted in quality and informed by the people who will be affected by it every single day. This legislation reduces red tape while protecting the parent's desire for choice and ensuring that whatever choice that parent makes, the quality and safety of the program is of utmost importance. That is why, after feedback from this sector, we cancelled the accreditation process earlier this year. Despite being entrenched in red tape, the underlying principles of accreditation were good. It signalled quality child care and helped parents make an informed choice. That is why the act legislated similar principles into the act as guiding principles. Rather than continuing the onerous amounts of paperwork required for accreditation, the act will add new guiding principles and matters to be considered directly into the legislation, which will set a mandatory expectation for quality and safety, what we just heard about.

To be considered for accreditation, the program will now demonstrate how they're following the guiding principles and matters when they submit their program process. What this means is that quality and care will be the key drivers of decisions being made by child care programs. Quality child care is tied intrinsically to child care educators and those who work with children every day. Amendments in this act, if passed, will clarify the previously complex, confusing staff certification requirements. If passed, this legislation will move certification requirements from legislation into policy. This will allow the Alberta government to be flexible and adapt to the ever-changing needs of this sector.

More than ever before we need flexibility for the providers of child care. This legislation is proposing changes that make logical sense. Programs will now be able to access nearby outdoor spaces, where children can learn and play. Child care providers will also now be allowed to offer extended hours of care, including overnight care with appropriate guidelines.

Staci Wilson, the executive director of Adventurers School Age Care Ltd., had the following to say about these simple but logical changes, and I quote: the changes and clarifications to indoor and outdoor space in the updated legislation and regulations are fantastic. As an operator it is very frustrating to have a beautiful park space across from your centre but be unable to access it due to fencing requirements and other limitations. Expanding access to

outdoor spaces will allow centres to be more innovative with their programming while providing higher quality of care for children. Unquote.

Shift workers will now be able to access quality, regulated care for overnight shifts. This comes back to the idea that quality child care benefits everyone: parents, children, and employers.

This bill also looks to address and improve the quality, safety, and accountability of our child care and early learning centres. These changes are simple and straightforward but will make a huge impact on the lives of parents and care providers. An example of these changes is that now licence holders will have to supply criminal record checks for all staff members, volunteers, and anyone who will or could be in contact with children. Prior to this legislation only certain people were required to submit criminal record checks. By amending the act to provide these extra checks and balances, it enforces our government's commitment to safety and quality child care, and with increased quality and safety a parent's or caregiver's choice of which child care option best suits their individual family's needs is broadened.

Quality child care leads to a better quality of life. I'm glad that our government has made informed steps to recognize that, and I will be supporting this bill.

Thank you, Mr. Speaker.

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

Standing Order 29(2)(a) is available, should anybody be looking for some quick comments or questions.

Seeing none, are there any members who wish to join debate? I see the Edmonton-Decore member or the Member for Edmonton-Decore.

**Mr. Nielsen:** I will answer to both of those, Mr. Speaker, so that's okay. I appreciate the opportunity this evening to rise and add some thoughts around Bill 39, Child Care Licensing (Early Learning and Child Care) Amendment Act, 2020. I certainly appreciate the comments from the Member for Edmonton-Castle Downs around her experience with child care. Of course, my experience around child care, I have to admit, is a little dated, probably at least a couple of decades, but I still remember the challenges with regard to my daughter and our child care needs. As I've probably said in the House before, you know, my daughter was born with congenital heart disease. She also has diabetes. Having a daycare that's even willing to take on a child with so many challenges can be daunting, to say the least, and that was 20 years ago when I was looking at that.

I couldn't help but, you know, notice some of the comments from the previous speaker, especially the one around people being well informed. Clearly, I would say that none of my constituents within, say, for instance, the African-Caribbean community probably had a chance to weigh in. When the Africa Centre was chosen as one of the \$25-a-day daycare sites, that was literally a game changer for that community because we found that folks required affordable and accessible child care within their neighbourhood.

Of course, later on, when the expansion happened, I had another facility that was also chosen. You know, Mr. Speaker, I remember that day being present when they finally announced it to their clients that that was happening, and I remember one single mom very, very clearly. She broke down in tears. She said: "Yeah, I'm a single mom. I was planning to go back to school. I was almost certain that I wouldn't be able to complete it because I wouldn't be able to afford to go to school, to afford daycare and still pay all of my bills." She goes: "Your government just put me through school. You just allowed me to do that. I have no doubt about that." That was a very moving story, to say the least. I was, shall we say, a little perturbed

around the comments on the effectiveness of \$25-a-day day care, Mr. Speaker, because I've seen first-hand what those changes were able to make.

8:00

I know, as the Member for Edmonton-Castle Downs had mentioned when we were talking about affordable, accessible, quality child care, that has to be an absolute pillar of economic recovery. As she stated, this pandemic has brought to light just how child care can affect a single mom's life and her ability to be able to participate in the workforce and be able to participate in the economy. Like that single mom who was able to get through school, because of that, I'm now going to wonder how many single moms might not be able to get through that.

Like my colleague, I do kind of wonder. One of the questions that popped to mind here, which I'm hoping we'll get a chance maybe to debate further in Committee of the Whole – second reading is not really the opportunity to be able to go back and forth, potentially, with questions, ideas, things like that – is that we see early learning and child care mentioned in the title, but the early learning seems to be absent from the rest of the legislation.

You know, I've kind of heard some things around: well, that kind of stuff is going to be in the regulations. I do find it interesting, Mr. Speaker. I've commented on this before on multiple different pieces of legislation: history is everything. You can look back at history and find out what worked, what didn't, what was said, what wasn't. When I look at that history, I guess the best way to put this is that we have members of the government bench, we have members of the government caucus who sat in the 29th Legislature, which I had the honour of being able to do as well, and they used to berate the government back then for doing this same thing. I mean, if you're going to berate somebody for doing something, you then don't turn around and do it yourself. I wonder why we're seeing an absence of, well, everything with regard to that except for in the title. My hope is that perhaps we'll get a little bit further explanation with that.

Also touching on history, we did get to briefly discuss here this evening around accreditation. Mr. Speaker, I thankfully have a facility in Edmonton-Decore that remembers why accreditation was brought in to begin with. See, accreditation was an industry idea. It was industry driven, brought forward because they wanted the ability to not just stay at the acceptable standard; they wanted to be able to go over and above that. In other words, they wanted to be able to stick out of the crowd. Over the years, of course, we saw an uptick in more facilities wanting to be accredited because they wanted to be able to show parents like the Member for Edmonton-Castle Downs, parents who, of course, today are potentially in the same kinds of situations that I was, you know, two decades ago, and see the level of child care that is available to them rather than just, well, I guess we could say almost the bare minimum.

Why we want to remove accreditation from a system that the industry itself wanted to bring in, quite frankly, is very, very confusing. I did hear a little bit about the words "red tape" earlier in discussion. Regarding the removal of renewal terms, are we talking about that once we grant a licence, that's it? We're never going to check up on these facilities again?

I know the Member for Edmonton-Castle Downs quickly mentioned about licences being revoked and removing the term limit of two years for those operators being able to reapply and then just the overall checks and balances with regard to the system. It's unfortunate. We've seen recently in the news around problems with child care and some of the consequences that have resulted because of that. This is what we're trying to label as removing red tape.



I would be very interested, Mr. Speaker, about what kind of conversations took place between the ministries of Red Tape Reduction and Children's Services, because I clearly remember, when the ministry was started, that removing red tape that potentially puts people at risk, that puts their businesses at risk was not part of the mandate of the Red Tape Reduction ministry. I believe the associate minister even assured not only this House but Albertans that that would not happen. The reality is that here again, looking back on history: why did these checks and balances get put in place to begin with? Because there were concerns over what was going on. Why was it that there was a two-year limit put in should a licence be revoked? There was a reason for that.

It seems that that label of reducing red tape is getting a little bit more loosely used. I would be, again, very, very interested to know what kind of conversation took place between the two ministries and how they came to the conclusion about removing accreditation, that was wanted by the industry, why removing renewal terms was a good idea. Why remove the two-year time limit for an operator that might have had their licence revoked and why remove checks and balances and checking up on operators just to ensure that they're still making the proper decisions, that the level of care that they're providing to some of the most vulnerable people in our society, our kids, is being done in a safe manner?

I'm also wondering a little bit about why licensed and unlicensed day homes will now have the same number of children. Are we potentially looking at creating a scenario where there just won't be any licensing with regard to that: it'll be all the same, so why don't we just not license them at all, because, you know, that would be some good red tape removal? I want to hear some of the thinking around this. I believe the excuse, quite honestly, of red tape removal is getting a little bit out of hand, especially with regard to child care providers. For families and parents that are in the position that I was in two decades ago, are there facilities that are willing, have any kind of training possibly, to take on a child with complex heart disease or that perhaps has type 1 diabetes? You know, we were very, very lucky back then, at the time, with the facility that we found, which was still quite expensive back in the day for a shift worker like myself who was only making \$45,000 to \$50,000 a year.

8:10

You know, you hear nowadays of some folks paying more than what they pay for their mortgage on their house, and we start to see situations where people are making decisions that maybe they know aren't necessarily the best, but they're between a rock and a hard place. They have to be able to go to work, they have to be able to somehow figure out how to pay their bills, so they start making decisions with regard to child care providers simply based on what they can possibly afford.

If we start lowering those standards – and I have to admit, Mr. Speaker, that I'm seeing a little pattern here with this government around this race-to-the-bottom mentality that we're seeing, that, you know, we have to just do the bare minimum rather than looking at how we can be the best. Why not? That was the industry's solution: how can we be the best? How can we bring everybody up? Let's introduce an accreditation program, that wasn't mandatory.

This whole thing around, "Well, we're trying to reduce paperwork for child care providers" – they don't have to go after accreditation. That's something that they can do over and above. That was the entire reason for that program. We need to stop taking this bare minimum, lowest standards, this let's just do what we absolutely barely need to do mentality, and we have to look at: how can we be the best? How can we provide top-quality child care but

at a rate that's affordable for people? That's where the government is able to step in and be able to do something about that.

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

Standing Order 29(2)(a) is available, and I see the hon. Member for Edmonton-Highlands-Norwood has risen.

**Member Irwin:** Thank you, Mr. Speaker. It is an honour to respond to that member on a topic as important as child care. I've not yet had a chance to speak to the bill, but I wanted to touch on one aspect of his comments. You know, I very much appreciated him sharing his own story of having been a parent and having been somebody who certainly wasn't rich and probably struggled to make ends meet, just as the Member for Edmonton-Castle Downs shared her story as well of being a young parent.

You know, this is one of the big issues for me around this piece of legislation, the affordability piece. Right? We had an opportunity here with this bill – the government had an opportunity with this bill – to really present something transformational and to really address the issues around child care that I and my colleagues on this side of the House are hearing all the time. I can tell you that it is a topic that I hear from a lot of constituents about in Edmonton-Highlands-Norwood, and affordability is a big part of that, absolutely.

The other reason why I hear so much about the topic of child care, you know, is because of my role with Status of Women. I'm very fortunate to go on many field trips with my colleague from Edmonton-Whitemud because there are so many interconnections between my portfolio of Status of Women and hers of Children's Services. One of those pieces is, of course, child care.

I appreciated that the Member for Edmonton-Decore touched on the critical nature of child care to the economic recovery. This is something that we've been speaking about in the House since, honestly, just after the onset of the pandemic. I remember standing here in this Chamber calling for women's voices in particular to be centred in the economic recovery. I also recall laughter from the other side of the House, shamefully, when I first asked about that.

Soon enough, actually, it wasn't just us speaking about it. It wasn't just myself, our leader from Edmonton-Strathcona, my colleague from Edmonton-Whitemud – it wasn't just us talking about it. Suddenly it was organizations all across this country, organizations here in Alberta like the YWCA, compiling robust reports on the need for critical child care.

**Ms Gray:** The Edmonton chamber.

**Member Irwin:** That's coming on my list. You just wait.

It was the big banks, RBC and others, calling for the absolute need for child care to be a centre point in an economic recovery plan. It was economists from all across this country as well calling for it. It was, as my colleague from Edmonton-Mill Woods just pointed out, the Edmonton Chamber of Commerce most recently calling for this. Our voices are not alone. This is an evidence-based approach.

I come back to that member's comments around how it is so critical that we be addressing child care in an economic recovery. The problem is that this bill, Bill 39, doesn't do that. It's speaking about accreditation. It's speaking about licensing. It's talking about some of the administrative pieces of child care. What was I hoping for? I was hoping for us to be having a conversation about affordability, about universality. Wow; can you imagine? These are the things that people are calling for, right? Again, it's just not us, and the evidence is clear.

I also want to just take this moment to point out that there was an opportunity as well – and you know what? I know we will be

introducing some amendments – I’m quite certain of that – during committees, so I don’t want to presuppose any of that. You know, I want us to think about what our NDP caucus is calling for when it comes to child care, right? We’re talking about prioritizing budget funding, the 2020-2021 budget funding. Any of the unspent funds: those could be put immediately towards child care, which could address some of the affordability pressures that so many parents are facing.

What else are we talking about? We’re talking about things like establishing a taskforce to actually go back and revisit the efficacy of our \$25-a-day child care program. Because as that member shared, he has encountered multiple constituents who benefited greatly from . . .

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

I see the hon. Member for Fort McMurray-Lac La Biche looking to join debate.

**Ms Goodridge:** Thank you, Mr. Speaker. I am very pleased to stand up tonight and speak in support of Bill 39, the Child Care Licensing Amendment Act. I want to sincerely thank my colleague the Minister of Children Services for her spectacular work on this bill. This is something I can say that in my neck of the woods is going over exceptionally well.

I was born and raised in Fort McMurray. I didn’t really know what 9 to 5 meant; I thought it was just a catchy Dolly Parton song. I didn’t really understand that people actually worked from 9 to 5, Monday to Friday. I just thought that that was a song. It was a really cool song. I liked it, but it didn’t mean anything to me. I grew up in a small-business family. My dad worked out in the oil sands. Shift work I thought was normal. I didn’t know many people that didn’t work shift work. In fact, I can’t think of many kids I grew up with that shift work wasn’t the reality of what their parents experienced on a regular basis.

I can say that when I was knocking on doors, campaigning, I frequently heard from families that really wanted to see more flexibility in child care. The lack of ability to have 24-hour-a-day child care was really something that was a struggle for many of them. In fact, many of them shared with me that that was one of the big challenges they had when they had kids. Both husband and wife worked shift work, and unless they work cross shift, which meant they would basically never see each other, it meant one of them typically had to come up with some other solution, or oftentimes it was nannies that were brought in so that both spouses could continue doing the jobs that they absolutely loved, which were typically shift jobs. I’m proud of the fact that in my community, that’s just the way of life. I think it’s spectacular. It’s definitely given a lot of skills and opportunities.

One of the things that this bill addresses that I am so proud of is that it allows for more flexibility, and it allows the operators to meet the demand that does exist. And I can say, “Meet the demand that does exist,” because I hear about it. Day in, day out I hear about it, families that would love to have more flexibility in child care. They don’t need Monday to Friday; they need high-quality, safe child care, one or four or eight days a month. They don’t need it Monday to Friday, 9 to 5.

**8:20**

This legislation listened to over 10,000 Albertans. It was a huge undertaking that was done by our government to consult with people to create an amazing piece of legislation that responds to a lot of these demands. One thing that I know is absolutely essential in Alberta’s economic recovery is child care. Child care is an essential piece of our economic recovery, and making sure that

parents have quality, accessible, affordable choices when it comes to child care is so important to making sure that parents get back to work. I’m very cautious and deliberately using the term “parents and families” because I don’t believe that it is a choice that needs to only fall to one or the other, the mom or the dad, but it is the family’s choice.

I’m so proud of this legislation. The changes will improve flexibility for providers. It will also allow for the mixed-age groups, which will make it easier for centres, especially centres in smaller rural communities such as my own, to be able to manage their staffing a little bit easier. This is another piece that I heard quite a bit when I was knocking on doors, especially from some of the small providers that provide absolutely spectacular care. They really wanted to see a little bit of change so that those ratios could change for drop-offs and pickup times specifically. A parent is dropping off their two-year-old and their seven-year-old; by the changes that are brought forward in this piece of legislation, it allows that two-year-old and seven-year-old to stay in the same room. That makes it easier for the child care provider, it makes it a little bit easier for the children to accommodate getting into the child care facility, and it makes it a lot easier for the provider. I think this is so critically important, because growing up in a rural, isolated community you had to make do. We need to make sure that our legislation allows people to make do but have the safest possible options, to have it so that safety is key, that we are constantly looking at how to have safeguards in place to ensure that children have the best possible opportunities, and this legislation, I firmly believe, does that.

I’m very excited for the opportunity for some of these child care providers to be able to provide overnight care because I know that’s something that will be very much welcomed in my community. I think to myself – I don’t have children yet, Mr. Speaker, but this is something that’s crossed my mind on multiple occasions in the role that I’m in: how exactly would I juggle child care, living in a community five hours away with the hours that we are in? All of these kinds of things have kept me up at night, and I don’t even have kids yet. I can see members on the other side shaking their heads, and I feel like that’s probably something that is not just unique to my worries and concerns but probably the worries and concerns of many people in this Chamber and many Albertans. This legislation actually provides that flexibility to provide that option. That’s something that I’m very excited about.

Like I said, the Minister of Children’s Services came up to Fort McMurray, and she came on a tour of some of our child care facilities and listened. She actually listened. She had conversations. We went out for dinner, and it was really interesting. I had the opportunity to introduce her to a friend of mine that I’d gone to elementary school with. He and his wife are both very proud tradespeople, and they work in the oil sands. In order to accommodate their schedules, they had to hire a nanny because they needed overnight care a couple of nights a week, and two of their shifts overlapped in such a way that that was really the only option. A change like this I’m sure will be very much welcomed by some of my friends, some of my constituents. I think that it’s critically important, because it really is so important that we’re actually listening to the people so that we can provide that care and we can actually assist these communities because child care, like I said, is so important.

With that, Mr. Speaker, I will wrap up my comments.

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

Are there any members wishing to join under 29(2)(a) for questions and comments?

Seeing none, are there any hon. members looking to join debate? I see the hon. Member for Edmonton-Meadows has risen.

**Mr. Deol:** Thank you, Mr. Speaker. It's my honour to rise in the House and to add comments to Bill 39, Child Care Licensing (Early Learning and Child Care) Amendment Act, 2020, on behalf of my constituents. As I look at this bill, it really reminds me of my childhood memories. Many of my friends from an Indian background probably are familiar with the name *anganwadi*. That was a program run by the Indian government. I think it's still alive. *Anganwadi* is a type of rural child care basically in central India. This was started by the Indian government around 1970 as part of an integrated child development services program to combat child hunger and malnutrition.

Mr. Speaker, I remember as a child joining that program. The program, really, didn't only help me, you know, socialize, come out, participate, meet the children from my village, make friends, build confidence; it was also important in building the foundation, the base for my early childhood learning and what I would call mental health. That program was not only, from that perspective, important for the children; it also provided an opportunity specifically to young women.

I have actually a live example from my home. Women, like my mother, could not pursue high schooling due to lack of schooling in the area, lack of high schools in the area. She was not able to go to high school. She could not, probably, go back to the school, but this program helped her pursue some of her dreams. We had the platform, the opportunity, and it was taken care of. I think that provided her the opportunity to serve as one of the first two women on the village council. Not only that, I saw in that area how women were passionate about it and how it encouraged those women to get out and pursue a number of different vocational educations during their young age.

Also, for us, people like me, you know, the people who are working – I have a lot of respect for the people who work in early childhood care in Canada and Alberta. I recall my memories. This is not only work for those people who are serving in the early child care programs; it's also a kind of very emotional and personal job for those service providers in this sector, taking care of children at very early age. I mean to say that it also provided us to build a lifelong relationship with lots of people. It built the platform to kind of build strong social ties among communities. It has so many different aspects.

8:30

When we're discussing child care here in the House today and looking at the bill, I just wanted to bring in some of the experience that I had. I also do have stories from child care providers, the parents who access child care in Alberta. I remember I was on the radio on a very quick interview, and after that – I was probably one of the only Punjabi-speaking MLAs on the radio. After that interview, you know, calls flooded to my office as I announced my constituency number on the radio: calls from Calgary, calls from Red Deer, calls from Edmonton, different parts of the province, not only my riding. During COVID, the early days of the emergency declared by the cities and provincial governments, they were going through so much pain. They shared their stories. I'm so proud of my colleague the Member for Edmonton-Whitemud. Many of those calls I directed to her. I'm so proud of her. All those people called me back and thanked me for putting them in touch with her.

By saying this, coincidentally today I called a gentleman for a very different reason. I knew that he's also a child care provider, but the conversation was not about this. As we were discussing something, this came into my mind: are you people aware that

there's a bill being discussed in the House today about child care? Let me say that he is not a hard-core NDP supporting person. His political inclinations are very open towards the United Conservatives. He was aware about this bill, and one of the very first concerns he shared with me was about the accreditation, the way it's being addressed in the bill, and the children's safety and security that's being compromised by this bill. By adding my comments to this bill, I just wanted to get that call and feedback on to the record as well.

What we are saying – the other story I just wanted to share, and I'm not afraid about it: the past NDP government brought in the pilot project of \$25-per-day child care. We know that was successful, but similarly lots and lots of operators were not happy because they were exempt. They could not participate in it, and they were complaining about it. In my conversations with some of those child care operators – one called today, and they out loud said: we were never against the \$25-per-day child care, but we wanted it to be universal, and we were waiting for it. I'm not talking about the parents. I'm talking about the feedback or demand, you could call it, from their group, their WhatsApp chat group, of about nearly 40-plus daycare operators. I know a majority of them have very close ties to the UCP Party. I know them very well personally, and I hope they would have provided their feedback to the UCP government as well.

That's one of the biggest concerns when we are discussing the economic recovery, when we are discussing Bill 35 and the piece of legislation in hand, a discussion focused on child care, as it says, early learning and child care. That was the, I think, very important issue that I'm looking at, that seems is being missed from this bill, this piece of legislation.

As a small-business owner I hear single moms talking in my office, and I would say that I watch them very closely. I was almost part of their struggles, you know, of how they were affording their daily lives by not even having minimum wages but even working at the rate of \$20, \$21, \$22, \$23, and life is still not affordable for them. In Alberta there are statistics, the ratio of how many child care spaces we have according to the number of children. There is a lot more to do, and the parents need affordable and accessible child care within the communities.

But no one mentioned that they're worried about what is termed here by the government House members as red tape: accreditation. As I said, as a prime example of my recent conversation as of today, the child care providers are more worried about compromising and cancelling of the accreditation in this program. Not only that, the government has moved forward by increasing the capacity of nonlicensed day homes. I would actually – I'm really interested to know. I know the member from – I don't exactly know what riding – Grande Prairie has done actually quite a bit of consultation on this report, the drafting of this bill. I'm quite interested to know what kinds of demands – who were the, first of all, stakeholders, and what have they demanded in their consultations?

Thank you.

8:40

**The Acting Speaker:** Hon. members, 29(2)(a) is available.

However, just before we get to that – and I will recognize the member who stood – I recognize that the fact that we're under COVID means that when people sometimes open their laptops, there's a little bit more leeway with regard to sounds and things of that nature. I will just mention, though, that for the last 40 or so odd minutes there has been a phone over here that's been getting text messages with that whistle, right? I'm seeing a lot of – I think this is unanimous, that somebody over here needs to find out maybe if it's a phone in a desk or something like that, but keep your ears

peeled. I think, especially when members are speaking, it's not the best to have that going off on average, it seems like, about every minute and a half to three minutes.

I believe the hon. Member for Edmonton-Highlands-Norwood was looking to join on 29(2)(a), with a full five minutes should you choose to take it.

**Member Irwin:** I will be paying attention for any whistles that might be coming my way as I speak.

Thank you to the Member for Edmonton-Meadows for his – oh, they're looking for it now – really important comments on Bill 39. You know, I really wanted to pick up on a couple of the comments that you made. In particular, again, just like my other colleagues have spoken tonight, you highlighted the critical need for affordability to be part of the conversation, and you said that when you talk to your constituents, you've got a very young, vibrant community that you represent. You've heard from a lot of them. He's talked about, when he's heard from his community, that they're not necessarily asking questions or having conversations around pieces around accreditation. They're looking to pay their bills every month. They're looking to have quality, affordable, accessible child care for their families, and that's an absolutely reasonable request.

This is, again, why I want to get on the record in response to my colleague, to point out that this is truly an opportunity to have a broader conversation about child care and to have a conversation about the critical nature of early childhood education. As a teacher myself, you know, I was a high school teacher primarily, but I was always keenly interested in early childhood education because we know that's where the fundamentals begin, right? The research is clear that the experience that a child gets in those early years and the educational experience that they get will profoundly impact their education in later years. So upon first glance of the bill, prior to me reading it, I thought: okay, child care licensing, early learning and child care. Myself and my colleagues were so hopeful that this piece of legislation was going to address early learning and was going to address the absolute critical nature of those early years.

You know, one of the things that I was quite excited about as well – and again, I noted early that I've visited a number of child care centres in my own riding of Edmonton-Highlands-Norwood, and in nearly all of those centres that I visited, they have these beautiful displays where they talk about the flight curriculum, the curriculum framework that they use, which has shown to be incredibly effective at the early years. Again, I want to put on the record my disappointment that that aspect of early learning isn't even addressed in this bill.

I was someone who worked in curriculum for years for the province and, again, you know, we know – I'm going to actually point to examples in my own riding where we have a number of folks who are struggling; we've got some of the highest rates of child poverty – the absolutely transformational power that an effective child care program can have on some of those young people. It's undeniable. Again, I'm disappointed, and hopefully – I've gotta be hopeful, especially on this evening of the U.S. presidential election. I have to be hopeful. I have to be hopeful that we may be able to introduce some amendments to this bill to make it stronger, and I would really like for the members opposite, for the members of the government, and for the minister to consider how they might tweak this piece of legislation to address early learning, to address the role of flight curriculum and of having a strong, robust curriculum framework in those early years.

Finally – and I've got many more things that I want to say about this – to address affordability, coming back to the member's

comments earlier, this bill as presented to us currently does nothing to help so many of those families in my riding of Edmonton-Highlands-Norwood. Many families benefited from . . . [The time limit for questions and comments expired]

Thank you.

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

We are back on the bill proper, and for everybody at home I do want to report that we are five minutes' text whistle-free in this House.

I do believe that I see the hon. Minister of Energy and Deputy Government House Leader has risen.

**Mrs. Savage:** Well, thank you, Mr. Speaker. I would like to move that we adjourn debate on Bill 39.

[Motion to adjourn debate carried]

### **Bill 35 Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020**

Ms Gray moved that the motion for second reading of Bill 35, Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, be amended by deleting all of the words after "that" and substituting the following:

Bill 35, Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, 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.

[Debate adjourned on the amendment November 2: Mr. Deol]

**The Acting Speaker:** Are there any members looking to join debate on this matter? We are on REF1, and I see the hon. Member for Edmonton-Riverview has risen.

**Ms Sigurdson:** Thank you very much, Mr. Speaker. It's my pleasure to rise this evening and speak to Bill 35, the Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020. Yes, I believe we're on referral to committee. I certainly think that it's important that this bill be looked at further because I think that there are some things that need to be clarified and understood more fully.

We know that the bill sort of does two main things. One is that it accelerates the corporate tax deduction to 8 per cent sort of a year and a half earlier than it was suggested by legislation that was previous. It also creates legislation for the innovation employment grant that is focused more on small and medium-sized businesses regarding investing in research and development. Those are the two key things that it does, and I just want to talk about certainly why I think it needs to go to committee.

The first piece of it, the corporate tax rate acceleration, the cut to that to make it go to 8 per cent: we know that this really is not working, actually, in Alberta. We know that. We know that because of what we already can see from the plan of this government and, you know, to be frank, by many Conservative governments across the world. This cutting corporate taxes in the hopes that corporations will be – I don't know – kind and generous and create much more jobs and support for that community: well, let's face it, corporations do what corporations do to keep themselves as profitable, as successful as they can, and that's their primary focus. They're not beholden to the people of Alberta or any jurisdiction, really, and they make decisions so that their shareholders can make the most money. This acceleration of the corporate taxes to 8 per

cent really is just continuing to go down the wrong road, a road that isn't going to help Albertans.

We know that already 50,000 jobs had been lost in the first year of this government's tenure. We know that the deficit doubled and the economy shrank by more than half a per cent, and this was all before the pandemic. Of course, now we're reeling from so many more challenges. Right now we have 290,000 Albertans who are out of work. Certainly, what we see on this side of the House is that the focus should not be on cutting corporate taxes; it should, rather, be on things to make sure that our economy is diversified. We have just announced our Alberta futures plan. It's a six-point plan that will make a huge difference.

8:50

This is just taking us down an old road. I know that my colleagues have already spoken extensively that trickle-down economics doesn't work. As I said at the beginning, corporations have their own self-interests involved. They're not necessarily concerned about jurisdictions where they are. They're concerned about making a profit, making sure that their shareholders are happy, and that's their focus. They're not concerned about keeping Albertans employed. Certainly, we see large corporations every day in Alberta, you know, and certainly over the last years just making exactly those decisions. Who is responsible, though, and who does care about Albertans, or should, is an elected government. They should be considering that because they know that corporations don't. But this government doesn't seem to get that. They just keep – a \$4.7 billion tax giveaway to big corporations, and they think magically jobs are going to come back in Alberta, but we've seen that they don't.

That big, \$4.7 billion loss to, you know, Alberta's treasury could support Albertans, and certainly it disturbs me deeply because – guess what? – average Albertans then must pay for that, so that \$4.7 billion corporate tax break is on the backs of seniors. We've seen that already. This government, as soon as they came into office, happily deindexed Alberta seniors' benefits. This is a small amount of money that seniors get in a month. I think it's about \$200. It's a top-up on the federal money they get. Our government, when we were in power, indexed that to inflation so that seniors would have the supports, they could live in dignity. I mean, it's just, like, a cruel cut. The UCP sees this as something: oh, well, we can just take that away from seniors, that small amount of money. The aggregate, of course, is much more. It is really, I think, such a mistake in priority, a mistake in values, this \$4.7 billion corporate tax giveaway, and then all of a sudden it's going to magically help everyone in Alberta, this trickle-down magic. It doesn't work, and people are suffering in Alberta because of it.

If we continue talking about seniors, then we know that also, besides that one example, you know, we also had a stand-alone Seniors Advocate office, where seniors in Alberta could reach out to that advocate, and they would help them navigate provincial programs, help them understand something that they might not already, do some education, push our systems to be more friendly and responsive to them, look at the larger systemic issues, and help governments make good decisions about this. This office was created certainly by our government, and that was another thing that's gone, a stand-alone office, that now no longer exists, no longer gives tremendous support to seniors in our province. Again, I guess it's just because corporations – I don't know – the UCP thinks their benevolence is so profound that they're going to care about all of us. But, certainly, that's not my experience, and certainly I would say that the policy changes that have been created by the UCP have negatively impacted seniors because of it. That's a huge hole; \$4.7 billion taken away from our treasury.

Another cruel cut is kicking 60,000 Albertans off the seniors' drug plan. I mean, the justification for this by the Health minister is that: well, they're not seniors; they're seniors' family members. Well, seniors live in families. I mean, it still impacts their bottom line. This is a program that's been in place for years. It predates our government, certainly, and it was created by a Conservative government. To take 60,000 dependants off of that drug plan, again, is just cruel while giving away this \$4.7 billion corporate tax break.

We know that there are plans – this is from that Ernst & Young report – to increase costs for home care, continuing care fees, to increase charges for various costs. Before sometimes medications were paid for; now they're not going to be. I mean, there is just policy after policy that is really hurting regular Albertans, hurting seniors, and this corporate tax break really is not benefiting.

The other piece of it I'll just talk about for a bit is the innovation employment grant. Okay. So they're going to have this innovation employment grant to help with research and development for, you know, small and medium-sized businesses to help them be able to do work that they couldn't otherwise, to help them sort of develop more knowledge in their sector. I mean, there's not much to be argued with here except that they're doing this after they've cut so many of these kinds of programs that our government had in place and that predate our government and that they had already wiped out, and now with this one step forward, we're still behind.

They have moved us many steps back before. Certainly, the Finance minister cut the scientific research and experimental development credit. He also cut the interactive digital media tax credit already. On that one particularly, the Film and Video Arts Society of Alberta – it's also known as FAVA; they are located in my riding – came and visited me. For them it meant that some projects couldn't go ahead when that interactive digital media tax credit was cut. You know, this gal who was a producer really shared deeply with me about how she didn't want to leave Alberta, but because of this cut, she would have to unless something changed. What could I do to support her? Certainly, we advocated with the minister. It was disturbing to see that they had counted on this tax credit, and then that was cut.

The Alberta investor tax credit was cut and the Alberta capital investment tax credit. You know, there have been many steps backwards, and there's this one small step forward, so of course we're glad they're doing that, but let's face what's already happened. The UCP have already decimated many of these supports to small and medium-sized businesses. This one movement: although we're glad they've done it, we can't just ignore all the other programs that they've cut in the time that they've been government.

Another thing. I think that yesterday Premier Kenney was speaking virtually to the Calgary Chamber of commerce, and he . . .

**The Acting Speaker:** A name. I am quite sure that I may have heard a name there.

**Ms Sigurdson:** Oh, I did. I did.

**The Acting Speaker:** I was focused on a note, but I'm just going to ask that we remind all members in here to refer to members of this House by their constituencies or titles.

If you could please continue.

**Ms Sigurdson:** My apologies.

Yes, the Premier did speak to the Calgary Chamber of commerce, I think virtually, yesterday or the day before, and he did talk about how important creating a healthy business economic environment was for our province and certainly stressed, you know, this bill and that the corporate tax cut is the way to go. I must submit that I very

much challenge the Premier because of the evidence I've already shown and how this government has not actually improved the situation for business in Alberta, and a lot of it's pre-COVID. You know, there hadn't been a big turnaround. I know that certainly those were some of the promises that they'd made, that this was going to be for sure: all you've got to do is elect a Conservative government and of course magic will happen and the economy will get better. It's all about this race to the bottom.

9:00

Well, the fact is that none of that has happened. We are still in the same situation and, of course, much worse now because of, you know, many factors. Of course, COVID-19 is one of those key ones.

But I certainly do commend the members on the other side to look at our, the NDP's, economic plan, the Alberta's future plan. We do identify five clear points that will make a difference and where this government should be focused. We're happy to share that with them, to support them, to create that environment for business. It's not being created right now, and this, you know, race to the bottom with the lowest corporate tax rates isn't the panacea. It's not making the difference the government says it's going to. That has been shown in this jurisdiction and many other jurisdictions.

We know that, you know, Alberta as a province has the greatest inequality of any province in Canada. That means that some people are doing okay and maybe even amazingly, but a lot of people aren't. There's a big gap, and we know a healthy society has a much higher level of equality. That means that a different policy agenda needs to come forward instead of just focusing on helping corporations but actually supporting all Albertans to be able to do well. Certainly, we know that equity and inclusion of all Albertans is important, and we know from this government, too, sadly, that the labour laws that they've instituted have taken away that, the inclusiveness.

**The Acting Speaker:** Thank you, hon. member. I know that that name was a slip-up. However, just to remind everybody that it does depersonalize debate, which usually leads to more effective debate.

On 29(2)(a) I see the hon. Member for Edmonton-West Henday has risen.

**Mr. Carson:** Yes. Thank you very much, Mr. Speaker. It's an honour to rise to speak for a short amount of time here to the previous member. I appreciate in particular the comments off the top of that member's speech, recognizing the importance and the opportunities for creating a stronger economic system here in the province of Alberta when we focus on people who are often left behind or often fall through the cracks, which has been exactly the case under this UCP government, specifically when we talk about the idea of investing in seniors, when we talk about the decisions that we made when in government to index seniors' benefits. When we talked about the previous election – of course, it didn't turn out how we wanted it to, and the UCP went actually further backwards when they should have gone forward. We talked about eliminating copay or making it lower for seniors, and the same goes for programs like the assured income for the severely handicapped.

Unfortunately, this government has made it a top priority for themselves – and I imagine that that direction came from the top down – that they would remove important programming for the most vulnerable or people who are often vulnerable in our communities, and they said that that was just, you know, the expense of business in our province and that on the other end the \$4.7 billion that they gave to the largest, most profitable corporations would counteract those decisions, that it would become more sustainable. Unfortunately, the opposite has

happened, of course. In the middle of a global pandemic we see that seniors are being hit among the hardest in our province, and instead of supporting these seniors, as this government should have, they continue on their path to attack the very benefits that those seniors deserve after building this province for so many years.

I appreciate the work that the previous speaker did in their role, protecting seniors and supporting them, and the same thing goes for the affordable housing plan that that member brought forward, which were historical investments. When we talk about creating jobs and supporting people in our economy, especially in the middle of a recession, affordable housing is a perfect way to do that in building new infrastructure. Not only are we creating jobs, but we are also supporting vulnerable communities in our province. I appreciate the work that that member did in that position.

In contrast, what we see from this government, though they say that they are making these programs more sustainable, is the exact opposite. We have people in my own community that I see, who at one time were receiving benefits, being the beneficiary or somebody that was being taken care of by a senior that had low income. This government decided to take those benefits away from them. Now those people are skipping medication day to day because they can't afford to go pick it up at the pharmacy as much as they did when that medication was covered. We have people on AISH who, once again, because of this government's decision to roll back the indexing of AISH, can no longer afford – you know, that \$30, that this government seems to think is so easy for these people to absorb, is the difference between food on the table by the end of the month. We saw the Member for St. Albert take this process, with all the privilege that she has, and she struggled immensely. I can only imagine people who cannot advocate for themselves at the same level and do not have the same level of supports in the background helping them out. I can only imagine how much they struggle. So to have this government go further at this point and say, "Well, we might need to change the definition; in this day and age we're not sure if severely handicapped is what we think it is any more" is absolutely destructive not only to the mental health of these Albertans but to the economic well-being of them moving into the future.

I'm going to have more to say on this, but I once again appreciate the comments from the former minister and the work that they did to build an economy that encompassed and supported seniors and encompassed and supported people who needed affordable housing. Unfortunately, that has not been the case under this UCP government. Once again, I will have more to say specifically on some of the tax credits when I have an opportunity, which I believe will be very shortly. But I am just so thankful, and I know that Albertans in my own community are so thankful for the decisions that that previous member did. They really have a lot of questions for this new seniors minister and for the minister in charge of taking care of affordable housing because it's been completely lacklustre up to this point.

At that, I will say thank you.

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

Are there any members looking to join debate on this? I am not surprised, and it looks like you were correct. It was in very quick order. I see the hon. Member for Edmonton-West Henday has risen on second reading and amendment REF1.

**Mr. Carson:** Well, thank you, Mr. Speaker. It's an honour to rise to speak to the referral amendment that's before us to Bill 35, the Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020. I will start off by saying that I fully support the idea that this needs to be referred to committee.

Of course, the UCP came into government with the idea that an across-the-board \$4.7 billion corporate handout would solve all the economic woes of this province. Unfortunately, as opposed to what we see in the title of this bill, creating jobs and driving innovation, really what we're seeing is driving innovation outside of this province. I appreciate that the new minister in charge of diversification and economic development in this province, you know, has taken over from a minister who just couldn't get the job done after a year and a half. I appreciate that that minister, the new minister, has decided to write an op-ed or an article about how we can't be afraid of the D word, that being diversification; well, of course, on this side of the House we've been talking about diversification for decades and doing it.

In the last four years of government, when, of course, the NDP was in power, we saw some of those decisions made, things that were actually changing the conversation and the importance of diversification. I appreciate, once again, that this government has finally come to their senses after a year and a half and is acting like they've come up with this brilliant plan after a year and a half of absolutely zero job growth in our province, after their disastrous \$4.7 billion giveaway to the largest corporations.

9:10

We've heard it many times through the House this evening and throughout this debate, the idea that even prepandemic we lost 50,000 jobs across the province. We saw a doubling of the deficit. We saw the economy shrinking by .6 per cent, in contrast to our last year in government, when the economic outlook was above 2 per cent in economic growth. It's absolutely disastrous what this government has decided to do or, I guess, decided not to do. When they came into government, they said that their only plan was that \$4.7 billion handout, and with that, they got rid of many of the tax credits that our government had brought in in consultation with stakeholders like the Chambers of Commerce across the province, with the, you know, interactive digital media sector and the technology sector, organizations that this government is only now, after a year and a half, talking about how they are going to start consulting with and start making decisions with. From the very get-go this government's decision to axe these important tax credits was universally rejected by stakeholders.

When we talk about the interactive digital media tax credit, not only the opportunities that it was bringing to – you know, we've heard much discussion about video game creators in our province and the disasters that they've created and the job losses that we've seen. We heard from organization like BioWare, from Improbable gaming, organizations that have built an industry here in Alberta, who said: you are making the wrong decision. This tax credit often, as good a tax credit as it was, was still lower than many other provincial tax credits across Canada. Thankfully, we had, of course, other tax-competitive measures in place already. But instead of this government strengthening the tax credit programs that we had put in place, that the tech sector was asking for, they totally decimated those programs, which was the absolute wrong decision.

When we already are among the lowest taxed in terms of corporate taxes across Canada, why would we continue down that path? If we're already the lowest, why wouldn't we target tax credits like we see in so many other provinces? When we talk about the digital media tax credit, there was, as far back as I remember, \$28.1 million in tax credits, which was leveraging \$94 million. You know, we're talking about getting back three times what it was costing us. But this government, to this day, has been unable to prove that that is even nearly the case with their \$4.7 billion handout.

They haven't been able to show any tax revenue coming in from that, and, more importantly, in the middle of a pandemic and a recession they haven't been able to prove that they've even created one job, which was something that we were absolutely able to do with all of these credits because it was an important part of the application process, Mr. Speaker, recognizing that an application process for corporations to take money from Albertans should be a necessity, should be the baseline requirement for using money from taxpayers. Unfortunately, this government seems to be more than happy to let that money flow through the floodgates with zero commitment that any of that would actually come back to us, that any of that would stay even in the province of Alberta.

Not only did we lose that interactive digital media tax credit that was supporting the video game industry, which has been talked about at length in this Assembly, but, you know, other technology industries within the medical field. We talk about virtual reality training for new physicians, for anyone else that's able to access that training. We talk about the real estate industry being able to do 3-D modelling concepts of the properties that they're trying to sell. This is more than just about a specific industry like gaming. It is across the board that we need to be supporting these tech sectors, but unfortunately, once again, instead of putting any meaningful consultation, any meaningful programs together – we hear the government talk about small businesses being the backbone of our economy, but unfortunately when it comes to these important tax credits, which were primarily focused on supporting and bringing new capital to small and medium-sized businesses, this government just turned their back on them.

My apologies; the \$28.1 million that I spoke of was actually in reference to the Alberta investor tax credit. My apologies, Mr. Speaker.

When we look at the Alberta capital investment tax credits and our \$70 million investment that we expected to leverage in that and the \$700 million that was to come back, once again, there were parameters for who was allowed to use it. We talked about not having more than 100 employees, so supporting small businesses to grow, and a focus on research development and commercialization. None of that is a requirement, once again, under the disastrous plan that this government has put forward and is now proposing that we accelerate under Bill 35. There is no doubt that we need to send this back to committee.

As recent as this week we saw, because of documents that were FOIPed from the opposition, that this government has zero information, as per their government documents, that this program was working in the first place and, more importantly, is going to do any better if accelerated. It's an absolute failure of a program, and this government is wanting to accelerate that failure.

**An Hon. Member:** Shameful.

**Mr. Carson:** It's absolutely shameful and disappointing.

You know, it's no secret that in 2015 we ran on a platform which included a jobs plan that, after further consultation when we came into the government, changed substantially. We are willing to adjust course when needed to support the small and medium-sized and all businesses across the province. Unfortunately, this government is not willing to do anything of the sort, which is absolutely disappointing.

While the tech sector and many other sectors who once benefited from these tax credits, once benefited from the ability to gain capital from angel investors – these industries have been absolutely decimated by the decisions and indecisions of this government. While we were able to prove where our tax dollars were going under these tax credit programs, we continue to ask this government why

they have zero commitment to be clear and transparent with Albertans about where that \$4.7 billion has gone. We saw many instances so far of that money fleeing the province into other jurisdictions across North America, potentially, you know, when the tax credits dried up, moving to other jurisdictions across Canada that were better able to support. Part of that money, that \$4.7 billion, was used for these tech companies to move out of the province, I am sure.

We saw more recently the energy industry and companies in the energy industry using this money for stock buybacks to move their operations to other jurisdictions across North America. It was a perfect opportunity that this government created for businesses to leave the province, the exact opposite of what they should be doing. That's what happens when there's no accountability with the money that you are taking from taxpayers and handing out to the largest, most profitable corporations. It's very frustrating.

We talk about the innovation employment grant that this government has brought forward, you know, a program that doesn't start until next year, a program that is pennies on the dollar compared to the tax credits that they cut. It's absolutely devastating. And their plan, their jobs plan, is to wait another year to bring in a program that is not nearly as good as what was in place before in Alberta and, more importantly, what is in place in other jurisdictions across North America. To think that taking two steps back and one step forward is going to be enough is simply not satisfactory in my eyes, Mr. Speaker.

Now, once again, a point I raised in the previous discussion on Bill 35 and why it is so important that we send this to committee, that we support this referral to go to committee – when we talk about the incredible things that we were able to do under our government in terms of the Alberta child benefit and cutting child poverty in half and the importance that that has for building the next generation of Albertans, this government has talked about that absolutely zero, Mr. Speaker. When we talk about taking \$4.7 billion, once again, what is that going to do to reduce child poverty? What is that going to do to create jobs? What is that going to do to build the economy of the future? These are all questions that this government has been unable to answer, that even within their own internal documents they haven't been able to answer.

9:20

As previous speakers have talked about, this Finance minister, a year and a half into his mandate, is finally admitting, with the new minister of economic development, that diversification is more than just a luxury, as that Finance minister has said in the past. We're glad that he's finally coming to his senses, that maybe one day we'll see a tax credit program that actually does something for Albertans instead of just throwing money out the window, instead of just lighting it on fire, because up to this point we've seen absolutely no results from that minister on this file and many others.

I think, Mr. Speaker, with that, I'm going to leave it. I'm sure we'll have more opportunities to discuss this, but, once again, it is absolutely, fundamentally important this this is referred to committee. I think that the tech sector, the Chambers of Commerce, and many other industries across Alberta would like to have a second chance to discuss whether that \$4.7 billion handed out with no stipulations, with no accountability, with no transparency, whether that is the right way to go forward. Up to this point it's been an absolute disaster.

Thank you.

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

Standing Order 29(2)(a) is available for anybody who may have questions or comments.

Seeing none, I see the hon. Minister of Finance has risen on REF1.

**Mr. Toews:** Well, thank you, Mr. Speaker. I just want to make a few comments following those by the member opposite. Firstly, I just want to again draw attention to the fact that there is no \$4.7 billion giveaway. I want to just again go on record to state that. Firstly, again, we are simply not taxing businesses as much as the members opposite did when they were in government. We are not writing cheques to corporations; we are simply not taxing them as much. That is a fundamental distinction, a distinction that appears lost on the members opposite. It is amazing.

One thing, Mr. Speaker, I can say is that the members are consistent. They are consistent day after day, time after time in advocating and recommending pushing taxes up on job creators. That was their pattern when they were in office, and that's their recommendation today. We hear it time and time and time again.

I will also say that our department right now is suggesting that the revenue reduction as a result of our job-creation tax cut could be as low as \$250 million a year at this point. That's the reality. We have been hit with the COVID pandemic within our borders. We're dealing with the largest contraction in the global economy since the Great Depression as a result of COVID-19 and a severe collapse of energy prices. As a result of that, corporate taxes will be lower, Mr. Speaker.

I also want to point out that our policies were working, and that gives us great reason to continue to pursue them. Mr. Speaker, back in October 2019, when we presented Budget 2019, a short few months after that time, in January and February of 2020, key economic indicators were pointing to the fact that 2020 was going to be a turnaround year. And while these numbers now really are irrelevant given our current economic challenge, they are very relevant as we evaluate the efficacy of the policies that we implemented in 2019. Again, I'll point it out: oil and gas drilling rigs were up 16 and a half per cent year over year; building permits were up between 9 and 23 per cent year over year, January and February; goods exports were up 20 per cent year over year, January and February; to the previous year; retail sales were up; vehicle sales were up; average weekly earnings were up. Our policies were working. Our policies will work going forward.

I also want to point out to the members opposite that we took the time to work with the tech sector and the business community on building an incentive for research and development that makes sense, that was efficient, and the program that we rolled out in the innovation employment grant is far superior to those programs that we cancelled, those ill-designed programs of the members opposite. The innovation employment grant rewards growth. We're not interested in simply renting activity year after year after year. We are interested in incentivizing those businesses that have a competitive advantage in this province, those sectors that have a future and can be competitive and grow and be sustainable, and our innovation employment grant will do just that. It incentivizes growth. It's a unique program across the country that incentivizes growth, that rewards those companies from start-up to early scale-up into profitability, when they will benefit from our preferred corporate tax rate.

Mr. Speaker, I won't linger on this tonight. I just wanted to correct the record, again, point out to the members opposite and any Albertan watching tonight that there's been no \$4.7 billion giveaway, that, in fact, we have simply reduced corporate taxes. We're taking less from those hard-working entrepreneurs, the job creators that the members opposite dislike with a passion. We're simply taking less from those entrepreneurs and businesses and encouraging investment growth and job creation.

Thank you.



**The Acting Speaker:** Thank you.

Standing Order 29(2)(a) is available. I see the hon. Member for Edmonton-Beverly-Clareview has risen.

**Mr. Bilous:** Thank you very much, Mr. Speaker. There are a number of points that I'd like to make, and if I get around to it, I can ask the hon. the Finance minister for some clarification. The \$4.7 billion that the Finance minister claims doesn't exist is actually on page 144 of the government documents. I encourage all members to look. It's written there in black and white.

I'd love for the minister to share how many jobs this corporate race to the bottom has created because last year, in 2019, there were 50,000 jobs lost under this government. I can tell you, Mr. Speaker, that the Finance minister claims he's going to lower the corporate tax rate, which they have, simultaneously increasing the personal income taxes and costs of every single Albertan. The hypocrisy is unbelievable. The Premier and the Finance minister tried to claim that reducing or eliminating inflationary increases is not an increase to the personal income tax, which we know that they have. They've increased costs and user fees for insurance. They've increased costs for parks. They've now introduced a bill for toll roads. For a government that claims that they're all about saving Albertans' money, they are nickel and diming Albertans and increasing costs everywhere they turn.

**Mr. Sigurdson:** Coming from the party with the carbon tax.

**Mr. Bilous:** Now I'll clarify – I think the hon. member over there would like to speak. Hey, get up and join the conversation, then, hon. member, but I believe I have the floor.

In 2018, Mr. Speaker, Alberta led the country in GDP growth. In fact, Alberta was leading Canada. I believe our growth was 4.2 per cent. I can tell you – let's fast-forward to today. This current government, that attacked us for the credit downgrades that we received, this year alone – hey, you've got the record – five credit downgrades in one year. That's the record for Alberta. Three have already come into play and two watchlists. Of course, we know that when a province is placed on a watchlist, the downgrade is coming.

9:30

I can tell you, Mr. Speaker, that, you know, for a government that claims that they are all about supporting businesses and supporting Albertans, they've in fact raised costs on everyone, because, of course, businesses are also Albertans and live here in the province. So while they may have reduced the corporate tax rate, which still has not delivered on the promises that the Premier gave – it has not created jobs – what this government did was eliminate every single tax credit that was introduced under the NDP. But where this side of the House still doesn't get it is that those tax credits came from industry. They were asked for by industry. So every time the government gets up and tries to politicize the tax credits, saying, "Those were the NDPs' tax credits," no, they weren't. Those were ideas and tax credits that came from industry, who asked for it. I can tell you that what this government did in 18 months of inaction was that they chased away investment, told technology companies and companies that are innovating: "You're not welcome in Alberta. Our silver bullet is this race-to-the-bottom corporate tax reduction."

I can tell you, Mr. Speaker, that Alberta, even with the carbon tax, was the lowest tax jurisdiction in Canada. In fact, Albertans paid fewer taxes. They paid \$10 billion less than the second-lowest tax jurisdiction in Canada, which is Saskatchewan. We have no health care premiums, we have no payroll tax, and we have no PST. So we know that Alberta was already competitive when it comes to the tax regime. But what the hon. members on the other side don't

understand is that other jurisdictions have incentives for companies, whether in digital media, in interactive digital gaming. They have investor tax credits. In fact, the province of British Columbia has had an investor tax credit since 1985, and – you know what? – it has done wonders to help their economy diversify. Alberta was starting to see some signs of growth, some green shoots when it comes to that credit – there is a 3 to 1 return on investment – and this government killed it.

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

We are back on referral amendment 1, and I see the hon. Member for Edmonton-Decore has risen.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I appreciate the opportunity to add some additional comments on Bill 35 and, of course, specifically the referral motion to send it to committee, you know, something that I remember members of the government bench and members of the government caucus who happened to serve in the 29th Legislature used to call for incessantly, all the time. Now all of a sudden it's not necessarily a good idea. It's funny how those things change.

But I do want to thank the Member for Edmonton-Beverly-Clareview for his comments. I don't think that we can stress this enough. The whole game plan was to give a \$4.7 billion corporate handout, the one that was located on page 144 of the government budget documents, the ones that apparently now don't exist to the Finance minister, comments from the Premier telling companies they'd be irresponsible not to come to Alberta because of this. As the member said, 50,000 jobs lost, a doubling of the deficit to \$12.5 billion in 2019, with the economy shrinking. Mr. Speaker, this is pre-pandemic.

When I hear comments about how the former government chased away investment, well, back on October 25, 2019, the headline in the CBC News: 'I Felt Betrayed': Gaming Companies Unsure of Future in Alberta after Tax Credit Axed. Trent Oster, the CEO of the gaming studio Beamdog, who, coincidentally, also is the cofounder of BioWare, who knows a little bit about the industry, happens to know a little bit about what the industry could have used here in the province of Alberta, which happens to have existed in other provinces, made the comment:

When the NDP announced after a long and slow consultation process with us that there was going to be an interactive digital media tax credit to level the playing field with a bunch of other provinces, which have honestly still superior tax credits, I was really hopeful.

This company was looking to double their employee base. They had about 50 employees. You know, when I was talking about this and a little bit further in depth in the last opportunity I had to speak on the main bill, Mr. Speaker, I was referring to some of the salaries that were available to full-time employees in this industry alone, just this one industry that the digital media tax credit had an influence on: in Quebec \$66,200 a year, \$84,400 a year in B.C., and \$70,100 a year in Ontario. So 50 more employees, the doubling of their employee base, with salaries in that range: I can see why they were excited.

What they were saying back then after the cancellation: "I think we're going to start looking at some other locations as well. We've got a lot of interest. We have a lot of excitement just coming off console launches of our titles."

So just by quickly cancelling the digital media tax credit, they're looking elsewhere. Other companies that were looking to come to Alberta, as I had mentioned earlier, threw out the boat anchor. They said: whoa, maybe we need to reconsider this. One simple example that the digital media tax credit touched on.

So I think we have an opportunity here, Mr. Speaker. By using the referral motion to send it to committee, perhaps we can now re-evaluate what has been happening since we lost things like the digital media tax credit, the Alberta investor tax credit, the capital investor tax credit. I mean, to have a tax credit of \$200 million to be able to leverage \$2.2 billion: I think that's a pretty good return on investment.

So why don't we send this to committee? Let's explore what I think we might have missed out on and perhaps, if we maybe think of changing course, what we could gain access to. I think it would be irresponsible of us. Again, I have to mention that members in the previous Legislature used to go on at length about sending bills that they felt were inadequate, weren't properly consulted on – name excuse here. If you're going to be true to those statements, then it's only logical that you be willing to send this to committee so that we have the opportunity to explore this further.

I still think Alberta is very fertile ground, especially for this industry, as I had mentioned, projected to be \$200 billion by 2023. That's only two and a half years away. We can get a piece of that action, Mr. Speaker, with good-paying salaries, as I pointed out, in an industry that is clearly growing. The leaps and bounds that I've seen just from 2018 are remarkable. It would make good business sense to be able to go after an industry that's clearly profitable. My hope is that members will take that into consideration with regard to the referral to committee so that we can explore this.

9:40

Perhaps we have a chance to make a piece of legislation that, quite frankly, isn't creating jobs, isn't driving innovation, but perhaps it could. We would be able to put forward a plan that will attract the businesses here, things like the digital media tax credit was, that the Alberta investor tax credit, the capital investor tax credit were doing. I believe that 3 to 1 was what the Member for Edmonton-Beverly-Clareview had mentioned as a return on investment. For every dollar that the government of Alberta invested, there was a \$3 return. That sounds like good business sense to me, Mr. Speaker.

With that, I don't want to drone on because I know some other members have been itching to speak to this. I do look forward to further debate, and hopefully we'll get a chance to look at this more in depth in a committee.

Thanks, Mr. Speaker.

**The Acting Speaker:** Standing Order 29(2)(a) is available, and I see the hon. Minister of Culture, Multiculturalism and Status of Women has risen.

**Mrs. Aheer:** Thank you very much, Mr. Speaker. I love having these discussions. It's wonderful to hear from everyone. It's also really interesting to go on a little bit of a trip down memory lane. One of the things – and I have to bring up this \$4.7 billion interpretation that comes from the opposition on a regular basis. But let me put some real numbers out there, actually, with respect to the taxpayer, with respect to where we are right now, how we got here, and the reasons that we're looking at making sure the corporations and small businesses are able to function.

Back in 2015, 2016, when the NDP government had come into power, one of the interesting things and one of the things that was a huge privilege for me, Mr. Speaker, was that I was the critic for Energy. The minister at that time and myself were sort of starting down this path together, very, very new to both the portfolio and new to a lot of the very complex issues. We're very lucky to have the Minister of Energy that we have right now, who is so competent

in this field. So for someone like me, who had, you know, some knowledge and background, it was a really interesting journey.

But let me talk about something that Albertans are still paying for. I want to bring up something called the PPAs, the power purchase agreements. The power purchase agreements not only were triggered by – we talk about the carbon tax and the impact on Albertans all the time, but it had several impacts, not only in the pocketbooks of regular moms and dads every single day in their ability to be able to do what they do every day in this beautiful province. Not only did that happen, but then you look at the \$1.8 billion that was lost as a result of the PPAs being turned back to the government. That \$1.8 billion is something that every taxpayer will have to continue to pay back because of that debacle.

And it doesn't end there. These are real numbers, not some made up \$4.7 billion number, 1.8 billion real dollars, impacting every single Albertan, because the binders were not read or understood. In fact, the government went so far as to continue down the path to sue itself in order to justify using the carbon tax – the carbon tax triggered the PPAs, the power purchase agreements. That \$1.8 billion is a result of their mistake by having the carbon tax trigger the absolute disaster that happened with the PPAs. Not only that, but people were having to choose between heating their homes and feeding their families.

You know, the NDP talks all the time about us taking care of families in our care. You know what? They actively went after every single Albertan for an ideological bent, and on top of that change, with the entire energy-only system, as you know, as a result of the work of our Energy minister, now solar and wind are actually selling better than they did under their system, which was subsidized by the NDP.

On top of that, those profound costs to Albertans, the large emitters at that time were actually more efficient than the carbon tax that came in to impact them at that time, which is why our minister of environment has brought forward the TIER program, because we have the best industry in the world, just in case the NDP forgot that. Then, on top of that, we had a lawsuit, and it was really, really interesting watching that happen. But then in 2016 the total losses – then the Balancing Pool had to borrow money again. Guess how much they had to borrow in total? Nine hundred and fifteen million dollars. Those are real numbers, Mr. Speaker, not a made up \$4.7 billion number. Real numbers. Albertans would be paying that back till 2030, in their pockets, attacking every single mom and dad in this province as a result of their carbon tax, that not only impacted everyday Albertans but every single Albertan as a taxpayer and as a ratepayer.

The Balancing Pool's entire purpose was to have ratepayers be able to follow the balance of how energy comes in. That's why your rates go up and down. That's why it's that way. That's why you have choice in choosing who you want to deliver your energy to you.

Now, on top of that, the question that was asked at that time and was asked by the previous person who ran the PPAs and the Balancing Pool was: why? Why was that not brought up as a discussion as to why the Balancing Pool was actually operating at a loss already? This was a very, very important question. It would have taken courage to actually look at the numbers to find out why it was impacting Albertans the way that it was. And the consumer will continue to pay, Mr. Speaker.

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

I see the hon. Member for Edmonton . . .

**Ms Goehring:** Castle Downs.

**The Acting Speaker:** . . . Castle Downs, even though I've said it a few times today already. The hon. Member for Edmonton-Castle Downs has the floor.

**Ms Goehring:** Thank you, Mr. Speaker. It's a privilege to rise tonight to speak to Bill 35, the Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, on the referral amendment. I just have to say that I'm a little bit disappointed to have the minister of culture stand in the House, have an opportunity to share some comments about the arts, and she didn't. I have great concern that we're looking at ways to create jobs and drive innovation in the province and again the arts sector has been neglected by this government.

[The Deputy Speaker in the chair]

I think at this point it's very appropriate to make the referral to committee because there are many that haven't been consulted when it comes to ways to diversify our economy, ways to recover after this pandemic, during this pandemic. The culture industry is a huge driver in Alberta, and they're being left behind. So when it comes to consultation and having a referral go to committee, I think this is the ideal time because we have an entire sector that is waiting on government to call on them, to reach out to them, to seek their input and their advice, and I think if we referred this to committee, that would be the perfect opportunity to have those engagements, to hear what they have to say, to hear what they can do to contribute to some of these ideas, I guess, that this government is coming forward with to move the economy forward. Unfortunately, I'm not seeing anything in this piece of legislation that actually does that. This province deserves a government that has their backs. We've been saying since this government has been elected that they can't neglect the culture and arts community, especially now, during a pandemic. They've come forward pleading to be engaged in this process, pleading to be a participant in the economic recovery, and it hasn't happened.

In May myself and several members of the arts community stood up and asked this government to appoint someone from the arts community on the economic recovery panel, and that hasn't happened. We have an entire industry that is able and willing to work on driving this economy, helping the economy, and they're not being listened to. I think that by making a referral to committee, it gives a wonderful opportunity to listen to those many Albertans that have these ideas, to listen to the businesses that are saying, "This doesn't work for us; this isn't what we want," to listen to those that are considering investing in our beautiful province but have some major concerns about the state of our economy here and the lack of a plan from this government. I think we need to hear from them to say, "This is why we're not coming to Alberta; these are the concerns that we have," when we look at what they've done to the health care in the province, when we look at what they've done to the education system in the province. Big businesses are not going to want to bring their employees to this province when it's in crisis.

9:50

I think this government needs to hear it. We're saying it. We're hearing it from Albertans. They're not listening, Madam Speaker. I think that by making a referral to committee, it opens up many opportunities to be able to engage with Albertans, to hear some really valuable, valuable pieces of information and strategies about how to actually diversify, what our business community wants, what our culture and arts industry wants. This isn't it. This isn't what we're hearing. We're hearing that there are some major concerns in the lack of a strategy that this government is bringing

forward. I think that by referring it to committee, it gives opportunity to create a robust consultation process. It allows many more Albertans to have their voice heard, something that we're hearing hasn't happened with this government. I think it makes sense to support this referral, and I would encourage all members in the House to support this motion.

With that, I will close my comments. Thank you.

**The Deputy Speaker:** Hon. members, Standing Order 29(2)(a) is available.

Seeing none, any other members wishing to speak to the referral motion? The hon. Member for Lethbridge-West.

**Ms Phillips:** Well, thank you very much, Madam Speaker. I rise, of course, to speak to this motion to refer. The reason for that, that the opposition has put forward this course of action, is we believe that this approach to job creation and economic development and growth, ways to broaden and expand economic benefits for all Albertans, particularly during the pandemic but in general – it's not working, put bluntly. It wasn't working before the pandemic, and it is not working now. That is the first reason. The evidence shows it is not working.

Number two, the evidence has also not been made available to the people of Alberta, much less so the opposition. Leaving us and our interests aside for a moment and the jobs that we were elected to do, to query particularly the decisions of Executive Council and ensuring that they are being made in the public interest, that information has not been provided, Madam Speaker. In fact, it has been withheld from Albertans in some cases. We have received redacted information, unnecessarily redacted, in our view. It has not been accompanied by anything approaching a new analysis to respond to the economic reality in which we now find ourselves.

It also, too, has been the victim of very contradictory information. I will provide just one example, Madam Speaker, but there are many. One of them is the projected cost of this particular public policy, this program of action, if you will. Obviously, page 144 of the budget indicated that the total cost would be \$4.7 billion, and there was a multibillion-dollar net cost that was projected by the government. Fine. That was the piece that they published in their budget papers at that time. Since that time we've seen some backpedalling on that number, a refusal to publish a new number.

Also, interestingly, we've seen the transcripts of shareholder calls and earnings calls that companies with a large amount of their operations here in Alberta have told their shareholders how much exactly they will be saving from Alberta's corporate income tax changes over their forecast period. In some cases they talk about how they're going to be reprofiling some of that cash. It's interesting, Madam Speaker, that we find that Suncor has in fact reported a billion dollars of benefit to them from this change to the corporate income tax rate, which is, of course, the rate that applies to companies who are posting profits in excess of \$500,000 a year. For example, Cenovus has reported out that it would be something in the neighbourhood of \$650 million. Other firms, too, have made either direct or oblique references to how much savings they will have over their forecast period. I was just reading the Q3 earnings call transcript, in fact, from TC Energy, which the CEO held – I think it was on October 29. They made some reference there to their corporate income tax savings. None of those numbers are coming from the firms themselves.

They, of course, are not bound by the same sort of vague statements that perhaps a government is, some of the more qualitative analysis, not bounded by reality that might underpin government decisions, certainly the way that this government has undertaken politics. The firms are not bound by that. They are

bound by, you know, things like evidence, the truth, and math. That is what they are telling their shareholders.

It's a divergent story. I think we find that in the world of public finance and in the world of delivering public programs, you need more than a narrative, Madam Speaker. One needs more than talking points. In fact, talking points do not staff an ICU. They do not ensure that teachers are in classrooms, that there are enough, in fact, teachers to have 15 children per class when one is facing, dealing with a deadly pandemic, for example. One cannot meet the moment of those challenges with a forest of press releases and a barrage of angry tweets or other issues-management techniques.

We find ourselves in a contradictory position where the people of Alberta do not have either evidence or clear answers from their government, from this Executive Council, and it is for that reason that this bill ought to be referred. Madam Speaker, this is a long-standing tradition within the Westminster system whereby the legislative branch can deliberate further, and the public can actually have an opportunity to engage in the piece of policy that is being proposed by Executive Council.

For that reason, I'm bringing my comments to bear to speak in favour of a motion to refer on the grounds that this is not at all a well-reasoned approach to a jobs program. That is, in the first instance, what it's supposed to be. It's not supposed to be a shareholder buyback program. It was never announced as such. It was never announced as a way to, you know, increase a dividend payout. It was never announced as a way to refurbish the corner office for the CEO. It was never announced or sold as a way for firms to take that money to make investments outside our borders. But those are the actions that have been taken as a consequence of this policy. The piece that has been promised all along of jobs has not materialized. In fact, the opposite has. So this piece should, in fact, be referred for careful study and deliberation, as I have said many times. There are tax and fiscal policy instruments that one can use to grow the economy, to create jobs, diversify and broaden the economy, and ensure broader economic benefits in ways that benefit, primarily, the people within these borders and, I suppose, secondarily, the Canadian economy. But our concern here is the citizens of Alberta in this great province. Given that none of that has materialized, it is time to have further study and have this piece of legislation referred.

With that, I conclude my comments, Madam Speaker.

**The Deputy Speaker:** Hon. members, Standing Order 29(2)(a) is available.

Seeing none, any other members wishing to join debate on the referral motion? The hon. Member for Edmonton-Highlands-Norwood.

**Member Irwin:** Thank you, Madam Speaker. I'm going to just speak fairly briefly. I do want to echo a few of the comments of my colleague from Lethbridge-West. You know, it's quite clear from the comments that have been made this evening from our side of the House that this bill does in fact need to be referred to committee.

**10:00**

Listen, you know, I, like my colleagues, care about the economy a great deal. This is about the path that this government is forging for our province. I'm quite alarmed that at a time when they should be uplifting and supporting Albertans, they're choosing a different route. I care about an economy that supports those who have less, that doesn't attack them. This bill encapsulates so much of what is wrong with this government's priorities. What are those priorities? Those are things like huge tax cuts for the richest while students suffer as education is undermined, patients suffer as health care is attacked, AISH recipients suffer as AISH is deindexed and the future of that program is uncertain, our environment suffers as parks are sold off to the highest bidder. The list goes on.

The point is that these are all misplaced priorities. This government had an opportunity to do so many things and set a different tone for the session. [interjections] I'm hoping that some of those members that are mocking right now will join debate, because they've not yet done so tonight. Hopefully, they'll do so because I'd like to hear them get on the record instead of just heckle me this evening.

What message does this piece of legislation, Bill 35, send? It sends the wrong one. As much as this government and the Finance Minister want to deny the fact that there is indeed a \$4.7 billion giveaway to profitable corporations, as laid out on page 144 of their budget documents, that is what they've prioritized. As has been said, for a government that speaks a big game about the economy, you know that this plan is not working. It's not working, because what do we see? We see 50,000 jobs lost. We see doubling of a deficit. We see an economy that, in fact, shrank. This was all prepandemic, so it cannot – it cannot – be attributed to the pandemic. Right now we've got hundreds of thousands of Albertans who are out of work.

I know I'm going to have another opportunity to speak to this bill, so with that, I'm going to conclude my remarks and again encourage the government to move this Bill 35 to committee.

Thank you.

**The Deputy Speaker:** Standing Order 29(2)(a) is available.

Seeing none, any other members wishing to join debate on the referral motion?

Seeing none, on amendment REF1 all those in favour, please say aye. Any opposed, please say no.

[Motion on amendment REF1 lost]

**The Deputy Speaker:** We are back on the main bill. Any members wishing to join debate? The hon. Minister of Energy.

**Mrs. Savage:** Madam Speaker, I move that the Assembly adjourn until 1:30 p.m. on Wednesday, November 4, 2020.

**The Deputy Speaker:** Well, having heard the motion to adjourn, all those in favour, please say aye. Any opposed, please say no.

[Motion carried; the Assembly adjourned at 10:03 p.m.]





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