



Legislative Assembly of Alberta

The 31st Legislature
First Session

Standing Committee
on
Alberta's Economic Future

Ministry of Executive Council
Consideration of Main Estimates

Wednesday, March 13, 2024
3:30 p.m.

Transcript No. 31-1-5

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The 31st Legislature
First Session**

Standing Committee on Alberta's Economic Future

Getson, Shane C., Lac Ste. Anne-Parkland (UC), Chair
Loyola, Rod, Edmonton-Ellerslie (NDP), Deputy Chair
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Standing Committee on Alberta's Economic Future

Participant

Ministry of Executive Council

Hon. Danielle Smith, Premier and President of Executive Council

3:30 p.m.

Wednesday, March 13, 2024

[Mr. Getson in the chair]

**Ministry of Executive Council
Consideration of Main Estimates**

The Chair: Good afternoon, everyone. I'd like to call the meeting to order and welcome everyone in attendance today. The committee has under consideration the estimates of the Executive Council for the fiscal year ending March 31, 2025. I'd like to ask that we go around the table and have the members introduce themselves.

Premier, if you'd introduce your officials who are joining you at the table.

I'll get this started. My name is Shane Getson, the MLA for Lac Ste. Anne-Parkland, better known as God's country, and I have the opportunity to be the chair here today. We'll start with introductions to my right.

Mr. Wright: Hello. My name is Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

Mr. Cyr: Scott Cyr, MLA for Bonnyville-Cold Lake-St. Paul.

Mr. Lundy: Good afternoon, everyone. Brandon Lundy, MLA for Leduc-Beaumont.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo.

Mr. Wiebe: Ron Wiebe, Grande Prairie-Wapiti.

Mr. Stephan: Jason Stephan, Red Deer-South.

Mrs. Johnson: Jennifer Johnson, Lacombe-Ponoka.

Ms Smith: Are you controlling this, or do I control this?

The Chair: No. *Hansard* has all hands, so we can leave it alone just like we do in the Leg.

Ms Smith: Oh, fantastic. That'll make things a lot easier.

I'm Danielle Smith. I'm the President of Executive Council and Premier of Alberta. I'm joined here by Ray Gilmour, who is our deputy minister of Executive Council; Paul Wynnyk, our Deputy Minister of Intergovernmental Relations; Chris Shandro, who is deputy secretary to cabinet; and Craig Johnson, acting assistant deputy minister and senior financial officer for Executive Council. Also in the gallery is Rick Christiaanse, who is chief executive officer of Invest Alberta Corporation.

Ms Notley: Thank you very much. Rachel Notley, Leader of Alberta's Official Opposition and MLA for Edmonton-Strathcona. I'm also joined by Thomas Ockley, researcher for our caucus.

Member Ceci: Good afternoon. Joe Ceci, Calgary-Buffalo.

Mr. Eggen: Good afternoon. My name is Dave Eggen. I'm the MLA for Edmonton-North West.

The Chair: Perfect. I'd like to note that there is no one online, so we don't have to do any introductions there.

I'd like to note the following substitutions for the record: Mr. David Eggen is in for Member Loyola, who is the deputy chair. We have MLA Wiebe, who is in for MLA de Jonge, and I have MLA Notley, who is in for MLA Hoyle.

A few housekeeping items to address. We kind of actually covered them off a little in the prelude here. Microphones are

handled by *Hansard*. Committee proceedings are live streamed on the Internet and broadcast on Assembly TV. Audio- and videostream of the transcripts of the meeting will be accessed through the Legislative Assembly website. Please set your cellphones to the least disturbing mode available on that device for the duration of the meeting.

Speaking rotation and time limits. Hon. members, the main estimates for the Executive Council shall be considered for two hours. Standing orders 59.01 sets out the proceedings for consideration of the main estimates in the legislative policy committees. Suborder 59.01(7) sets out the speaking rotation for the meeting. The speaking rotation chart is available for you on the table in front of you. If you don't have one, please let us know and we'll make sure that you do. They're also available on the internal website and for the ministry officers at the table.

For each segment of the meeting blocks of speaking time will be combined only if both parties agree, so the Premier and the member speaking agree. If debate is exhausted prior to two hours, the ministry estimates are deemed to have been considered and the meeting will come to a close. The committee will adjourn at that point. Should members have any questions regarding the speaking times or rotation, please e-mail or message the committee clerk or raise your hand. Obviously, he is to the left of me here; we can see in the room.

Ministry officials who are present may, at the direction of the Premier, address the committee. The ministry officials seated in the gallery, if called upon, have access to the microphone in the gallery and are asked to please introduce themselves for the record once it's commenced.

Pages are available to deliver notes and other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members. However, members have priority to sit at the table at all times. Points of order will be dealt with as they arise, and the individual speaking times will be paused; however, the overall shot clock still remains in effect and will continue running for the two-hour meeting. Any written material provided in response to questions raised during the main estimates should be tabled by the Premier in the Assembly for the benefit of all members.

Finally – we're almost there, folks – the committee should have the opportunity to hear both the questions and the answers without interruption. During estimates debate the debate flows through the chair at all times, including instances when speaking time is shared between the member and the Premier. So, in other words, no heckling in here. The way I typically conduct my meetings – it isn't the Leg; it's a boardroom. That's how we do it. What makes it awfully handy for the folks at the table, the folks online, and for the chair is to please reference the strategic plan, the fiscal plan, ministry business plans, and the government estimates with page numbers and those types of things; it helps for everyone to follow along. It seems to maintain decorum, and, quite frankly, it gets your questions answered a heck of a lot sooner and gives help to the folks at the table trying to find that.

With that, we can open up. Is everyone comfortable with that for setting the tone of the meeting? All nodding. Perfect. Excellent.

With that, Premier, I'll turn it over for the introduction; 10 minutes goes to you.

Ms Smith: All right. Thank you, Mr. Chair. To begin, I'd like to provide an overview of the role and structure of Executive Council. Executive Council leads strategic planning, policy development, and policy co-ordination across government. It also supports cabinet decision-making. It is the central co-ordinating body of the

government of Alberta, providing leadership to the public service and to ministries as they implement the government's agenda. Executive Council also plans and manages any state visits of foreign dignitaries that involve government of Alberta representatives. It leads intergovernmental relations, including our relationships with other governments in Canada and countries around the world.

Executive Council's budget is allocated to two programs, which you'll find in the voted estimates before you. Program 1 includes the Premier's office at the Legislature, and the southern office of McDougall Centre in Calgary, as well as the office of the deputy minister of Executive Council, who serves as head of the public service and provides policy advice, operations support, and issues management. It also includes the cabinet co-ordination office, which provides organization and administrative support to cabinet, and the policy co-ordination office, which works with the cabinet co-ordination office to support legislative and policy agenda work.

Operations and machinery of government works with ministries to track crossgovernmental programs, projects and issues, and provides corporate support to Executive Council. The protocol office is essential to building partnerships and relationships, both here and internationally, normally through state official, working, and private visits. The Lieutenant Governor's office is of course critical to supporting Her Honour's responsibility to fulfill her duties as the King's representative. Each of these offices serves an important function in ensuring the different parts of government fit together and that our agenda is advancing efficiently and effectively.

Program 2 specifically relates to intergovernmental relations. This includes the Ministry of Intergovernmental Relations, or IGR, which has teams that focus on both domestic and international relations. This ministry now includes a sustainability and emissions reduction innovation secretariat given the importance of our energy sector to the economy. This specialized team will interact with provincial departments, national and international experts, and potential partners to further Alberta's interests in key strategic areas.

My ministry continues the important work of securing a fair deal for Albertans in the federation. It advocates on issues that are important to Alberta while building and maintaining strong relations with other Canadian governments and international partners. IGR supports me as Premier for intergovernmental meetings like the Council of the Federation and the New West Partnership. IGR co-ordinates provincial missions, which are critical to making sure that the world knows that Alberta will continue to be Canada's economic engine and ensure energy and food security while also reducing emissions through technology and multilateral co-operation. IGR also provides leadership to other government departments to ensure that we're taking a co-ordinated and consistent approach to advancing Alberta's interests across Canada and internationally.

Our province has had some significant victories in the past year to protect provincial rights under the Constitution and protect Albertans from federal intrusion into various areas of exclusive provincial jurisdiction. These include the Supreme Court ruling on the Impact Assessment Act as well as the federal court ruling on plastics. Alberta will continue developing a constitutional shield in response to damaging federal policies.

IGR is also responsible for Alberta's internal trade policy and leading our response to all internal trade disputes under the Canadian free trade agreement and the New West Partnership trade agreement. The international relations functions includes research and advice on international issues, facilitating visits from foreign governments, and negotiating memoranda of understanding with foreign jurisdictions. It also oversees the governance of the Invest

Alberta Corporation, which has a mandate to secure global investment in our province. This team also manages the Alberta international office network, which helps us tell Alberta's story in key centres around the world.

Alberta has maintained offices abroad for more than 50 years and currently has 16 offices across four regions, including the United States, Latin America, the Indo-Pacific, Europe, the Middle East, and Africa. We have also recently reopened an office in Ottawa, which was closed in early 2015. One of Executive Council's key priorities is to open more Canadian and international markets and to deliver prosperity and growth here at home.

Alberta is the land of many opportunities both for Albertans and for those coming to our province. Alberta is the fastest growing province in the country and, as noted last fall, we were the only province to register substantial net inflows of interprovincial migrants. To support a growing province, the fiscal framework introduced last year allows for provincial operating expense increases to be tied to population growth and inflation.

3:40

However, I have directed Nate Horner, our Minister of Finance and President of Treasury Board, to limit government spending to below that rate to help us get back on the right track. This is for lean years with lower oil prices, as we expect next year, and in years when high oil and natural gas prices result in billions in surplus provincial dollars. If program spending had grown by inflation and population growth over the past two decades, external analysis indicates it would have been \$52.8 billion in '24-25 rather than the actual \$69.8 billion, and less if kept below that rate. By limiting spending we can bring our revenue growth in alignment with our spending growth.

We can realize surpluses which means we can meaningfully grow the Alberta heritage savings trust fund, strategically pay down maturing debt, and wean our province's budget off the volatile roller coaster of resource revenues. To help make sure that happens, our government passed a law last year allowing all income earned in the Alberta heritage fund to be automatically retained in the fund rather than spent. During the current year we hope to invest and reinvest approximately \$3 billion of surplus and investment income back into the heritage fund, increasing its value to approximately \$25 billion, up from \$17 billion just a few years ago.

I've also asked my ministers to look for efficiencies and ensure the programs and services Albertans rely on continue to be available as our province grows. Our population is expected to surpass 5 million in the coming years, and growth is expected to continue for decades ahead. Similarly, our GDP forecast is expected to continue to increase by 2.9 per cent this year, 3.3 per cent next year, and 2.8 per cent the year after that.

Budget 2024 is designed to support more investments, help businesses and entrepreneurs prosper, and ensure Alberta remains Canada's economic engine for decades to come. We have a young, skilled and vibrant workforce, and a diversifying economy built on strong business-friendly policies that continue to attract job-creating investment. When businesses thrive, people thrive. Economic prosperity supports government spending on programs and services that benefit everyone in our province. Responsible fiscal management means we can make these investments in the areas that are the most important to Albertans.

By spending in a disciplined and responsible way, we are controlling what we can and giving ourselves the flexibility we need to respond to unforeseen events. In the past year alone Albertans have experienced devastating wildfires and drought. We have helped tens of thousands of Albertans during these difficult situations. So to prepare for what might come this year, the

contingency fund has been increased by \$500 million to a total of \$2 billion.

If passed, Budget 2024 will support not only Alberta's present but also its future. It presents three more years of balanced budgets, and it strengthens the vital services Albertans rely on and ensures that those services remain sustainable over the long run. The budget is a responsible plan that puts Albertans and Alberta families first. It strengthens health care and education; it builds safe and supportive communities; it manages the province's resources wisely and promotes job creation to continue building Alberta's competitive advantage. It also maintains the government's commitment to fiscal responsibility and the efficient delivery of public services while recognizing and addressing the needs of Alberta's growing population.

Attracting more investment, carefully managing spending, and nurturing businesses and workers means that Alberta will have a strong economic base, not only now but also into the future. This economic foundation will support the programs and services needed and valued by Albertans for businesses, for workers, and for our families and friends. Together we can continue to build one of the greatest places on earth to live, work, and raise our families.

With that, thank you, Mr. Chair, I look forward to answering your questions.

The Chair: Thank you, Madam Premier.

We just had another member join us. We'll have you read your name into the record, MLA Boparai. If I don't mess it up, it will be the first one I haven't messed up today. So I'll let you read it in properly from Calgary.

Member Boparai: Parmeet Singh Boparai. MLA from Calgary-Falconridge.

The Chair: Awesome. Thank you, sir.

And now we're off to the races. The first part of the block goes to questions and answers to the loyal opposition. There's a 50-minute block there. You concede time during this area, which works out really well. You can't speak more than 10 minutes at a time, and the option is to either have combined or block time and it has to be agreed by both parties. Whoever would like to go first.

Ms Notley: Sure. I'd like to share time, if we can.

Ms Smith: I'll go block time.

The Chair: Block time it is.

Ms Notley: All right, then. Again – I think I said this last year – it's very disappointing that that decision has been made. The Premier herself recalls when she was in opposition and she made the point that the block time process makes it very challenging to ensure that questions are properly answered, and of course that undermines the capacity to do the job that we're all here for right now, which is to ensure the greatest level of transparency and accountability with respect to the taxpayers' budget.

The Chair: Member, if I can just help set the tone here. It's an option. It's both ways. That might be an opinion. If you can, through the chair as much as possible, Member.

Thank you.

Ms Notley: I will.

Indeed, Mr. Chair, and in fact, through you, one piece that I just want to touch on before I go into my questions is that in your introduction you talked about the possibility or the practice of the Premier tabling responses after estimates, and I'd like to review the

fact that unfortunately in 2023 no responses were tabled. Several questions remained unanswered, so my first question . . .

The Chair: Was the member looking to ask for questions in the last year?

Ms Notley: I am going to ask if the Premier could make a commitment to review last year and actually table what she promised she would table last year.

The Chair: Okay. I would like to keep it germane to this year, but I'll obviously let you ask the question, and we'll leave it to the privy of the Premier.

Ms Notley: Absolutely.

In service of ensuring that there is in fact clarity and transparency around the questions I'm asking and the answers we're expecting, I'm going to number my questions so that it's easy for folks to go back and see: question 1, did we answer it? Did we not? Do we need to table it? That way perhaps we'll be more successful in getting back to what is a multidecade practice of having these things tabled.

My first question is: will the Premier table that which she committed to last year but did not?

My second question. I want to talk about a little bit of the staff in the Premier's office, and I'm referencing government estimates page 93, line 1.1. Through you, Mr. Chair, as I'm sure many of you know, section 2(1)(c) of the Public Sector Compensation Transparency Act requires that on or before June 30 in each year the minister shall disclose to the public the contract as well as salary of various folks in the Premier's office. That's a summary. That's not the exact reading of the act, but it's what it says. Now, the threshold for this is in fact unclear because the threshold in 2022 for all those whose contracts were to be posted was \$118,316. Unfortunately, the threshold for 2023 is not publicly posted. Question 2 is: what is the threshold for 2023? Where can we find it? So that's question 2. That's the first thing.

Then if I go through the Premier's office staff, and I don't want to go through all the staff, but there are a number that I suspect probably have salaries that exceed the threshold, which is somewhere between \$118,000 and whatever it is now. That includes the executive assistant to the Premier and tour co-ordination, the executive director of the Premier's office, the director of tour, the tour and advance co-ordinator special adviser, a senior adviser, a senior policy adviser, an executive co-ordinator, a director of daily communications and press secretary, a director of communications planning, a communications adviser – actually, three of them – a community relations adviser, an executive director of the southern Alberta office of the Premier, the executive assistant to the Premier, the director of strategic engagement, the manager of agencies, boards, and commissions, and the manager of special projects. Those are the folks that we expect probably have salaries that the legislation would require to be posted along with the contract.

3:50

Question 3. I asked about this last year. Through the chair, the Premier said: "In June 2023 it's anticipated that the office of the Premier will disclose eight political contracts to meet that requirement, [and] we will do our disclosure in accordance with policy." It's eight months later, and it has not been posted. It's still not there as of this morning. My question to the Premier is: where are those posted contracts?

Then question 4, I see at least another 11 names from the list that I just read out who very possibly have salaries that exceed the threshold . . .

The Chair: Now, just for the chair's clarification, are you in the current budget year now or are you still talking . . .

Ms Notley: I sure am.

The Chair: Okay. Perfect. Thank you.

Ms Notley: Thank you. We're in both because we need to know what these folks make in order to talk about the current budget, and we still don't have a list of what they made when they were supposed to . . .

The Chair: For the chair's edification, we allowed you to talk about the items you wanted to table from last year. Just think of me as slow because I don't know what you have in front of you, so I have to understand what you're talking about, Member; that's all.

Ms Notley: You bet.

The Chair: Thank you.

Ms Notley: I'm talking about our ability to talk about the budget going forward based on the legislative obligation under the act that I quoted for the Premier to post the salaries and these contracts.

My question. There are another 11 names. Are they above the threshold, and can we expect those contracts to be posted? Now, I asked last year if they could be tabled, and I was told they will be tabled in accordance with the act in June 2023; they were not. This year I am asking for all of them to be tabled in accordance with the act last year that they breached, to do so before June of this year, and in fact to do so well before we get to voting on the budget because it's long past time that we get those.

You know, I will say, again, through you, Mr. Chair, I sat in opposition with the Premier and her executive director, and we spent a lot of time being very concerned about transparency of salaries in the Premier's office. We had a lot of collective agreement around the need for there to be a sunshine list and for there to be transparency, so it's just confusing to me that here we are and none of this is being followed under the act. Not only is this good policy or something that the Premier would have previously said in her previous role was good policy, but it all also appears to be against the law. So question five is: why are they breaching the law that they know they are bound by? That's question five, and I look forward to hearing from the Premier on that.

I'd like to go to the matter of gift policy as it relates to staff, again, business plan page 57, outcome 2, key objective 2.1. In November 2023 at the time the Premier stated the legislation surrounding the changes to the Conflicts of Interest Act. She discussed it. She talked about rising inflation and the increase in the cost of ticket prices and how this was really hard for her and her staff to manage, so in December 2023 the government issued an order in council changing the gift policy for MLAs and also removing the cap on gifts that the staff could receive.

I'm now quoting the OIC: "Members of the Premier's or Ministers' staff may accept a fee, gift or other benefit referred to in clause (b)(i) or a ticket or invitation . . . that exceeds \$500 in value after receiving the approval of the Premier's Chief of Staff."

Needless to say, going forward we have to have a clear understanding of how much of the cost of their work is being funded through receipt of gifts. What we'd like to know is: has her chief of staff issued any permissions to receive gifts since the order in council was issued, and when was that? December?

Question seven, through the chair: given that the Ethics Commissioner discloses gifts received by elected officials but does not disclose gifts received by staff, will the Premier agree to

disclose gifts received by her senior staff in order to ensure the level of transparency that I'm sure many Albertans would like to see given the level of influence and agency that those politically appointed staff have in terms of administering decisions and resources in the province? That would be my question seven.

Thank you.

The Chair: Perfect.

Premier, you have 10 minutes to respond.

Ms Smith: Great. Thank you. To answer question one: yes, we'll review and see what we're able to provide from last year on the tabling, and yes, anything that is asked for this year that we will have to table, we will commit to doing that. I've just assigned a staff member responsibility for identifying those items, and we will do that.

On point number two the level for disclosure is \$125,888, and that is on the sunshine list.

On number three, posted contracts. I think perhaps the issue that Ms Notley is facing is that when I came in, there were only a certain number of months in that fiscal year where my senior staff would have been having their contract tally up until that fiscal year ended. Last year, with the amount being a little bit lower, it meant that there were only four contracts, I believe, from my staff that were reported. A few of them had already been on staff before, and they carried on with me, which is the reason why they were publicly disclosed.

But I can tell you that this year, since they've had a full year on staff with me, the ones that are anticipated to be disclosed are eight current staff members: Rob Anderson, the executive director of the office of the Premier; Marshall Smith, chief of staff of the office of the Premier; Bruce McAllister, executive director of the Premier's southern Alberta office; Rebecca Polak, executive director of government communications; Mitchel Gray, deputy chief of staff, policy and legislation; Trisha Velthuizen, the director of communications planning; Steve Buick, the government relations officer; and T.J. Keil, special adviser, tour and advance co-ordinator; also, one former staff member on the GOA side only, based on 2023 practice, Michaela Frey, a senior adviser. The political staff disclosure site contains current staff contracts; the GOA salary and severance disclosure site contains active and former staff.

I'm afraid I did not get number four. I skipped over. I heard the question, "Why breach the law?" but that seemed to be sandwiched into when I would be posting the contract. So I don't know if there's a restatement of question number four that Ms Notley wants to do in her follow-up, but if I've missed something, I'd be happy to share that.

We are following the law, as I mentioned. I think the confusion came in because my staff – if I was doing the math on that: April, May, June. No. They came in October, November, December, January, February, March: they only would have had six months on staff, and as a result – oh, it's on calendar year. Oh, even more so because it's built on calendar year, so they would have only been in until the end of December. That's why they would not have been disclosed in June, but having worked the full calendar year of 2023, that's why they will be disclosed in June. As I mentioned, it is the eight individuals that I've listed there. We aren't breaching the law. We're going to continue to follow the law.

On to the gifting policy. I would say that one of the complications that we've discovered is that in looking at some of the monetary thresholds in other provinces, there did seem to be a little bit of a mismatch. As we know, we've seen inflation over a number of years. These gift limits had not been changed since 2014. They had

not kept pace with current costs. One of the issues that many of our ministers were facing, especially with going to events where the ticket price was over a certain level: they weren't allowed to attend those events. They weren't allowed to have staff with them. We were hearing advice that if we wanted to participate in an event, we would have to time ourselves to only be in the room for a certain period of time or we could only show up and have a conversation but we wouldn't be allowed to stay for a meal. Quite frankly, I think that having been in this position before, Ms Notley would understand that is a very difficult way to try to have stakeholder communications.

4:00

I would also say that one of the things that I noticed is that there are a lot of organizations that value the presence of the Premier, value the presence of the ministers, value the presence of MLAs, value the presence of Official Opposition members so that they are able to present the work that they do. So this is as much making it easier for the opposition members to do their work as it is making it easy for government members to do their work as well.

So what we did was made updates to the Conflicts of Interest Act to allow dollar limits and rules related to accepting gifts and tickets to events to be moved to the members' gifts and benefits regulation. That will make it possible for cabinet to update the rules and limits instead of requiring legislative changes to go through the House. There are still rules. There are still requirements for posting. There are still requirements for recording. It's just making it a regulation change so that we don't have to wait 10 years and go through a legislative process again if they do require an adjustment.

The regulation ensures that the limits and rules around accepting gifts and tickets to events for Members of the Legislative Assembly are flexible and can be easily adjusted to reflect factors like inflation. Elected officials need to be out in the communities hearing from Albertans at various events, and these changes will ensure that there are fewer barriers to attending engagements, which means more opportunities to speak with Albertans and get their input. The previous limits were set many years ago, in 2014, have not kept pace with current costs, fees. Nonmonetary gifts and other nonmonetary benefits over \$250 will continue to be annually reported, so there is still a disclosure requirement.

The Conflicts of Interest Act governs the ethical conduct of Members of the Legislative Assembly, Premier's and ministers' staff, and certain officials at some public agencies. The act is administered by the Ethics Commissioner, an independent officer in the Legislature. Under the act members cannot accept a fee, a gift, or other benefit from a person if it is connected with the performance of the member's office. There are several exceptions that allow members to accept a fee, a gift, or other benefit, but these are subject to the dollar limits and the reporting requirements.

As part of the Justice Statutes Amendment Act, 2023, the Conflicts of Interest Act was updated to allow for dollar limits and rules for the acceptance of gifts to be moved into regulation. The member gifts and benefits regulation makes the following changes to dollar limits and reporting requirements: the dollar limit for accepting fees, nonmonetary gifts, or other nonmonetary benefits increased from \$200 to \$500; the dollar limit for accepting tickets, invitations to events, fee waivers, or reimbursements of expenses for attendance at conferences or meetings was eliminated. Before these changes, members couldn't attend events if the cost was more than \$400. The value of fees, nonmonetary gifts, or other nonmonetary benefits that must be annually reported is increasing from \$100 to \$250.

Members accepting tickets or invitations to events, fee waivers, payments, or reimbursements for attending meetings or conferences

must go through a couple of processes. They have to record several details about the event if the value is more than \$250 and report the benefit in their annual disclosure statement. They also have to report these details to the Ethics Commissioner within 60 days of accepting the invitation if the total value of the benefits is more than \$1,000 for an individual. The regulation came into force on January 1, 2024.

As for the final question of the gifts by staff, the chief of staff is responsible for all of the political staff; I believe that's some 300 staff members. They are also required to follow these rules and these disclosures and disclose it to the chief of staff. As I mentioned, one of the complications in the past was that we didn't have an opportunity for staff members to be able to accompany ministers or MLAs, which created difficulties in doing follow-up, getting business cards, being able to identify issues that had to be responded to. So being able to have a staff member in attendance was deemed to be important. That information is collected and collated by the chief of staff.

I would probably have to – this might be a tabling, because I don't know the answer to it. I don't know if the chief of staff has a reporting structure or where that information is made available, but I can certainly get back to you to find out what that process would be and where it would be reported.

Thank you, Mr. Chair.

The Chair: Thank you, Madam Premier.

There's 40 seconds left, so I guess we'll turn it over to the opposition.

Ms Notley: Thank you very much. Just to follow up on that a little bit and on what the Premier just ended on, my question was how many times the chief of staff has been forced to make that formal approval of the receipt of a gift that went past \$500. That's what we want to know. And, yes, I was Premier as well, and we didn't actually find that this was a thing we had to make the public pay for or have certain stakeholders pay for, so I will take some issue with her rationale for this. I don't think this ought to have been a particularly large priority for Executive Council. Nonetheless, it is there, so we would like to have a number of how many specific sign-offs we had from the Premier's chief of staff.

And then we would also like to know whether those will be reported because, notwithstanding the reading of the regulation, it doesn't appear to me that public disclosure is required under the Conflicts of Interest Act. So the question is, in the spirit of transparency and accountability, whether the Premier would do that.

Also, just going back as well, I will say I'm disappointed about the answer on the contract of her staff. She has had several staff in her office now receive contracts well over the threshold since October of 2022. In the last set of estimates, the commitment was made that those contracts, eight of them, would be posted in June of 2023. It is quite true that if you look at the legislation, it supports both interpretations and, yes, one could rely on a little bit of weaselly words to argue that, nope, the people of Alberta have to wait ...

The Chair: Member, you're longer in the tooth than I am for these types of rooms, but I'm going to try to run this like a business meeting if we can, like we agreed to at the start. So I would ask you to choose your words a little bit more cautiously and also understanding that, in the spirit of co-operation, making sure we don't have a ton of points of order coming from any side here, that you get the answer and questions asked. So I just ...

Ms Notley: You bet.

The Chair: Yeah.

Ms Notley: I will just say that that is a legal term. You could actually go to a lawyer; you'll find that it's a legal term. It's called exploiting the language in a way to get around the spirit . . .

The Chair: There are lots of words in the thesaurus, too.

Ms Notley: Yes, so . . .

The Chair: But for decorum I would ask you to . . .

Ms Notley: Anyway, the point being that there is an effort to exploit the statutory language to go around the principle, one which she agreed to follow last year, which was to post the salaries of her senior staff and their contracts by June of 2023. Then she found that the legislation would support a further one-year delay, so now we're looking at well over a year for Albertans to have this important information, that we once fought for together to ensure that Albertans had presented to them. And I will say that we didn't use that when we were in government. Our staff contracts were posted the minute we hired them. We did not try to wait 18 months to drag it out. So I would ask the Premier to reconsider; she has the authority to post them now.

Anyway, I'll move on to the issue of the report of the Ethics Commissioner. I'm going to be referring to business plan page 56, outcome 1, key objective 1.2. Now, in particular, what I'm referring to there is the decision of the Ethics Commissioner, the recommendations of the Ethics Commissioner, and the commitment by the Premier that was made, I guess it was in June of 2023 but there was no timeline on it. So I'm curious about both the cost of the commitment and whether we will see it in the upcoming budget or whether it existed in the Q3 – and, by the way, Mr. Chair, Q3 is part of the budget, so I will periodically be pulling into that, just for the purposes of clarifying where I'm where I'm going there. In particular, just to review, the Ethics Commissioner found that the Premier's conversations with her then Justice minister were not a simple matter of seeking legal advice but in fact amounted to an inappropriate attempt to influence the prosecution of a particular . . .

The Chair: Just so I'm clear here, Member, I'm trying to draw this back to the budget somehow.

Ms Notley: I will get there; just let me finish the sentence.

The Chair: Okay. You've got to get me there sooner.

Ms Notley: You betcha.

The Chair: Okay.

4:10

Ms Notley: She said that the Premier may have thought she was just having a normal conversation with her legal adviser but, in fact, what it really was was an inappropriate effort to influence the administration of a particular prosecution, and as a result, the Ethics Commissioner said that the Premier and the new MLAs should all go through a course on government and the separation of powers and the roles and responsibilities; you know, How to Be a Politician 101. The Premier committed to ensuring that she would attend her How to Be a Premier class and that she would also make sure that a similar class would be made available to . . .

The Chair: Member, you've got to bring it back to the budget here for me, please. Where are we going with this, ma'am?

Ms Notley: The question is: it's the responsibility of Executive Council . . .

The Chair: There we go.

Ms Notley: . . . to follow up on a recommendation made by the Ethics Commissioner – rather unprecedented – where the Premier made a commitment in the Legislature. So I am simply asking: has she taken the course? Have other members of cabinet taken the course? Who delivered the course? How much did it cost? Is it planned for the future? What is the expected cost for every new MLA to access the course? Who will be delivering it? And, ultimately, will she table the curriculum for the course so we can see whether we are getting value for money?

I think that basically takes me essentially to – those are questions 8 to 11. Pretty much sure. I dropped four questions into that little bit there. That is a question that I'd like the Premier to answer on all those fronts.

I'd like to go again to the strategic plan, page 9, priority 1, strengthening economic activity and attracting investment. Now we are talking about the Premier's travel and in particular her international work. Again, this is an exercise in making sure we're getting value for money. In November the Premier travelled to COP 28 in Dubai, and we know that members of her office did in fact have expenses of just over \$126,000, not including a further \$3,000 or so in laundry charges. We know then – however, I do have one side question here. We haven't seen any expenses from Minister Schulz with respect to that, and I'm wondering if that's going to be reported somewhere; we haven't been able to find it. Then between February 7 and 9 the Premier travelled to Washington, and there her itinerary stated that she met with members of Congress, industry representatives, and think tanks. As of March 13 we have not seen or received an updated itinerary for either of these two trips.

I know from my own experience that when one took one of these big, big international trips, roughly two months later a very detailed report was released so that folks could get a strong sense of what was happening. There was a list of the people that they met with and the things that they did, a very detailed list. We haven't received that for either of the trips. Now, I can understand for sure: it's only been since February that she was in Washington, so that might responsibly take another month, but it is overtime for Dubai. So my question is whether the Premier will agree, before we have to vote on this budget, to table a detailed itinerary of her trip to Dubai, which, as I said, cost not a small amount. I believe she was there for nine days, if I'm not incorrect, but that's mostly a thing we find through the media, not through one of these reports being released. Also, my question is: why the delay? And then, finally, as part of the final travel report and explaining the delay, will she also table an economic analysis around the economic benefits from the trip to Dubai?

And finally, finally – and this, I think, is question 15 – have all the expenses of this trip been fully submitted and calculated now? This is the Dubai trip that I'm talking about. Okay. I believe – oh, I'm just about done. I'll end there.

The Chair: Well, that works out. I think it was 15 seconds given back to you, and you gave back 19 here, so this works okay.

Ms Smith: Thank you. Sorry. I just have to go back and forth between a couple of notes here to be able to answer all these questions. It's duly noted that the question is: how many times was there approval since January 1, 2024, when the policy came in, that the chief of staff had to give approval for \$500? As I mentioned, we will review that information, and we will table it.

When it comes to the contracts, as I'd mentioned, there are going to be eight that will be reported, but I'm happy to give information now on three that I have here. I should maybe put this into context that the majority of predecessors who held the role of chief of staff under the NDP administration from 2015 to 2019 received a higher salary than my chief of staff. It was actually \$225,000 on average and in one case as high as \$294,977 in 2016 and 2017, when John Heaney held the role. My chief of staff was appointed on October 11, 2022, under the authority of the Order in Council 341/2020, Premier's and ministers' staff employment order, PMSO. His annual salary, \$220,000, falls within the salary range outlined for the role, \$180,000 to \$210,280.

Rob Anderson, executive director of the office of the Premier: the position did not exist within the Premier's office prior to October 11, 2022. His responsibility is quite extensive in seeing through the majority of the legislative agenda through the Legislature. He has a number of the files that he manages on my behalf. Plus, since I don't have a principal secretary – that has been a role that I've had in the past – I split the role between my two principal advisers there along with Becca Polak. But Mr. Anderson was appointed to the executive director, office of the Premier position on October 11, 2022, under the authority of the Order in Council 341/2020, Premier's and ministers' staff employment order. The position, again, did not exist within the Premier's office prior to October 11, 2022, and his annual salary is \$220,000.

Manager of special projects: that is Kris Kinnear. He was appointed to the manager of special projects position on October 31, 2022, under the authority of the Order in Council 341/2020, Premier's and ministerial staff employment order. The position did not exist within the Premier's office prior to October 31, 2022. His annual salary of \$130,000 falls within the salary range outlined for the role. There will be more detail, of course, because there's additional sort of all-in compensation that may require some adjustment. You'll get those in June as the reporting requires.

The Ethics Commissioner did indeed make a recommendation that we would get training, and we did receive that training. We've had two rounds. Fortunately, we have a lot of expert staff within the Department of Justice, so the cabinet training occurred with the presentation from the Deputy Minister of Justice in July. Then the meeting of the caucus took place prior to last session, in 2023. The Justice minister, based on the slide deck presented by the Deputy Minister of Justice, did a presentation on levels of government. That training has taken place.

The Justice minister has also given a note about the level of engagement with him and how to engage and has affirmed that, since he's the lawyer – the one with legal advice, my principal lawyer, lawyer to the cabinet – if there is any area that he feels we should not be discussing, it would be his obligation to let us know. So we have clear parameters for how that's going to be dealt with in future.

When it comes to travel, I think it's pretty obvious, the reason why I have to do so much travel internationally. Part of that is, number one, it's not only my job as Premier but my job as Intergovernmental Relations minister.

4:20

The first year we did not do much international travel. In fact, the Premier's office travel decreased by \$23,388 from April to December 2023 compared to 2022. It's primarily due to office staff reducing their travel and lodging expenses. Travel expenses continue to be reported on alberta.ca. The office of the Auditor General has verified that the Premier's and associated staff's travel expenses comply with government policies and directives.

The travel that I undertook – in the last year we have projected to spend approximately \$150,000 on travel between April 21, 2023, and March 31, 2024. The total reported spent in the previous year was \$170,000. The total spent on travel, again, from April '23 to February '23 was \$112,357. That does not include the mission costs, which I'll get to in just a minute.

The missions that I attended: Western Premiers' Conference, Whistler; Council of the Federation liquefied natural gas mission in Winnipeg and Vancouver; Council of the Federation, Halifax; Conference of the Parties to the United Nations framework on climate change, Dubai mission, November 23 to December 13; Canada Strong and Free reception, Ottawa and Toronto travel, February 4 to 6; and congressional administrative meetings, Washington, DC mission, February 7 to 9. I'll be going to CERAWeek as well next week in Houston, March 17 to 20.

I can quite happily give a bit of the background right now on participation in COP 28. The whole purpose of going was to be able to tell Alberta's story because environment minister Steven Guilbeault will not and cannot be relied on to tell the incredible Alberta story. We have a great story to tell about how we can provide energy security to the world, how we can provide affordable energy, and how we can do so with the strategy of getting to net-zero carbon emissions by 2050 in alignment with our international partners.

I participated on several panels and forums during COP 28 including Sustainable Innovation Forum, implementing resilient carbon markets on a global scale, alongside Salina Abraham, co-chair; Sustainable Innovation Forum moderator, Mr. Ahmed Patel; chief business process outsourcing solutions plus, Ms Alexia Kelly; managing director of the carbon policy and markets initiative, High Tide Foundation, Mr. Guy Turner; managing director of carbon markets, MSCI; panel on transformative climate policy, Alberta's industrial carbon pricing and emissions with Ms Lisa DeMarco, who is the moderator, and Dirk Forrister, president and CEO of International Emissions Trading Association.

I did a Premier ministerial panel on International CCS Knowledge Centre with Premier Scott Moe and Minister Bernard Davis from Newfoundland and Labrador. I did a fireside chat with Premier Scott Moe, western Canadian solutions to energy transition, alongside Beth Valiaho, VP of policy, International CCS Knowledge Centre, moderator.

In Dubai I met with Ambassador Radha Krishna Panday, ambassador of Canada to the U.A.E.; Dr. Kamal Ben Naceur, CEO of Nomadia Energy Consulting; Dr. Talal Jamal, managing director of Hasa Energy, His Excellency Sharif Salim Al-Olama, undersecretary for energy and petroleum affairs, U.A.E.; Mr. Will Gardiner, CEO of Drax; Seifi Ghasemi, president and CEO of Air Products; Eric Guter, vice-president, hydrogen for mobility; His Excellency Essa Al Ghurair, chair of Essa Al Ghurair Investment; Omar Almuhairei, DP World; Lord Nicholas Stern; Hon. François-Philippe Champagne, Minister of Innovation, Science and Industry, Canada; Beth Valiaho, VP of policy International CCS Knowledge Centre; Justin Riemer, CEO, Emissions Reduction Alberta.

In Abu Dhabi I met with Sheikh Obaid Alkaabi, Das Holding; Jaafar Badwan, group head of Das Holding; Musabbeh Alkaabi, executive director of low carbon solutions and international growth, Abu Dhabi National Oil corporation.

In Qatar I met with His Excellency Sheikh Mohammed bin Abdulrahman bin Jassim Al Thani, Prime Minister of Qatar; Badr Mohammed Al-Meer, group CEO of Qatar Airways; Dr. Sheikh Khalid bin Jabor Al Thani, chair of the board of trustees; Professor Hala Al-Essa, UCQ president; Dr. Janet Ranken, dean of nursing; Dr. Nabeela Al-Meer, dean of the college of nursing at Qatar

University and member of the board of trustees; Mr. Mohammed Saif Al-Sowaidi, CFA, chief investment officer, Americas, Qatar Investment Authority, North and South America; Jassim Al-Marzouqi, executive VP of commercial and business development, QatarEnergy; and engineer Ali Hilal Al-Kuwari, acting chief executive officer of Hassad Food.

I did post all of these meetings on my various social media so that people could see them as we were doing the meeting. I met with a Senator for Delaware, Chris Coons; Senator for Kentucky Rand Paul; Senator for North Dakota Kevin Cramer; Senator for Oklahoma Markwayne Mullin; Senator for Tennessee Marsha Blackburn; Senator for West Virginia Joe Manchin; Member of the U.S. House of Representatives from Florida sixth district, Michael Waltz; and North American labour leaders.

With regard to Minister Schulz's expenses at COP 28, that does not fall under Executive Council estimates but would be a great question for the environment minister for her estimates next week. I believe I've answered all the questions, Mr. Chair.

The Chair: And right on the button. Well done, guys. This is going well.

Back to the loyal opposition.

Ms Notley: Thank you. Just a couple follow-up questions from that. Going back to the three Executive Council staff folks or Premier's office staff folks that the Premier mentioned. Two questions in both cases, or in all cases: are the contracts full-time, and are they still the same? Is the amount the same now that it was in October of 2022?

Then, in terms of the questions around the training, my question was whether the Premier would table the curriculum or the presentation that was made and delivered so that we could review that.

Finally, appreciated hearing the list of people who were at COP, but it would be great if we could still get an actual trade mission report with the actual itinerary so that we know how many people were in the same room and how many were separate and all that kind of stuff, because I believe it was – well, it actually sounded like it was longer than nine days. So maybe if you could clarify the number of days.

Member Ceci: Twenty days.

Ms Notley: Somewhere like 20 days. If we could clarify the number of days, that would be very helpful.

I'd like to – just a second now; how am I doing for time? – flip over to business plan, page 59, Intergovernmental Relations statement of operations. That's what I'm talking about here. I want to talk a bit about the Alberta office in Ottawa. I assume this is part of the explanation for how the budget has gone up in the Executive Council, so certainly would like to get a bit of an overall description of what the budget is for that office, how many people work there, and what the planned expense of that is for the year forward, because we don't have that broken out anywhere. That, I believe, is question 16.

The head of the office, James Carpenter, was appointed in 2023 in September. The Premier announced the office opening in February 2024. I believe that Mr. Carpenter earns about \$200,000. I'm wondering if we could hear from the Premier what the duties were or perhaps what would be best would be if she could table his job description and what it was that he was doing from September to February during that time and also tell us whether there was a competitive process or an executive firm commissioned in the hiring of Mr. Carpenter.

I also want to just ask the Premier, if I go back, since the Premier took the time to go back to 2016, in 2012 in opposition the Premier stated to former Premier Redford . . .

The Chair: Oh, okay. But . . .

Ms Notley: No, no. Sorry. I do believe . . .

The Chair: Hold on. Hold on.

Ms Notley: Yeah.

The Chair: Like, if we start doing this, we're going to have professor Peabody walk through the door with the WABAC machine, so let's keep it germane. I'm going to drag you back. So far we've gone to '16, '23. Now we're going back to '12. I know everyone has a lot of history here, but please bring it back in.

Ms Notley: Yes, Chair. Would have been good to see that before, when we were talking about 2016. But let me just say that this is germane.

The Chair: Well, you saw her '16 and raised her '12. So let's at least . . .

Ms Notley: Let me just ask . . .

The Chair: In context, Member . . .

Ms Notley: It is in context.

The Chair: I'll allow you to continue, but let's bring it back in, please.

4:30

Ms Notley: It's absolutely in context. The point I'm trying to get to – once we find out what the cost is of this office and how we got our friend Mr. Carpenter in there and how much he's earning and others, which I'll get to, the question is: what's the point? The reason I ask that is because in 2012 the Premier made a very strong argument saying that she didn't understand why we needed to have an office in Ottawa because it ought to be the minister's job or the Premier's job to engage in Ottawa and have relationships: why in heaven's name would you set up an office and hire staffers to build relationships when it's actually the minister's job to build the relationships? And, indeed, she is the Minister of Intergovernmental Relations. So why has she changed her mind? What has she learned in the intervening 10 years that makes this a good investment for the people of Alberta under this line item, Mr. Chair?

Now, in addition, I'd like to ask about a fellow who's also got a sole-source contract with the Alberta office in Ottawa, Mr. McBain, who received a \$50,000 sole-source contract from the Executive Council on December 1, 2023. Now, that sole-source contract is for four months. I have a couple of questions that are kind of embedded in here, and I'm actually asking for information here because we're actually a little bit confused about this, genuinely confused. We heard from our Finance critic that in questions about sole-source contracts to the Finance minister earlier today she was advised that you can do sole-source contracts with no explanation required for anything under \$75,000, Mr. Chair.

That seemed a bit odd, and we looked up the policy. The only policy that we could find online was from 2014, and it actually said that between \$10,000 and \$75,000 there's a very limited number of cases where you can do a sole source; otherwise, thou shalt not do a sole source. So I am genuinely curious about: what is the policy, and where do we find it?

Now, secondly, the question is: what does Matthew McBain, who, we do know, does a lot of tweeting in favour of the candidate for the U.S. election, Mr. Trump, do for the Alberta office? Was there a competition? How did he end up getting that position? Is he expected to continue providing service to the Alberta office past March 31? We have a contract that is four months long, over Christmas, for \$50,000. Is his service complete, or will there be more contracts with him, at which point we go outside of the sole-source contract rule that may exist or may not exist? We're not sure. We really do need to get some clarity on that.

What was the reason for doing a sole-source contract? Ottawa is a busy, busy place: lots of consultants there. It would seem to me that in order to build relationships in Ottawa, having somebody who spends a lot of time angrily tweeting at the Liberal government and in support of Donald Trump is probably not your best foot forward in terms of building relationships with people across partisan allegiances when you're trying to do something for the government of Alberta as opposed to, say, the United Conservative Party of Alberta. I'm just curious as to what his particular qualifications are above and beyond his frequent tweeting about Donald Trump. I would very much like to know more about the Alberta office.

The last thing that I will ask, because I think I'm running out of time very quickly here, is on the business plan, page 57, outcome 2, key objective 2.1: when exactly will we see the report that Jim Dinning prepared for Executive Council? How much did it cost? Why did Bill Bewick get that sole-source contract? Why can't Albertans see the report that millions and millions and millions of their dollars have been spent on creating?

I'll leave it there.

The Chair: Premier, you have 11 seconds to respond to 19 questions, by my count.

Ms Smith: Okay. I'll speak fast. I kind of lost count of the questions, so maybe we'll restart.

The Chair: With that, now we turn it over to the independent member. We have a 20-minute block there. Again, the same thing: do you want to go back and forth or combined?

Mrs. Johnson: If the Premier is willing, I would prefer back-and-forth shared time.

The Chair: Okay. It's up to the Premier.

Ms Smith: I'll do block just so that I can find everything that I need so that we don't have a lot of delays in between us finding the information.

Mrs. Johnson: Sure. Absolutely. Thank you, Mr. Chair and through you to the Premier. On page 56 of the ministerial business plan I'm going to cover three different areas here and then ask a question at the end. On 1(a), on the performance measure for "satisfaction of ministries with the services they receive from Executive Council," in 2022-23 the results for this measure were 91 per cent, and that's an impressive number, in my mind. The targets for 2024-2027 are only 85 per cent.

To move on, under 1(b), the performance measure for "satisfaction of ministries that the advice and support from Executive Council assists ministries in advancing the policy and operational mandates of the government," in 2022 the results for this measure of satisfaction were 88 per cent, but our targets for '24-27 are only 85 per cent.

Finally, on page 57, 2(a), the performance measure for "satisfaction of ministries with the services they receive from

Executive Council to advance Alberta's interests within Canada," in 2022-2023 we see the highest measure of satisfaction. It was 97 per cent. Targets for 2024-27, though, are only 90 per cent. Through you, Mr. Chair, to the Premier: can the Premier explain the decreases in each of these targets for these measurements?

We're not going back and forth. I'll keep going. I was waiting for my answer; I'll keep going.

The Chair: Okay.

Mrs. Johnson: On page 59 of the same ministerial business plan, through you, Mr. Chair, to the Premier, can the Premier explain in more depth Invest Alberta and what the tangible results we are seeing from them include? Could the Premier explain what the return rate per dollar is for our investments?

Also on page 59 of the ministerial business plan, through you, Mr. Chair, to the Premier, can the Premier explain what I believe is the \$25 million capital investment? And, finally, on page 59 as well in the ministerial business plan, through you, Mr. Chair, to the Premier, can the Premier give examples of some efficiencies that have been created currently through the Executive Council?

You know what? I've got lots of time left, but I would gladly hand it to the Premier.

The Chair: Yeah. And just for everyone's edification, the longest you can speak is 10 minutes during these blocks. If there is time, you can cede it back to the other group if you wish. It's not necessarily back and forth but however the members wish to choose.

Premier, back to you as well.

Ms Smith: Sure. Mr. Chair, what should I do with the questions that I wasn't able to answer before? Should I table those, or should I use some of the time after answering Mrs. Johnson's questions?

The Chair: That would be at your discretion. Typically what I've seen other folks do is that they've answered the questions of the members that are asking during that period and then save it for the other ones. There will be opportunities in 10-minute blocks. Potentially, you could answer the questions in there if that's something you chose to do.

Ms Smith: Do I have time here? How much time do I have here, Mr. Chair?

The Chair: Right now we have 16 minutes in the block, and you have nine minutes and 48 seconds.

Ms Smith: Okay. Thank you.

I would say that part of the approach of setting targets is that you do want them to be achievable. You do want some stretch goals. Part of the way we've set our targets in the ministerial plans is that we have the same target each year, 85 per cent. That's a measure, I think, of success, when you can get 85 per cent of people who are happy with your performance, and we're just delighted that we consistently exceed them. In 2022 the result for this measure was 91 per cent, and targets for '24-27 are 85 per cent just because we keep them consistently the same.

4:40

The same would be the case as well for the 85 per cent target on advancing the policy and operational mandates of government. We did exceed that as well, 88 per cent, but we also reset it to an 85 per cent target. Then in the case of targets for '24-27, that are at 90 per cent: that one is a little bit higher, but we did end up having a

measure of satisfaction for using Executive Council to advance Alberta's interests within Canada of 97 per cent.

We're proud of our performance. It is an anonymous survey of government that we get this response from. I'm pleased to see that it's at least going in the right direction and that we're exceeding it. But that would be the reason, to be able to maintain a very high level of performance but also be able to monitor if anything is going in the wrong direction.

For Invest Alberta Corporation, Invest Alberta has been in a couple of different ministries. I'd heard quite a bit of feedback, when I first came in, that it wasn't necessarily the right fit to be under the trade offices, so I'd initially split those apart: trade offices were in another ministerial portfolio, and Invest Alberta was in another. I took over the trade offices because I wanted to have a more hands-on approach as I was also planning our strategy for international engagement. Over time it just occurred to me that Invest Alberta would be essential in us being able to do that kind of work, in helping to look at it as a bit of a navigator role, having that under my umbrella as well so that if we have to do any work to assist somebody crossministry, then they have a point of access through Invest Alberta and direct access to my office.

I'll tell you a bit more, then, about Invest Alberta Corporation. It spearheads transformative investment attraction efforts to the government of Alberta. The organization attracts high-value and high-impact investments to Alberta, driving job creation and economic opportunities for Albertans. Invest Alberta works to foster confidence among investors while facilitating investments in Alberta's core sectors, including energy, agriculture, tourism as well as our emerging strengths in technology, aviation, aerospace logistics, and financial services.

Invest Alberta delivers professional, collaborative, and personalized investment attraction services that provide investors with the best information to encourage them to choose Alberta as their preferred investment location. Invest Alberta works with industry, municipalities, postsecondary institutions, and other investment ecosystem partners to streamline the investor journey and highlight all that Alberta has to offer.

Invest Alberta reports that since its launch in July 2020 the organization has helped investors to commit over \$16 billion to Alberta's economy. It was established as a Crown corporation in July 2020. Budget '24-25 allocates \$17.3 million in funding to IAC to continue to promote, identify, and pursue investment attraction for Alberta, with a focus on high-value or high-impact investment. The IAC is overseen by a board of directors led by the board chair, Scott Hutcheson, who's accountable to me as the Premier. They've got 50 full-time equivalent staff members.

I'll just give you an idea of some of the significant accomplishments that they have credited to their work. They played a pivotal role in bolstering Alberta's economic landscape, resulting in the creation of 20,000 jobs in Alberta, driven by investments, again, as I mentioned, totalling over \$16 billion. Some of those investments include supporting a \$4.3 billion investment from Amazon Web Services to establish a cutting-edge cloud computing hub in Alberta; fostering the growth of Indian tech company Mphasis, leading to the creation of a significant number of quantum computing jobs, ranging from 500 to 1,000, within the province; actively supporting Northern Petrochemical's investment of \$2.5 billion in establishing a hydrogen complex in Greenview; actively supporting Mondi's North American expansion, valued at \$850 million and estimated to create 120 jobs. That is up in the Hinton area. Mondi is a leading organization in packaging and paper.

Invest Alberta also runs initiatives aimed at showcasing the province and translating these visits into future investments. They have a lead generation program that targets key sectors in Singapore,

Germany, the Netherlands, and Ireland that has generated over 2,000 leads. They have more than 30 outreach visits to sell Alberta to the world and an investment forum that they've held in Ireland, Hong Kong, Texas, Houston, Austin, England, Portugal, Edmonton, and Calgary. They do play a pivotal role in facilitating engagements with the investment growth fund, which has supported investments with companies such as Goodleaf Farms, CGC Inc., Southland Trailer, Siwin Foods, and Applexus Technologies. Their travel and hospitality budget is \$909,000, which is 5 per cent of their total operational budget. During a 2022-23 audit the office of the Auditor General selected a sample of Invest Alberta's transactions for contracting, travel, meals, hosting and found them to be in compliance.

If we go, looking forward, to this budget year, '24-25, service agreements are in place for Invest Alberta to employ contractors in Japan, Europe, Korea, Singapore, India, Houston, San Francisco, Seattle, Hong Kong, and China. Invest Alberta's international teams continue to be strategically located to raise Alberta's profile, build commercial relations in key global markets, attract new companies, organize investor visits to Alberta, and offer co-ordinated connections to government, private-sector, and economic development partners. In their four years, with about a budget of \$17 million a year, generating about \$16 billion worth of investment and 20,000 jobs: I suspect that that is going to continue.

On the question of the \$25,000 it was \$25,000 capital investment, not \$25 million. I can see why you'd have eyebrows raised if it was \$25 million. I'm told by my DM that that is a budget item as a "just in case" in case there's a need for capital investment. It's a buffer. It hasn't been used, I don't think, in several years, but it would just be there in case there was some kind of capital improvement that was required.

Examples of efficiencies that have been created through Executive Council. Well, one thing that I would say is that last year we did give back \$1.5 million in savings. If you look at the budget versus the actual spending, we had \$1.5 million that we did not end up using.

We have been working across government on initiatives led by Executive Council, particularly on the digitization of government on a whole range of fronts. I can tell you that some of the successes that have had to be co-ordinated across ministries included the affordability payments that were conceived of and the database implemented to support over a million Albertans within two months; when we had the devastating fires, there were 38,000 individuals who needed to be supported with emergency payments, that took 10 days to stand up so that people could start receiving support; when the tragedy of the E coli infection happened, that also was a program that was able to be stood up within 10 days. We're also ensuring that because of the role that we're able to play in working crossministry, we'll have more of those kinds of digitization projects. Hopefully, we'll have more to report next year.

We've also had the consolidation of international and intergovernmental relations within Executive Council, so we are able to have both of those roles within one umbrella, under one DM, which is Paul Wynnyck.

We also are leading integrated capital planning for social infrastructure. As we've gone forward and looked at some of the difficulties we've had in being able to identify, quantify, and inventory all of the capital across all the agencies, boards, commissions, and ministerial departments, that is one of the planning exercises that is going to be overseen by Executive Council, which will be incredibly important when it comes to identifying spaces for the construction of new hospitals, continuing care facilities, mental health facilities, addiction facilities, homeless

supports as well as rental housing. That's one of the efficiencies that we'll be able to bring by doing that cross-platform.

Technical platforms. DMX for enhanced security for cabinet meetings to improve efficiency and effectiveness and reduce paper requirements: that was also brought in last year. The department plays its role to support the management of costs . . .

The Chair: That ends the speaking time.

Back to the member.

Mrs. Johnson: I'm good. Thank you. Thank you, Mr. Chair.

The Chair: Okay. It'll go now to the members of the government caucus. Go ahead, MLA Wright. Do you want to go back and forth or block time?

Mr. Wright: You know what? I think that in the best interest of getting as comprehensive of an answer as possible, I'd like to stick with the pattern of block time at this point in time if that works for the Premier.

Ms Smith: Thank you. It does.

The Chair: Perfect. Well, please proceed.

Mr. Wright: Thank you, Mr. Chair and through you to the Premier. I'm going to be talking a bit about outcome 2 of the Executive Council business plan, that is that Alberta's priorities are advanced across Canada and internationally.

4:50

Now, I've had the privilege of serving on the Pacific NorthWest Economic Region's, or PNWER's, delegation for Alberta and understanding that the advocacy for Alberta's interests has been a work that, with other governments, really tackles key issues. If I could take it back to some time that we spent both in Saskatchewan and in Oregon with PNWER, we were able to really gather delegates from across the 10 jurisdictions – five Canadian, five U.S. – where we were able to talk about all things hydrogen; invasive species; oil and gas, specifically natural gas and the impact of heating and cooling; the TIER program, which caught a lot of international interest, specifically from the folks in Oregon; and then tourism strategy. When we look at tackling common issues, be that trade, economic corridors, food, water, heating, or even ag, I'm a pretty fierce advocate for continuing to strengthen our economic position as relatable and responsible consumer energy hubs are a key interest to address international demands and ethical sources of energy.

Now, in December Albertans heard that the Premier did attend COP, and I do want to appreciate the Leader of the Opposition bringing that question forward and topic forward as well. We know that the Premier led the delegation to this conference and used this as an opportunity to continue to showcase to world leaders the innovation and emissions reduction programs that Alberta has in place. Can the Premier shed some light onto what key and what you would say are the most important outcomes the Alberta delegation achieved by attending this conference, and how does the office aim to further those efforts in the next year? Question two on that is: can you share some new international relationships and specific trade promotion activities you expect to undertake because of this visit? How are you going to continue to promote Alberta's priorities based upon that, and then perhaps could you provide some insight into some specific takeaways that your meetings with the COP leaders had?

I felt that I had a number of questions lined up, and I want to thank the opposition for actually asking them so I didn't have to, so

I'll kind of combine these two together. Talking about the Ottawa office and talking about the Washington and other international offices, key objective 2.1 of your ministry business plan is to advocate for Alberta's interests, as previously mentioned, and the success of those advocating issues are important to us being able to build a strong and prosperous Alberta. I'd like to inquire as to the Premier's dedication to representing Alberta's interests nationally as well as what safeguarding interests are being brought forward from the office in Ottawa, and then, also, if you could share some of the ways that common ground has been found through having this full-time office there in Ottawa.

In addition to looking at Ottawa, you know, some Albertans aren't necessarily aware that we've got that great office in Washington. In fact, when I was in Oregon, a number of the state and Senator reps on both sides of the aisle were very intrigued to know that they could contact their national Senator or House member to be able to take a walk down the halls of the establishments in Washington to be able to get answers specifically when it came to hydrogen and the TIER program. So can you share what our government is doing with both the U.S. and other international offices in an effort to undertake the advancement of Alberta's interests internationally, and then can you expand on these offices' roles regarding key objective 2.5, which speaks to building and maintaining strong relationships with priority international partners, particularly with national and state-level officials in the U.S.?

With that, Mr. Speaker, I'm going to cede my time to Member Yao.

The Chair: Excellent. You have five minutes remaining, Member.

Mr. Yao: Thank you so much. Again, thank you, Premier, and thanks to Executive Council for all the hard work that you do for our province.

As we all know, Alberta is a leader in the country in job creation and high earning positions across different economic sectors. I see on page 7 of the strategic plan that Albertans and Alberta businesses continue to pay the lowest overall taxes when compared to other provinces. This is significant for me because up in Fort McMurray my hope is to plan some meetings with the oil sands companies, with their captive workers that they have in their work camps, with our local economic development and the regional municipality of Wood Buffalo to talk to the workers about what it would take to attract them to this province.

For your awareness, which I know you're probably aware of, according to the oil sands community alliance there are over 30,000 workers that fly into Fort McMurray to work. Of those, approximately one-third are from out of province. Over 10,000 people are flying in from out of province. A lot of those are from British Columbia, but obviously many are from the Maritimes: something like 1,300 from Newfoundland, 800 from P.E.I., a thousand from New Brunswick, and about a thousand from Nova Scotia, as an example.

Our hope would be certainly to attract a lot of these workers to live here in Alberta, and that would be one of my pitches to these folks, that they understand that they would be taxed a lot less than what they're currently being taxed at in their home provinces.

I'm just truly trying to understand how we ensure that we maintain this tax advantage, especially when we have this overwhelming debt that was gifted to us from a previous government, and it continues to really impair us, I think. I mean, you know, this budget was fantastic. It was really encouraging to see us taking the time to invest money back into the heritage savings trust fund. We set some rules in place to ensure some of the funds

that come from that are reinvested back into the fund, but again we're just being crushed by the overwhelming debt that we have. I'm just trying to understand that. How can we maintain that advantage over other provinces?

I've had folks from other provinces tell me that we should institute, like, a sales tax, and as you can imagine, that would not be very popular. Again, that is one of the advantages that I'd be trying to sell to these folks from all these other provinces.

I'm certainly hopeful that you could explain or we could try to decipher how we're going to work through this enormous burden of debt that we have, again, that was gifted to us by a previous government, and how we can maintain this advantage into the future.

With that, I would like to cede the remainder of my time to my good friend from Leduc-Beaumont.

The Chair: Go ahead, MLA Lundy.

Mr. Lundy: Thank you, Member, and thank you, Mr. Chair and through you to the Premier. I'd like to ask about health care. Of course, we all know how important health care is. People in Leduc-Beaumont: they're talking to me all the time. You know, they were quite appreciative of the investment in the new Stollery children's hospital for the capital region, so that was something that they're certainly excited about. It's an issue that I hear door-knocking all the time. People will come in to my constituency office. They certainly are interested to hear from our government on this.

Again, Mr. Chair, through you to the Premier, you know, I'm glad that refocusing health care is part of our government's priority 2, to invest in Albertans. Specifically on page 17 of the strategic plan I see that Alberta's government will continue implementing key initiatives to refocus and optimize our health care system so that every Albertan has timely access to publicly funded care when and where they need it.

Can the Premier elaborate on how the \$475 million allocated to modernizing Alberta's primary health care system will support this priority? Additionally, through you, Mr. Chair, to the Premier, can the Premier elaborate on how Budget 2024 will invest in reducing wait times and improving access to health care across the province? Again, those are two issues that are very much front and centre with my constituents, and they're certainly looking forward to the investments from our government improving our health care system.

The Chair: Excellent. With seven seconds remaining, over to you, Premier.

Ms Smith: I only have seven seconds to speak?

The Chair: Well, you have 10 minutes, and then they get six seconds back when it comes back.

Ms Smith: Okay. Got it.

Well, I may just try to clear up some of the questions that were asked earlier since they do tend to overlap with MLA Wright. The question – I had it marked as number 16 from Ms Notley's questions – was whether they are full-time and whether they are the same, the contracts that I disclosed. Yes and yes. They asked if I would disclose a cabinet document. The answer to that is no. Cabinet documents are generally regarded as being private information, so we weren't intending to make that public. As I'd mentioned, that document on training was . . .

5:00

The Chair: It's up to you, Premier, if you wish, but there is another section that comes up to 10 minutes. We have a rapid-fire round if

you wanted to save those for later. That's up to you, or you can answer them now.

Ms Smith: Oh, it's fine.

The Chair: Sure.

Ms Smith: I just thought I'd get those two out of the way. I mean, it's not normal practice to release cabinet documents. I did swear an oath to the King. That's part of the reason why we do honour cabinet secrecy.

The itinerary. I know it surprised the opposition members, but I do get a lot done. All of those meetings that I talked about were mostly one-on-one meetings, or they were panel discussions. They weren't rooms full of people where I was just taking the meeting list. I actually do that many meetings because I figure that when I'm away, I'm going to make full use of my time. So, yes, I did have a lot of meetings while I was away.

I would say as well – I can talk a little bit about the Ottawa office and Matt McBain. I know that that was one of the questions of MLA Wright as well, of how the office is structured, so I may as well put this forward. Matt McBain is in place until an open competition can be completed. He has a \$50,000 contract. It was to establish and maintain contacts with senior officials, politicians, business and opinion leaders to advance Alberta's interests, collaborate, share information, raise Alberta's profile, and protect our interests, oversee ongoing operations and administration of the office, develop plans and strategies to co-ordinate messaging and comms, provide targeted plans and tactics to generate leads, accelerate trade relations and remove trade barriers, and convert leads to investment. He will not be renewed when his contract expires on March 31.

As for the approach that we took, there are some positions where they're kind of civil service type of positions. I leave it to DM Wynnyk to advise me of when the changes are being made and what the staffing levels are. But there are some positions that are principally advocacy offices. Washington is an advocacy office. Ottawa is an advocacy office. Because of that, we need somebody who is in sync with the positions of this government. That was the reason why James Carpenter was chosen for the Ottawa position. He was vetted through the process that we use for vetting agencies, boards, and commissions, and ultimately DM Wynnyk approved his hiring. That is the process that we used there.

As for "What's the point of the office?" well, I guess the fact that that question is asked shows just how far apart our government is from the opposition about what the point is. The point is pretty serious, that the federal government continues to invade our jurisdiction. It doesn't matter how many court cases they lose, how many times they get chastised by judges; they continue to violate our jurisdiction. That's part of the reason why we need to be there.

I might just go through and enumerate all of the ways in which Alberta is responding to federal encroachment, because this should give, I think, the members of the opposition some idea of why it requires intensive work there so that rather than be hit and blindsided by something that is coming and then have to take four years to be able to fight to get our rights back, we're hoping that we can do some proactive management of those relationships so that we can avoid having them interfere in our jurisdiction.

First of all, we had to invoke the Alberta Sovereignty within a United Canada Act on November 27, 2023, in order to push back against the federal clean electricity regulations, which call for an electricity grid that produces net-zero greenhouse gas emissions by 2035. This is in violation of our constitutional right to manage our own electricity grid.

The federal plastics ban: in November 2023 the Federal Court of Canada ruled that the federal order in council classifying plastics as toxic is not only unreasonable but unconstitutional. Of course, the federal government is proceeding with an appeal of that, so we will continue to fight them on that.

The federal Impact Assessment Act: on October 13, 2023, the Supreme Court of Canada ruled that the Impact Assessment Act was unconstitutional because it went beyond the limits of federal jurisdiction. This decision significantly strengthens Alberta's legal position as it continues to push back against any number of additional measures that the federal government is trying to interfere in our jurisdiction, including the federal oil and gas emissions cap. Despite this recent Supreme Court decision the federal government has announced its intention to move forward with an emissions cap in addition to a methane cap, also, we would say, in violation of our constitutional jurisdiction.

The federal electric vehicle mandate: the federal electric vehicle availability standard was unveiled in December 2023. The new regulations will move Canada away from fully gas-powered cars and towards electric vehicles, mandating that the sale of all passenger cars, SUVs, crossovers, and light trucks be hybrid, electric, or hydrogen powered by 2035, with 20 per cent of that by 2026. This unilateral overreach ignores the reality of Alberta's electricity grid, places the grid in further uncertainty.

I've mentioned the clean electricity regs. We also have the Canadian dental care plan. On December 11, 2023, the federal government announced details of the Canadian dental care plan targeted towards low- and middle-income Canadians, with eligible applicants having an adjusted annual family income of \$90,000 and no private dental insurance. Duplicates dental coverage for some Albertans, intrudes into provincial jurisdiction in health care. Same thing with the pharmacare plan. It's a two-drug plan that is already covered by our pharmacare plan that covers 5,000 drugs. We already have – we overlap. We cover 50 drugs for birth control as well as 16 drugs for diabetes and nine different appliances to manage diabetes. It would have been nice if they had actually worked with us on any of these things.

These are examples of the reason why we need to be there, so that we have the ability to be on the ground, on-site, and making sure that we're addressing these issues before and in the hopes that one day they're going to actually honour what the Constitution says and proceed in a spirit of collaborative federalism. It allows for us to have a staging area for my ministers to go and meet. There is a business centre there so that ministers as well as First Nations leadership can go there as well. We are hoping to play a bridge capacity with First Nations leaders. They're equally frustrated with their relationship with the federal government not honouring treaty rights, so we are going to make sure that we continue to be an advocate for them as well. These would be all of the reasons why we believe we need to have an office in Ottawa.

I would also just mention that for the cost we've got three support staff that will support the office and report to the Deputy Minister of Intergovernmental Relations. We're forecasting approximately \$1.1 million per year for operating expenses, including staffing costs. When I was there for my first visit to open the office, which we were very pleased to have several chiefs opening the office with us, I was also able to speak to the Economic Club of Canada. I was also able to speak to the Canada Strong and Free Network. We had a meeting with ministers Wilkinson and Boissonnault, also meetings with the caucus for the opposition in Ottawa. Those are the kind of things that we're going to be able to continue to do.

When it comes to our Washington office, I can say that we've gotten great service out of James Rajotte, who's been there for several years now. He also spearheads the offices and leads the

offices that we have in the U.S., not just Washington, DC. We've got 16 offices around the world that include Washington, DC; Chicago; Seattle; Minneapolis; Dallas. We've got London, which is our gateway into the Middle East as well as into Africa; Düsseldorf, Singapore, Beijing, Shanghai, Guangzhou, Taiwan, Korea, New Delhi, Japan, and Mexico City. So we've got offices located in four key regions that we cover off that way.

I would say that we're underrepresented relative to Quebec. Quebec has 32 offices around the world, and many of them are staffed to a much greater extent than ours are. So if we want to continue to be having direct relationships for trade relationship, for advocacy, for trade, as well as for attraction of labour, we've got to do that work ourselves, because the federal government will not be an advocate on our behalf.

I am running out of time. On talking about our tax environment, our tax advantage, I would say – one of the stats we like to use is that if we were to overlay the next closest tax structure over our economy and not lose any ground from investment or people leaving, the advantage we have is about \$19 billion in taxes that we don't levy on our economy. We don't have a payroll tax. We don't have a sales tax. We have the benefit of the heritage savings trust fund, which gives us a vehicle so that we can grow that fund, ultimately, to a point where if we can get it to \$400 billion a year, it'll generate enough money to replace our reliance on resource revenue.

The Chair: We're out of time there and in the block.

Now we're back to the rapid-fire round. You have 10 minutes, no more than five minutes per speaking person, and in this case you can't cede your time, so use it or lose it. Over to the loyal opposition.

5:10

Ms Notley: Thank you. A few things. First of all, just to respond to a few things that were articulated there, I would argue that I was asking for the Premier to agree to at some point release the Dinning report. Of course, having also been in cabinet, I know that we make the decision what is a cabinet document and what is not a cabinet document, and as government, for instance, when you spend the millions of dollars that have been spent sending Jim Dinning and many people around the province to consult with Albertans on something as important as their CPP, you have every capacity to make the decision to release that report. To suggest that you are somehow bound to not do it is not accurate, and I would once again ask the Premier to explain why it is in substance that Albertans are not entitled to see a report that they paid quite a lot of money for.

In terms of the Ottawa office I think most of the questions were answered there in terms of the budget. I would suggest that if they are truly looking to build relationships in Ottawa in the, quote, hope of collaborative federalism, when they go to replace I think it was Mr. McBain, they perhaps choose someone who is not known for angry tweeting at the government and running around campaigning for Donald Trump, and perhaps there might be greater success in achieving collaborative federalism. Certainly, these are Alberta dollars, and that would be a better way to spend them.

I want to quickly pop over to health. I don't have a lot of time here. In 2023 the Premier appointed AHS administrator John Cowell to take over AHS, and in February of '23 he said that nobody would be getting surgery outside of clinically appropriate wait times within a year. We're outside of that year, and the fact of the matter is that that goal has not been met. Under strategic plan, priority 2, investing in Albertans, the current Health minister – the Health minister, of course, answers to the Premier – is saying that maybe the expectations were too high and perhaps we shouldn't be going for that.

My concern most specifically here is that the measurements have changed. It used to be that they measured from the time when a surgeon decided a surgery was needed, and now the measurement has changed so that it's calculated from when a patient is ready. By just changing the measurement, we've now reduced the wait time, but we haven't actually reduced it at all. I would like to ask the Premier to table what the wait times would be if we actually compared apples to apples. She could pick either measurement, but over time let's pick one and then let's help hold our expenditures accountable to a consistent set of standards.

Finally, office budgets. The fact of matter is that it's often the case that we – basically, under the office expenses of the Premier and across the government there is a general rule that public dollars are not to go towards alcohol. Nonetheless, section 13(3)(a) of the policy states that that can happen with written approval. In rare occasions that is the thing that you would do with visiting dignitaries or perhaps if you're having an event and you're trying to engage particular stakeholders, all that kind of stuff.

December 15, 2023, the southern Alberta office expensed over \$2,000 on 12 bottles of Cabernet, 12 bottles of Pinot Noir, six bottles of cab franc, six bottles of Gamay Noir, 12 bottles of Pinot Grigio, 12 bottles of Stone Sauvage, about 20 different packages and cases of beer to the tune of about \$2,000. My questions are simply, with my remaining 30 seconds: who approved that set of expenses for the Christmas party at McDougall, and was there anybody outside of government who attended the Christmas party? If so, who were they, and could we get the Premier to table the list of invitees?

The Chair: Yeah. That worked out okay.

Premier, over to you. I'm just looking at the . . .

Ms Smith: Sure. Sorry; I maybe misspoke when I answered the first question. Ms Notley had asked for two cabinet documents. One was the training we received from the Deputy Minister of Justice. That was not something we were intending to release publicly.

But the report that Jim Dinning is preparing for us is – yes. I mean, we are awaiting additional information from the Chief Actuary. They have three analysts who are looking at the act and doing their interpretation. They will be coming back to us in September, at which point we are going to continue with our consultation. We were just interrupted on that process by waiting for information. What we heard so far from Albertans is they want to know more information. They want to know more about portability. They want to know more about what the actual asset transfer is going to be. They want to know what the implication on their benefits will be and the implication on reducing contributions. When we have more information, we will be delivering more of that.

When it comes to collaborative federalism, I would say that that's a two-way street. We're quite happy to be collaborative. I don't go around interfering in federal jurisdiction. People would think that would be highly inappropriate. All I ask is that the federal government not interfere in our jurisdiction, and maybe we will end up getting to a détente on that.

On the issue of health and surgeries the problem with health care is it's been a problem for 15 years. We started the process of reform with Dr. John Cowell. We were making some great progress. In the first several months of him coming into the position, we had 39,000 people who were waiting outside the medically recommended wait times. In his first few months we were beginning to reduce that list at a rate of 3,000 per month. Had we been able to continue at that rate, we would have been able to reduce the number of people waiting outside clinically recommended wait times within a year.

However, as it happens, the amount of clearance on the wait times did slow, so we currently have gone from 39,000 when we began this process, slightly less than a year ago, to 28,000 that are still outside of the clinically recommended wait times. Of course, we must do better. It's part of the reason why we have now done the refocusing. But I will say that one of the things that we are encouraged by is we are on track for hitting our target of 310,000 surgeries for '23-24. This is up from prepandemic levels, when the average number of surgeries was 297,000 surgeries annually, so we have developed capacity to be able to do more surgeries.

Also, when compared to 2019, we've caught up to prepandemic levels, with 60 per cent of surgeries occurring within clinically recommended wait times. As I said, even though we've caught up with our prepandemic levels, we do have more work to do. That's why we're refocusing Alberta Health Services, Covenant Health, and chartered surgical facilities around doing acute care and in particular surgical care so that we can accelerate that.

I'll just say that in terms of wait times we have improved. In January 2024 50 per cent of hip replacements were completed in 16.9 weeks; this is an improvement from 50 per cent being completed within 25.4 weeks a year prior. In January 2024 50 per cent of knee replacements were completed within 22 weeks; this is an improvement from 50 per cent being completed within 35.8 weeks prior. For 2023 cancer surgeries we did 21,492 total surgeries, and 61 per cent were completed within clinically recommended wait times compared to 2019-20, when 21,757 total surgeries were completed with 14,000 within the clinically recommended wait times.

We did have a disruption, of course, in delivery services with COVID over two years. I'm glad to see it's trending in the right direction, but, yes, I think that early success we were having maybe gave us a little exuberance that we were going to be able to complete and clear off that backlog faster, but the fact is we are still reducing it by what looks like about 1,000 surgeries per month. If we can accelerate that by the refocusing, that, of course, is the objective.

When it comes to the alcohol that was approved, I believe through the proper channels, with the specific expenses incurred by staff directed to the chief of staff, Marshall Smith, I will just let – it was a hospitality event, a Christmas reception with external stakeholders. Even though the expense was \$2,000, there was \$1,381 worth of product returned to the store after not being used at the event. That was reimbursed to GOA and is disclosed on the disclosure site.

5:20

The Chair: With that, the next 10-minute block goes to the independent member. You're waiving.

Okay. I guess we'll go into the next rotation, and that'll be to the caucus members. MLA Cyr, go ahead, sir.

Mr. Cyr: Well, thank you, Mr. Chair. Is it possible for us to do block time, Madam Premier?

Ms Smith: Yes. Thanks.

Mr. Cyr: Thank you, Madam Premier. It was a pleasure to have you up to my constituency here in January, and I can see that you're really getting around the province and executing your duties as the Premier and reaching out to those stakeholders that I know are all important. I'd like to start with page 9 of the fiscal plan, that Alberta's economic prospects remain optimistic over the medium term. To witness the constant development and collaborative efforts within various industries and our First Nations in our province driving innovation and environmental stewardship is quite

astonishing. Many in Alberta are excited and optimistic to see breakthroughs every day in crucial areas for our economy. The fact that we're moving towards carbon capture and storage, hydrogen, technological advancements, unwavering commitments to the industry and our First Nations is something that I can see and all Albertans can see right now.

At this time my constituency is seeing a lot of work around the pathways project. Bonnyville-Cold Lake-St. Paul seems to be one of those hubs that we're going to be doing a lot of the work in, and I know that for us this is meaning a lot of jobs, and there's some excitement in this. I will tell you that when it comes to achieving your goal of carbon neutrality by 2050, this is one of those promising paths that really make a sustainable and successful future for all Albertans. This is important because I'm going to tell you that when it comes to selling oil, we really do need to have that ability to be able to say that we are responsible environmentally.

Moving on, page 10 of the fiscal plan indicates that the strong oil and gas sector and significant population growth are key drivers of Alberta's economic growth. I know the Premier, Mr. Chair, has indicated several times the incredible economic opportunities before us through solid population growth. This is something that is going to be quite astonishing in my neck of the woods, in Bonnyville-Cold Lake-St. Paul. Specifically, we've got the air force base that's going to be doing a great big build there with the F-35s. We also have the oil sands and, again, as I mentioned before, the pathways project, Madam Premier. As the number of Albertans continues to grow, is this expected to play a significant role in the diversification of our economy and in creating new economic drivers to work alongside our energy and agriculture sectors?

Moving to page 10, it also states that for 2023 our government expected rising borrowing costs and elevated prices to continue to weigh on consumer spending and nonenergy business investment, and that inflation was expected to continue to decrease slowly this year. As we saw last year, both of these projections ended up being reasonably accurate. As we head into 2024 and beyond, can the Premier please share if any changes within the broader economic environment may impact the growth of Alberta's economy?

I'd like to move on to a budget which is one of my favourites. The budget of 2024 is, in fact, a responsible plan, Madam Premier, for a growing province. Our duty as a government is to manage taxpayers' dollars with a fiscally responsible approach. Pages 7 and 16 of the fiscal plan state that "Budget 2024 upholds the requirements of the fiscal framework to balance the budget, control spending and use surplus cash to pay off debt and save for the future." Like many Albertans, I'm very pleased to see that we are continuing to pay down our debt and secure the future generations to come without reducing funding to health care, education, and social services that most vulnerable Albertans use.

I like to see, on page 7 of the fiscal report, the fact that we have a surplus of \$367 million that is forecasted for 2024-25. Can you please explain why it's important to balance the budget? For me, and I know for Albertans, sometimes it gets lost in the rhetoric that we hear from the NDP, which you heard today in question period: spend, spend, spend. I know some decisions have to be hard to make, Madam Premier, but I know that you're making the right ones. I'm hearing it from Albertans, and I'm proud of what you're doing.

Thank you, Madam Premier.

Ms Smith: All right.

The Chair: Over to you, Madam Premier.

Ms Smith: Thank you, Mr. Cyr, and thank you, Mr. Chair. A lot of questions there. I would say that the pathways project is a very exciting one, and it's part of the reason why we are partnering with the federal government on a carbon capture, utilization, and storage tax credit. We've put forward the details of that in our budget that was just released, and we are waiting to see if the federal government will put more clarity around what they're offering with that and contracts for differences when their budget comes out next month, but it would be nice to see pathways move to a final investment decision because it will be an enormous amount of carbon sequestration that they're going to be able to do.

I'll talk a little bit about some of the economic environment that might impact the growth of Alberta's economy. We're pleased to see that economic expansion remains on track. The province's economy has been resilient as a strong population growth and robust investment have off-set the impacts of interest rate hikes, higher consumer prices, and slower global growth. Our real GDP growth is forecast to rise 2.9 per cent in 2024, so we are diverging from the slow growth that we see in Canada and globally. Additional pipeline capacity, with both Trans Mountain and Coastal GasLink, is poised to expand market access and bolster Alberta oil prices. There's optimism among oil and gas producers. Our, of course, exceptional population growth is driving demand for housing, and we're seeing year-over-year increases in housing starts that are up dramatically from last year. We also have an expectation of easing interest rates in the second half of the year. We hope that will provide some relief. Well, certainly, we're beginning to see it already when we turn over our debt, because we've seen credit-rating improvements. We're now at a point where our debt is being renewed at 3.8 per cent, so that has an impact on lowering our finance charges.

We remain optimistic over the medium term. GDP growth is set to pick up in 2025, and solid growth in population, employment will support consumer spending and residential investment. Stable energy prices with solid investment intentions will buoy business investment. Meanwhile we're seeing more investment in some of the new green energy economy, agriculture, manufacturing, we have venture capital in addition to the film and television sector, tourism. So we're beginning to see diversification, I think, like we haven't ever seen historically, and I think that that's all, as well, going to create more resilience. Our agrifood processing investment tax credit has helped to attract large-scale investment. Our general corporate tax is the lowest in Canada, just 8 per cent. Our business-friendly regulatory climate has one of the most competitive tax regimes in the country. We've got high-quality crops and livestock. I should mention as well the excitement that I have about the Port of Prince Rupert and our ability to export a whole variety of products out of the coast of British Columbia.

In addition, I would say a few things about borrowing. We now have a net debt of about \$41 billion, and keep in mind that we used to be on the positive side. We used to have net assets of about that same amount, so that's been a dramatic turnaround in the last 10 years. The only way that we're going to be able to generate the surpluses in order for us to pay down debt and increase our savings is to make sure that we constrain our spending growth.

If we had done that – I said that in my opening comments. If we had constrained our spending growth to inflation plus population growth we would actually have several billions of dollars in additional surplus that we would be able to pay for one-time capital, be able to put down on our debt, be able to put into our savings. So with having a small surplus next year, we're very hopeful that if we can continue to manage our expenses, our revenues will grow to a

point where we'll be able to get those surpluses, and then if we can grow the heritage savings trust fund to a point where it's generating enough investment income, then I think we'll really be able to reduce our reliance on . . .

The Chair: I hesitate to interrupt, but we have reached the two hours. I know it goes by really fast. There was a lot of good discussion here today. I really appreciate that. That ends the estimates for today.

I'd like to remind the committee members that we're scheduled to meet tomorrow morning, March 14, 2024, at 9.

And as a personal note, I appreciate all the members for your professionalism, your courtesy of how we conducted ourselves today. Hats off to you. Well done.

Thank you very much, and that concludes the meeting. Thank you.

[The committee adjourned at 5:30 p.m.]

