



Legislative Assembly of Alberta

The 31st Legislature
First Session

Standing Committee
on
Alberta's Economic Future

Ministry of Jobs, Economy and Trade
Consideration of Main Estimates

Wednesday, March 12, 2025
3:30 p.m.

Transcript No. 31-1-15

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First Session**

Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

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Sylvia Lepki, Assistant Deputy Minister, Economic Development and Business Supports

Myles Morris, Assistant Deputy Minister, Safe, Fair and Healthy Workplaces

Andre Rivest, Assistant Deputy Minister and Senior Financial Officer

Liam Stone, Assistant Deputy Minister, Economic Strategy and Investment

3:30 p.m.

Wednesday, March 12, 2025

[Mr. Getson in the chair]

**Ministry of Jobs, Economy and Trade
Consideration of Main Estimates**

The Chair: Welcome back, everybody. I'd like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Jobs, Economy and Trade, also known as JET, for the fiscal year ending March 31, 2026.

I'd like to ask that we go around and have the members introduce themselves for the record. Minister, please introduce yourself and then your officials that you have with you at the table. Also, just a note that this is operated by *Hansard*, so none of us have to play with the microphones or anything else while we do this. My name is Shane Getson, the chair of the committee, MLA for Lac Ste. Anne-Parkland. We'll begin introductions, starting to my right.

Mr. Wright: Thank you, Mr. Chair. Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

Mr. Wiebe: Good afternoon. Ron Wiebe, MLA, Grande Prairie-Wapiti.

Ms de Jonge: Chantelle de Jonge, MLA for Chestermere-Strathmore.

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

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

Mr. Jones: Matt Jones, Minister of Jobs, Economy and Trade, MLA for Calgary-South East. I'm joined at the table by my deputy minister, Chris McPherson; my ADM for child care strategy and policy, Tanis Liebreich; my senior financial officer, Andre Rivest; and my ADM for labour and workforce, Suzanne Harbottle.

Member Hoyle: I'm MLA Rhiannon Hoyle of Edmonton-South and the shadow minister of Jobs, Economy and Trade. I'm joined by my staffer Liz Dolcemore.

Ms Wright: Peggy Wright, MLA, Edmonton-Beverly-Clareview.

Mr. Ip: Nathan Ip, MLA for Edmonton-South West, and I understand also the deputy chair today. Chair, in case something happens to you, I'm ready to step in, just so you know.

The Chair: I'm comfortable. I'm happy that we're in good hands if something happens, Member. Appreciate that.

Ms Chapman: Amanda Chapman, MLA, Calgary-Beddington.

The Chair: Thank you.

I know the clerk won't introduce himself. He's the guy you have to send your notes to in case anything goes sideways here today. He's sitting to my left.

We don't have anyone remotely for us. I do need to go through and do the notes here of the substitutions. We have Mr. Ip in for Member Loyola, as noted there earlier, as deputy chair, Member Chapman for Member Boparai, Mr. Wiebe for Mr. van Dijken, and Ms Wright for Member Elmeliği. She's not here, so if I messed her name up, it's not as bad this time.

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broadcast on Alberta Assembly TV. Audio- and videostreams and transcripts of the meetings can be accessed via the Legislative Assembly website. Please set your cellphones to the least disturbing setting that you have on that thing.

Members, we're on the main estimates, again, for Jobs, Economy and Trade. It shall be considered for a total of six hours, of which we've already had our first three-hour block. For the record I'd like to note the Standing Committee on Alberta's Economic Future has already completed three hours. I just said that.

As we enter into the fourth hour debate, I'll remind everyone that the speaking rotation for these meetings was provided under Standing Order 59.01(6). Now we're at the point of the rotation where the speaking times are limited to the maximum of five minutes. That's that lightning round. Both members and the minister can't speak more than the five minutes per. The speaking times may be combined for a maximum of 10 minutes. Please remember to advise the chair at the beginning of your rotation if you wish to combine your time with the minister's, and it has to be mutual consent on that. That way our staff at the front here can set the shot clocks on the screens for everybody.

With the concurrence of the committee the chair and deputy chair probably, in all likelihood, too, wouldn't mind having a five-minute break partway through the session. If everyone's amiable to that, that would be much appreciated. Anyone opposed to taking a five-minute break about halfway through? Perfect. Thank you very much for that.

When we adjourned this morning, we were six minutes into the exchange between MLA Bouchard and the minister. The minister was speaking, and I will now invite the minister to continue with that. You have one minute and 30 seconds of speaking time and a total of four minutes of the exchange between that. Before we start, does anyone need a reminder of the decorum in the room and how we're running it, or are we good with the same rules this morning? Okay. Perfect. Appreciate it.

With that, you're off to the races, sir.

Mr. Jones: Thank you, Chair. I believe I was highlighting our trade mission to Neuquén and Buenos Aires, Argentina. This mission was used to facilitate targeted business-to-business meetings for Alberta companies – there was about 20 of them there – to raise Alberta's profile in trade interests with senior Argentinian officials and engage prospective buyers in Argentina to gain their insights and perspectives to better position and promote export opportunities for Alberta companies.

JET's trade team facilitated over 80 business-to-business meetings between Alberta companies and international buyers. On average participating companies stated to have made five to seven key connections on the mission, and over 80 per cent believe that participation will likely lead to trade and investment deals. Additionally, while in market my ministerial delegation met with key federal and provincial Argentine officials and provided opening remarks at the Alberta technical seminar in Neuquén and Buenos Aires.

I am also pleased to report on Alberta's participation in the recent Team Canada trade mission to Indonesia and the Philippines held from December 1 to December 6, 2024. As the only provincial minister to attend from Canada, I led an Alberta delegation of 27 organizations across multiple sectors engaging in both the federal-led program as well as a dedicated Alberta agenda. The mission strengthened Alberta's trade position in the Indo-Pacific by advancing our interests in ongoing free trade agreement negotiations, reinforcing ties with the Hon. Mary Ng, Minister of Export Promotion, International Trade and Economic Development.

The Chair: With that, Minister, I apologize. That's the remaining of your speaking time.

MLA Bouchard was subbing for him, but MLA Stephan is back, so it'll go back to you, sir.

Mr. Stephan: So we're on blocks, where we're not speaking back and forth. Is that correct?

The Chair: Where we left it in the last one, it was shared, so we just continued on with that.

Mr. Stephan: So I can just ask a question?

The Chair: That's correct. The only thing we can't do in here is cede the time to another member. But right now . . .

Mr. Stephan: That's fine. That's fine.

You know, Minister, you didn't have – I'd like you to be able to finish talking more about the trade missions. Please continue.

Mr. Jones: Yeah. One of the other reasons for the trip was to continue discussions with the Hon. Mary Ng. She's been very supportive at the federal level on our investment attraction efforts. For example, she assisted our efforts to solidify the De Havilland deal with six European nations for the manufacturing or assembly of water bombers. She also assisted with the recent Luffhansa Technik investment at the Calgary airport. In terms of the program it included bilateral meetings with senior government officials and business leaders, speaking engagements at the Canadian delegation receptions, and we participated in several round-tables on energy and agriculture.

Here I would highlight that it was very important for Alberta to represent Alberta's interests on this Team Canada mission. Team Canada largely focused on nuclear and on environmental issues. Indonesia and the Philippines are two large, quickly growing countries in the Indo-Pacific that need food and energy, and they need the expertise. They haven't fully explored or developed their own energy sector, so Alberta service providers, Alberta explorers and producers could do a lot of work there. Frankly, they need some interim power generation solutions before nuclear. Nuclear is far off for us, and we're a very wealthy and developed nation over here in Canada and in Alberta.

I certainly see tremendous opportunity for Alberta to export our significant expertise in power generation, natural gas power generation, our significant expertise in building a massive transmission and distribution grid, and pipelines. So lots of work for Canadian companies and Alberta companies to do over there.

The Chair: Thank you, Minister.

With that, we're back to the opposition side, and MLA Hoyle caught my attention.

Member Hoyle: Thank you, Mr. Chair. Alberta has been dealing with high unemployment over the past few years.

The Chair: I just need you to ask again if maybe the minister has changed his answer.

Member Hoyle: Oh, sure.

Minister, would you like to do blocked or shared time?

Mr. Jones: Blocked, please.

Member Hoyle: Okay. Thank you.

Alberta has been dealing with high unemployment over the past few years. At 6.7 per cent in January of 2025, Alberta still has above

average unemployment. Red Deer has the highest rate of any city nationally at 9.7 per cent. According to StatsCan data Alberta lost about 20,000 full-time jobs in January of 2025. Essentially, all the lost full-time jobs were attributed to women. Other large provinces like Ontario, Quebec, and B.C. all saw net job gains in January. Now, with the tariffs implemented by the U.S. government on March 4, these numbers are expected to keep increasing for a while, especially with rural areas being impacted the most in our province. Calgary and Edmonton have also consistently been well above the average regarding the unemployment rate over the last two years.

To the chair: can the minister share what the ministry is planning to do to stimulate job creation in key growing industries in the province? Considering women are experiencing the highest rate of full-time job loss, what is the minister's plan to address this disproportionate loss for women?

Looking ahead, Alberta has three of the six national ridings with the highest share of employment in industries dependent on American demand for Canadian exports. If Alberta jobs are disproportionately exposed to U.S. trade, the looming tariffs likely pose a disproportionate and significant threat to the province. Through the chair, can the minister further explain: why does the '25-28 ministry business plan not include a key objective related to working with postsecondaries in Alberta to ensure that students are incentivized to enter programs of study in key industries that need workers, for example health, renewable energy, and technology? Is the ministry looking at how many positions are needed in these industries based on the exponential population growth we've seen?

3:40

Page 105 of the '25-28 ministry business plan states that "the ministry's suite of grants and training for work programs help ensure workers have the skills and knowledge employers need." Building off this, I have specific questions for the minister related to the Canada-Alberta job grant, where employers apply on behalf of their present or future employees for eligible training costs. The program is currently closed, and this government said the reason for this is due to the lack of funding from the federal government even though the provincial government did have a one-year lead time to plan a stabilizing approach for this program, which supported business and workers. Mr. Chair, can the minister explain why a decision was made to stop funding this program to help businesses ensure they have employees with the skills and knowledge needed for their businesses? Can the minister also share why he didn't choose to maybe do a bridge funding gap program to the labour market transfer agreement, like many other provinces have?

The coal workforce transition program goal is to support Alberta communities affected by the phase-out of coal. It provides financial assistance for re-employment, retirement, relocation, and education. Page 148 of the '25-26 government estimates under operating expense line 2.4, coal workforce transition program, shows a forecast in '24-25 of \$9.362 million and now an estimate of \$3.2 million for '25-26. That's a \$6.162 million cut. That's a significant cut, by 65.8 per cent, of this program. Mr. Chair, can the minister share if various stakeholders, small businesses, and First Nations and communities most affected were consulted prior to making such a large cut in this program?

The government has been spending money on this program for a few years. Can the minister also share how many workers have been through this program to date? How many workers successfully transitioned through this program? How many workers have retired? What's the plan to continue helping workers in this industry in the long run upskill, transition so they remain in the workforce?

The Chair: Is that over to you, Minister?

Mr. Jones: Thank you for the question. As I mentioned in my earlier remarks, Alberta has seen rapid population growth. About 200,000 people moved to Alberta over a 12-month period, representing a 4 and a half per cent population growth, and it does take time for people to attach to the labour market. I was pleased to see that all four major metropolitan areas in Alberta saw declines in their unemployment rates last month.

In terms of women I'm pleased to see that as of January 2025 there were about 1.2 million women employed in Alberta, representing a 3 per cent increase year over year. They continue to participate in Canada's strongest economy, and one of the reasons that they're able to do so more and more is, of course, because of our significant investments in training but also child care, which is enabling more women to access training, work, and other programs.

We're focused on diversifying the province's economy with strong, business-friendly policies that attract job-creating investment, and Alberta remains the job-creation engine of Canada. In fact, we continue to lead the country in job creation in sectors across the economy, and Alberta's economy has gained momentum. We've seen employment gains in eight out of the last 12 months, between January 2024 and January '25, and we've gained about 75,000 jobs, meaning that we've seen our employment grow by 3 per cent year over year, and that's ahead of the national average of 2 per cent. After posting the strongest employment gains in nearly four years in December 2024, Alberta's labour market had a slow start to 2025. Employment in Alberta decreased slightly in January by .2 per cent month over month but remained, again, 3 per cent higher, 75,000 jobs higher, than January 2024.

Despite the decline in unemployment, the unemployment rate remained unchanged at about 6.7 per cent, and the year-over-year wage growth remains strong at 3.2 per cent. Our unemployment rate is in line with the national average.

As more jobs are created, businesses need more skilled workers, and right now Alberta has about 71,000 job vacancies. This is a decline. We have been making progress on our job vacancies. We recognize there remain challenges such as labour shortages in key sectors, youth unemployment, which we touched on earlier, barriers to entry for underrepresented groups, and some long-term unemployment, but to keep pace with the province's labour market needs, Alberta's government will continue to make improvements to provide greater awareness of skilled trades and professions that currently exist for young Albertans and adults changing careers as well as skilled professionals from other areas who may wish to move to Alberta. I touched on many of those initiatives earlier like the industry direct training, union direct training, and the targeted enrolment expansion that we're utilizing in our postsecondaries.

By developing ministry-specific job-attraction strategies, the government is ensuring workers have information on careers, education, and training so they can help fill skilled trades jobs across key sectors in the province and grow the economy. We recognize that a successful strategy needs an all-hands-on-deck approach, which I also touched on. Virtually every ministry in the government of Alberta is engaged in training programs, and we're also partnering with the federal government. I would highlight here again that we would be able to do more if the LMTA top-up funding had not been removed by the federal government. Again, we join our provincial and territorial counterparts in requesting that that be reinstated and, in fact, increased.

Some departments have already moved forward in developing sector-specific job-attraction strategies. For example, Alberta Health has developed a health workforce strategy to support current health care workers and to build Alberta's future workforce. Transportation and Economic Corridors is working to address the

commercial driver shortage, and as our economy rebounds, Alberta's government continues to deliver training support programs to help Albertans adapt to changing times and gain the skills they need today and tomorrow.

As I mentioned, in '25-26 JET is investing \$70 million in skills and training supports. This means that unemployed and underemployed Albertans are able to access training and retraining to get back to work through a variety of programs, which my ADM touched on in the first session. Funding sources include the LMTA and the provincial funding through the Alberta at work initiative.

To encourage the development of Alberta's workforce, our government continues to invest in employment training that supports Albertans, no matter where they live or where they are in their career path. Programs like Alberta at work are helping individuals develop new skills, attract talent to the province, and encourage all Albertans to participate in our growing labour market. We're helping more Albertans get the training they need to grow their careers by investing \$39 million over three years in a revised Canada-Alberta jobs grant, and we're reviewing our programs to ensure that . . .

The Chair: Thanks for that, Minister.

Last time was MLA Stephan. Back to you.

Mr. Stephan: Yeah, thank you. Minister, can we do a back-and-forth exchange?

Mr. Jones: Yes.

Mr. Stephan: That's wonderful.

I'd like to talk about key objective 1.6 on page 107 of the business plan and have a conversation on the goal to promote the free flow of goods and services across Canada. I would like, first of all, to understand how Alberta compares to other provinces in facilitating and supporting the free flow of goods and services across Canada. How does Alberta compare?

Mr. Jones: Alberta is very much leading the way in reducing barriers to internal trade and in increasing labour mobility across the nation. Back in 2019, under the leadership of Premier Kenney, Alberta undertook an ambitious initiative to reduce our exceptions under the free trade agreement. We reduced 80 per cent of them, down to six, so we reduced 21 out of 27. We had to add a couple for the orderly regulation of cannabis, but we remain the lowest in the country next to Manitoba.

The remaining labour exceptions or legitimate objectives are reasonable. Alberta professionals, as you know, often work at a higher scope. In other words, we have dental professionals and health care professionals that, for example, can prescribe medication or administer freezing agent, which other professionals in other provinces may or may not have experience in or may or may not have training in. We do require, you know, bridging programs or evidence that they can do that before they can work in their field.

3:50

With that being said, we've reformed our regulatory framework so that within 30 days professionals will hear from their regulatory body a yes or no or they'll know what they have to do in order to work in their field, and there are financial penalties in place if regulators aren't fair with workers in that regulatory process. We've also sped up credential recognition for immigrants to Alberta to ensure that they can quickly work in their highest and best field, and we're working right now across the country with our provincial and territorial and federal colleagues and going even further. We are

examining our remaining exceptions to see if they can be removed or if their scope can be reduced.

We're working on a mutual recognition pilot so that the trucking sector can be more fluid across all provincial and territorial lines; in other words, so that we don't have all these different requirements that are slowing and adding costs to the movement of goods. While some provinces and territories are looking at reciprocal mutual recognition, which we applaud, we are looking at proactive mutual recognition. In other words, it doesn't matter to me if you reduce yours or not. We're going to lead, as we did when we removed all our exceptions starting in 2019, and we're going to see what else we can do in terms of mutually recognizing other provinces' and territories' processes and certifications and all these things.

We're also looking at direct-to-consumer alcohol sales. We're actually encouraging provinces and territories to go another step further. As you know, we have the most free and open liquor system here in Alberta, and in addition to direct-to-consumer we'd like our products to be able to show up in their wholesale systems and their retail shelves in addition to free access to the direct-to-consumer market.

So we continue to see what we can do to enhance internal trade across Canada and to enhance labour mobility. Again, Alberta is considered the leader in Canada in both these areas.

Mr. Stephan: Thank you for that.

I have a bit of a follow-up question there. It is really good that we're leading by example. Alberta is an entrepreneurial jurisdiction. In terms of incomes and prosperity we lead the country, and this aligns with our support of free markets. My question is this. It is good that we are leading by example, and it's unfortunate that some of the other provinces don't give reciprocity. I'm wondering what the impact is on Alberta businesses when we allow no barriers to compete in Alberta by competitors in other provinces and our Alberta businesses are not granted or have barriers to compete with those same businesses in the provinces in which they are resident.

Mr. Jones: Well, I'm sure I share the member's view that freer trade benefits Alberta. Alberta really is the best place to live, work, raise a family, and do business. While there may be some short-term negative consequences, if we are proactive, I do think that it will result in future mutual recognition from other provinces and territories. In other words, I think if we lead by example, they will follow. I think we have seen that, and I can certainly tell you that in the CIT meetings that I've participated in, especially since the U.S. trade and tariff situation, there is a great willingness from all provinces and territories to match Alberta's ambition.

Again, if they're looking to match our ambition, I say we get more ambitious. I view it as this is good for Canada even if there might be some short-term or small pain points for Alberta leading, but I think it will result in a stronger country. Again, I think Alberta is going to win either way because we have the most pro-business government, pro-business policies, and we have the best place to live and the most entrepreneurial and innovative, young, educated workforce.

Mr. Stephan: So are we seeing their willingness, which is good, translate into action? You know, are we actually just hearing words, or are we seeing action?

Mr. Jones: We're seeing action. For example, we're about to conclude the financial services chapter under the CFTA, which has been long outstanding. There was a jurisdiction that had one issue that they decided to let go, and now we're going to be able to

conclude the financial services chapter. Again, we've got a mutual recognition pilot on trucking. That's been in the works for some time. I think there's a desire to get that done as quickly as possible.

Canada has moved forward with, I think, reducing 20 of their exceptions. British Columbia is reducing exceptions. Ontario has stated that they want to reduce all of them. I don't know if that's possible. I don't know their exceptions in and out, but I think there is certainly action happening. Provinces are inking new direct-to-consumer alcohol deals right now. I think the legislation out of Nova Scotia, the reciprocal mutual recognition legislation – so they're putting in law that they want to do this. I think these are all good signs. Even my discussions with Quebec have been very positive. They are certainly willing to support Team Canada through what is a challenging time but it's also an opportunity for the whole country to become more competitive and to reduce barriers that have existed too long.

Mr. Stephan: Let's talk about the most important good for Alberta, and that's oil, and the unfortunate lack of pipeline access across the country, which, unfortunately, has put us as a country in a more vulnerable position. Where are we seeing progress on that front? Again, we hear words. Are we going to see actions so that we are able to maximize the value of that good, become our own best customer but also have other market alternatives? It's been very destructive. Unfortunately, things have come home to roost. We're more vulnerable now, unfortunately. Can you share with the committee any progress on that?

Mr. Jones: I think we've seen many public displays of support from a number of provinces and territories for additional trade-enabling and trade-diversifying pieces of infrastructure, including pipelines. I think that this should be a central piece of the next federal government. That's certainly what Alberta is advocating for. Yeah, I do see a willingness to explore additional pipelines, also additional rail highways east, west, north.

There's also a recognition that Alberta, although we desire to trade as much as possible with our greatest trading partner and ally, the United States, must be in a position to also trade with other markets, markets that I've visited recently like Japan. I was pleased to see that the Premier and minister of energy for Alberta have signed an MOU with Japan related to being a source for them for energy, whether it be LNG, ammonia, hydrogen, or what have you.

I do see other provinces and territories saying the right things, but what gives me more confidence is that recent polling has indicated 70 to 80 per cent of Canadians also support this. We can't be in a position where eastern Canada is reliant on getting their energy from the United States if the United States is not going to be as friendly a trading partner.

The Chair: MLA Hoyle, the floor is yours.

Member Hoyle: Minister, would you prefer blocked or shared time?

Mr. Jones: Block time. Thank you.

Member Hoyle: Okay.

On page 108 of the '25-28 ministry business plan performance metric 2(b) shows the percentage of participants completing training from the Indigenous employment training program. In '23-24 it shows that 88.8 per cent of participants reported to have completed this training. To the chair: can the minister share what the total number of participants is? How many individuals have been able to enter the workforce? Were these permanent positions? If so, how many were full-time and how many were part-time jobs?

The stated goal of this program is to support organizations and communities to be well prepared to participate in Alberta's labour market and eligible projects, depending on needs identified by the partnership. To the chair: can the minister elaborate on what the criteria for determining eligible projects is?

Page 107 of the ministry business plan lists key objective 1.3 as connecting entrepreneurs and small businesses to resources that help them start a business and grow and succeed, but we're not seeing that rate of success here in Alberta. In 2024 several Edmonton-based tech companies shut down operations, leading to hundreds of job losses. I've heard from computing science graduating students that there are fewer and fewer jobs in their sector, and many are leaving Alberta for jobs in other provinces and the U.S.

4:00

We know that economic development is vital to Alberta's prosperity. It fosters innovation, technology advancements leading to the creation of new industries and job opportunities. Page 148 of the '25-26 government estimates, the table titled Expense Vote by Program, Operating Expense, line 4.2, titled Economic Strategy and Investment, shows a \$15 million increase to this section. To the chair: can the minister share what programs or supports fall under this line item specifically? How will the \$15 million increase be allocated towards diversifying the economy? Is some of this funding in line 4.2 going towards the construction of a newly announced data centre? If so, how many permanent jobs would be created? With the advent of DeepSeek, does the minister foresee investing in data centres as a benefit to Alberta's job attraction and investment strategy, and how will this be measured?

Just looking for some further clarity. On page 148 of the '25-26 government estimates, line 4.3, titled Trade, in the same section, shows a \$15 million cut. To the chair: can the minister explain what programs fall under this line item? Further, can the minister clarify: was this \$15 million a shift from line 4.3 to line 4.2, and, if so, what was the reasoning for this shift?

Alberta is a global leader in AI and many other tech industries. On March 5, 2025, a U of A professor in computing science was one out of two people in the entire world awarded the prestigious Turing award, the Nobel prize of computing. I would like to note that business leaders and tech experts in Alberta state that building a data centre might not be a good path to investing, growing, or supporting our AI tech talent or industries. To the chair: can the minister explain why there aren't more business investment, job retention, or job creation incentives for emerging sectors like technology in this ministry's budget?

Can the minister also share his plan on whether he's working with the Minister of Advanced Education and/or the Minister of Technology and Innovation to support this sector and make sure we do not continue to lose jobs and instead retain and grow this part of the economy? Clearly, this ministry has many combined goals with other ministries, and Alberta needs a highly skilled workforce to increase jobs. Which objectives in the minister's business plan can he define the work that we do with these two ministries to ensure we are creating a pipeline of highly skilled, talented workers? What is the plan, Minister?

On page 107 of the 2025-28 ministry business plan it shows that \$95 million is allocated to the Alberta film and television tax credit to grow the film and television sector in Alberta. In 2023 every dollar of tax credit attracted an estimated \$4.30 of investment into Alberta. To the chair: can the minister explain why these targets

have been lowered, and is the minister anticipating less production in Alberta? [Member Hoyle's speaking time expired]

I have to speed that up a little bit.

The Chair: Well done, Member. It's right to the wire.

Mr. Jones: The Indigenous employment training partnership program uses two funding streams in which the program guidelines mirror each other except for targeted groups. The First Nations training to employment program, or FNTEP, targets First Nations people on-reserve, and the Aboriginal training to employment program, ATEP, targets Métis, Inuit, and First Nations people off-reserve. The objectives of the FNTEP and ATEP are to support Indigenous people to obtain skills and experience needed to obtain and maintain long-term, sustainable employment and create workplace training opportunities for Indigenous people in occupations that are in labour market demand and support the development of partnerships between Indigenous organizations, industry, and government.

These projects are custom designed to address the specific needs of the job seeker and those of the targeted industry or employer. Projects are developed in collaboration with key stakeholders to meet community and industry or employer needs, available resources, and jurisdictional considerations. Each training program must have a steering committee to provide oversight and guidance to the project, and each project must have at least one industry or employer partner to demonstrate labour market need and that the training is applicable to employer need. We're pleased to see that the results of the program have been between an 88 and 93 per cent success rate in terms of completion of the training programs.

I would highlight a couple of success stories. One of the successful participants, age 27, had been diagnosed with ADHD and FASD at age three. He was approved for AISH but wanted to work rather than being dependent on AISH. The individual had limited work experience within food service and retail but had been unsuccessful in maintaining long-term employment as a result of a lack of social behaviours associated with his disabilities. He came with a strong desire to work in construction and met the academic prerequisites set out in the program and throughout the duration of the training worked very closely and eventually was offered a job coaching people with similar disabilities by the project proponent.

We view this as very successful, this program, in terms of 80 to 90 per cent completion. I'm going to try to dig up while I answer the remainder of the questions any metrics on employment post job, but the reviews from participants of the program are very strong and, again, the completion rate of the programs is very strong. We continue to see industry and postsecondaries eager to partner on these programs.

In terms of small-business supports we know that small businesses are a significant contributor to Alberta's economy, making up over 90 per cent of businesses in the province and employing a significant portion of our labour force. They're defined as businesses with less than 500 employees, and, again, they make up over 99.8 per cent of our businesses. Small businesses employ about 35 per cent of our private-sector workforce and contribute 27 per cent of our GDP. There were 58,000 businesses incorporated in Alberta last year.

Every year we work with our partners to support Alberta companies. We do this by gathering market intelligence through research and outreach with partners and stakeholders. We help companies build their knowledge of the trade and export system, including understanding potential markets and navigating trade rules, customs procedures, and product standards, and we support incoming delegations of foreign businesses and governments

interested in working with our small businesses. We lead dozens of trade missions to international locations, and, as mentioned in my previous comments, we invite Alberta businesses of all sizes to participate. They need \$50,000 in sales, one employee, and they need to be based in Alberta.

We have programs, including Business Link, Futurpreneur, and Biz Connect, that can support our small businesses on a day-to-day basis.

I just have a stat related to my previous answer. We're seeing roughly 67 per cent of Indigenous program participants achieve employment after training. Of course, we'd like to see that higher, but 88 to 90 per cent program completion, 67 per cent working after: those are great metrics. They're great metrics that we can build on, and we'll continue to do so.

You did have a technical budget question, which I think was a reallocation related to the investment and growth fund. Andre, can you please fill in?

Mr. Rivest: Thanks, Minister, Chair. Thanks, Member, for the question. Just to confirm, we were chatting about our estimates on page 148 in elements 4.3 and 4.2. I can confirm that the \$15 million just was an internal reallocation of our investment and growth fund, which has an annual budget of \$15 million. That's the reason for the change, so no sort of increase or decrease between those two line items. The balance of the funding in element 4.2 . . .

The Chair: Right to the wire.

Who's up next on this side? MLA Cyr, I see you.

Mr. Cyr: Thank you, Minister. Hearing my colleague Jason Stephan's questions earlier and, actually, the NDP's questions on interprovincial trade . . .

The Chair: MLA Cyr . . .

Mr. Cyr: My apologies. Would you be okay with going back and forth, sir?

Mr. Jones: Yes.

Mr. Cyr: All right.

Hearing them discuss interprovincial trade actually brought some memories back from my first term again as a UCP member under the NDP government. One of the things that they were known for back then was the beer wars that they had created with our Saskatchewan neighbours. It got so bad that Saskatchewan even banned Alberta licence plates from the job sites. It's stuff like this where I'm hopeful that they can learn and realize just how bad interprovincial trade wars are. It's a bad thing. I'm glad to see that they've actually come forward and they're advocating for more collaboration between our neighbours.

4:10

One of the things that I was hoping to discuss a little bit is our local REDAs. I know that for myself I've got the Alberta Hub up in my area. I had the privilege of going to one of their meetings on February 21, 2025. What happened was that during that meeting they had asked to maybe get an update from the minister of kind of where you're headed or where your thoughts are. I'm going to tell you that I believe that this is the strongest REDA in all of Alberta up in my area, so having any, I guess, questions about the direction of where government is going – I will say, though, that one of the moves that you had moved, from the core funding to the matching funding, I was very supportive of. I believe that should be input, and I thought that it was very wise on how you implemented it in

the grant program there, sir. Thank you for being responsible for taxpayer money, sir. I believe that is a good move on your part.

Again, when it comes to our area, it would just be nice to be able to show them kind of where your thoughts are, and then I could pass that on through these estimates to them.

Mr. Jones: Yeah. Happy to do so, and thank you for your advocacy, especially for REDAs. Alberta's government has been shifting to a hub-and-spoke model, with a growing range of supports available to all economic developers across the province, and there are many. Jobs, Economy and Trade provides many tools, data and analytics, programs and grants to support economic developers, which I'm going to quickly go through because we only have five minutes.

Chair, through you, as you know, we have regional economic development specialists placed across the province. We also have workforce consultants, industry workforce partnership specialists, and we provide economic dashboards and analysis, which are very useful, including the economic dashboard, the regional economic dashboard, the major projects economic outlook analysis and statistics, labour market information, and Export Alberta.

We also have the northern and regional economic development, or NRED, program. This is a program that a number of REDAs have applied to, and we'll be making an announcement in the coming weeks. Some very good proposals are there, and I expect a number of REDAs will likely be successful, which I'll be excited to share. We also have the Alberta export expansion program, which I touched on earlier, basically supporting businesses to join us on trade missions and promote Alberta products and services on international trade missions. We also have workforce partnership grants, which we've touched on here, and the investment and growth fund.

As those of you know who were involved in the Logistik Unicorp or the CGC Inc. wallboard facility, the investment and growth fund has the ability to motivate a final investment decision in rural settings. I'm pleased to share that it's my intention to try to expand this further, to make it even more accessible to northern and rural communities because I think it is perhaps the best incentive tool that we have as a government to win really community-sustaining, community-growing, job-creating investments for smaller communities. You know, we talk about big programs like the Alberta petrochemical incentive program, and those are great, but these announcements like CGC Inc. and Logistik Unicorp that create 50 or 100 jobs: that can change a smaller community at low cost to the Alberta taxpayer and a return of \$29 of investment per dollar of incentive. In fact, most of our grants are structured to be paid back within 3 to 5 years.

We also have the NADC, as you know, which is providing advice to government on everything north, and that includes a bursary program where we are providing bursaries in return for return of service so that we can get the workers that northern Alberta requires in health care, education, skilled trades, things like that.

Hub-and-spoke model; more supports broadly available; and we did provide three years of record transitional funding of up to \$125,000 per REDA in recognition of the important work they do. As regional economic development organizations they do have to build regional consensus, and their regional members, whether they be municipalities or First Nations or academic institutions or small businesses, must see value in what they're doing.

The member has indicated, through you, Chair, that his REDA is the best. I've heard a few opinions about which REDAs are the best, and they're always biased. But at the end of the day, REDAs are accountable to their members. It's very important that economic development organizations are producing value for their members, and I believe that they will be funded by their members if they do

so. We're providing a transitional grant to ensure that they can build local membership revenue to support their day-to-day operations. But at the end of the day, they're accountable to their members, and their members must see value, and if there is value being produced, I'm confident they're not going to have any funding issues. We've provided that record transitional funding.

I would also highlight that we've proactively made changes to other programs like the film and television tax credit. Again, to motivate – I'm a Calgary representative. We've created an incentive stream that motivates filming outside of the Calgary area, in northern and rural Alberta. We've also changed our programs to be more accessible to northern and rural Alberta, including the NRED program. We've reduced the minimum grant size. We've increased the maximum grant size. We've increased the duration that projects can take. All with the end goal of making rural Alberta more competitive. We're also expanding training opportunities for the north. I don't have time to go into that but, long story short, we're going to continue to support REDAs, maybe in a different way, but it's a hub-and-spoke model to support all economic developers.

The Chair: We still have 2:41 on the block. Member, lots of latitude. Just reference one of the books through the chair once in a while. It would be awfully handy to keep it consistent.

Mr. Cyr: Well, thank you for that wonderful warning here, sir.

I would like to just touch really fast on workers' compensation. A fair and effective workers' compensation system is crucial for supporting injured workers and caring for their families. Page 106 of the business plan identifies Appeals Commission for workers' compensation as being a part of the ministry. The commission's funding value and success rate can offer insights in how it effectively serves Alberta. Can the minister please explain the increase to the year-to-year funding? What value does the Appeals Commission bring to Alberta workers? And how successful has the Appeals Commission been? In a minute and 50 seconds.

Mr. Jones: Yes. Thank you. The \$20 million allocated to the Appeals Commission funds all aspects of the agency's work in the '25-26 fiscal year, and all expenditures related to the Appeals Commission are fully off-set by revenue received from the Workers' Compensation Board accident fund. The agency is made up of four program areas: a tribunal, which is appeals commissioners hear and make decisions on worker and employer appeals arising from the Workers' Compensation Board review body; the adviser office, that provides expert, no-cost advice and advocacy to workers and employers involved in WCB claims and appeals of WCB decisions in Alberta – they represent Albertans both at the WCB and at the tribunal – the medical panels program, which facilitates independent panels of specialty physicians upon request to deal with medical issues, as settled in the Workers' Compensation Act; and the Corporate Services Secretariat, which provides corporate and administrative support to the Appeals Commission program.

The \$20 million reflects an increase of approximately \$792,000 compared to the '24-25 year, and that's to enhance front-line services by increasing the number of staff, including additional hearing chairs for the tribunal and worker representatives at the adviser office. This will facilitate more efficient service to Albertans and ensure fair representation is available in a timely fashion while also reducing wait times for appeals and medical panels.

Additionally, this funding will allow the commission to improve overall service delivery and ensure access to justice for all

stakeholders involved. We are continuously trying to improve processing times but also satisfaction of users of the system. And the workers' compensation Appeals Commission has seen some very high satisfaction rates.

The Chair: Thank you. Back over to you, MLA Hoyle.

Member Hoyle: Thank you, Minister. Blocked or shared time?

Mr. Jones: Blocked please.

Member Hoyle: Okay. On page 107 of '25-28 ministry business plan – and I'm just going to refer a little bit. I had a question to a question I did bring forward earlier; a follow-up. The '25-28 ministry business plan shows that there's \$95 million allocated to the Alberta film and television tax credit. Through the chair, how many jobs are expected to be generated from this \$95 million investment? How many medium and large production firms and corresponding investments have been attracted through this tax credit?

4:20

Crossministerial collaboration is very important, especially since several industries in Alberta are facing job shortages. On pages 93 and 94 of the '23-26 fiscal plan it states that government would provide

new funding of \$95 million over three years in targeted health care expansion to address health care shortages, including funding for additional seats for physicians and nurses, as well as bridging programs for internationally educated nurses.

However, it appears that this has been removed from the '25-28 fiscal plan. To the chair: can the minister share why this was the case, and where did the money go? Can the minister also provide the numbers for how many new jobs for physicians and nurses have been created as well as how many international nurses have been able to enter the workforce?

As we look at increasing economic prosperity in the province, regional economic development and diversification are critical. Page 107 of the '25-28 ministry business plan shows that a focus is on regional development. The regional economic development alliance, REDA, as it was brought up earlier, plays a critical role in this. Most Alberta municipalities are part of one of these alliances, where they routinely collaborate to deliver projects and unlock new opportunities. These collaborations have helped to increase co-operation among municipalities in between various levels of government.

I'm particularly interested in hearing more about how the ministry intends to support these regions throughout the province with attracting job-creating investment and support for economic growth. To the chair: can the minister provide information on the work conducted by REDAs across Alberta and specific outcomes they are achieving using ministry funding? Does the ministry believe there is value in supporting on-the-ground collaboration for economic development in communities across the province, and if so, what is the plan, an example of the ministry helping to foster more success in these regions, considering these uncertain times? Mr. Chair, can the minister outline for me what is the high-level economic development plan for our province?

Mr. Chair, I also have a few simple questions on the operations of the ministry itself, as I'm a big fan of planning and measuring outcomes. I notice that on page 148 of '25-26 government estimates a table titled expense vote by program, operating expense line 1.3, titled corporate services, shows an increase of \$800,000. To the chair: can the minister share or explain the \$800,000 increase? How

will this increase help the ministry achieve its goals of economic growth and development?

Page 148 of the '25-26 government estimates, a table titled expense vote by program, operating expense line 2.2, titled labour force policy and engagement, shows a forecast of \$7.7 million but an estimate of \$9.76 million for '25-26. To the chair: can the minister provide the reasoning for this \$2.06 million increase?

Page 148 of '25-26 government estimates, the table titled expense vote by program, operating expense line 3.2 shows a \$4 million increase to occupational health and safety. Mr. Chair, can the minister share how it was determined that this change in funding was an appropriate amount? How is this increase going to support and enhance worker safety? How will the ministry measure the outcomes of this increase and its impacts on worker safety?

The Chair: Over to you, Minister, for a response.

Mr. Jones: Yeah. And my senior financial officer, Andre Rivest, will answer a few of your questions on the corporate services and labour force and policy engagement.

Mr. Rivest: Thanks, Minister. Thanks, Chair and Member, for the questions. For the response to element 1.3, corporate services: with the restructuring of the ministry that occurred in October 2022 and then February 2024 with the child care program moving over, we did reallocate some additional resources into our corporate services area, in particular financial services and corporate planning and reporting. This is primarily to support sort of the broadened scope and size and complexity of the ministry, so the '25-26 estimate and the \$5.4 million will allow us to do that and to help support operations across the entire ministry.

For line item 2.2, labour force policy and engagement, this line item primarily consists of a lot of our investments that we make in labour market information. We have a lot of our labour force economists and agreements in analytics team that assesses a lot of our employment and training programming within the ministry. The change that was referenced in the '24-25 forecast and the decrease that we see there to about \$7.7 million was actually because we reallocated some of our operating expense funding into capital investment, which you can see on page 149 where we show some additional investments. That's where our capital investment figures are quoted. There is about just over \$2.1 million that we see invested in that line item 2.2. That was towards one of our IT projects. It's a labour market information portal that we've been investing in to help provide additional resources and information to Albertans and Alberta companies looking to gain, essentially, insight into the workforce. The better information that's out there, the better planning a number of employers and workers can do in terms of getting insight into, you know, various economic indicators across the province.

Lastly, element 3.2, occupational health and safety. Yes. We have roughly a \$4.2 million increase for the '25-26 estimate. That's primarily due to five additional FTEs that the ministry will be recruiting in the '25-26 fiscal year. Those FTEs are going to be supporting a lot of our OHS prevention services work. We're looking forward to them providing additional operational support to front-line officers as well. In addition to that, there is additional funding related to just basic OHS operations. Some of that includes IT systems and development as well as just, again, ongoing support to our front-line officers.

Mr. Jones: Thank you.

The question related to nurses would be better positioned to Health. They would be in the best position to answer that question.

On the film and television tax credit, as of February 2025 197 productions have been authorized to participate in the FTTC worth an estimated \$346.66 million in tax credit. These productions are expected to spend more than \$1.46 billion in the province across a range of industries, generating an estimated GDP of \$846 million and supporting more than 14,300 jobs. These are estimates, but \$95 million in film and television tax credits – of course, these productions are all different, so we can't generalize, but let's say that we could average things out. That would support roughly 50 productions, 3,500 jobs, \$210 million in potential GDP based on the history and the experience of the program to date. For every \$1 provided through the FTTC program, we expect about \$4 of spend in Alberta, supporting, again, thousands of jobs and major economic impacts for communities throughout the province, while, again, putting Alberta on display for the world.

Almost one-third of all productions participating in the program to date did film in rural Alberta, and of the 197 approved productions since 2020, 63 out of the 197 approved productions, 32 per cent, have included filming in rural locations. These productions collectively represent about 39 per cent or \$563 million of the estimated Alberta spend. As I've touched on numerous times, we've made program changes to make it administratively easier for applicants to incentivize rural Alberta. We're going to continue reviewing the program, as we do with all our programs, to make those quality-of-life improvements.

The Chair: Thanks, Minister.

Back to government caucus. MLA Wright, you have the floor.

Mr. Wright: Thank you, Mr. Chair and through you to the minister. Minister, I'm going to be referencing . . .

The Chair: Shared or block?

Mr. Wright: Oh. Rookie mistake. I'd prefer to go back and forth, if we may.

Mr. Jones: Okay.

Mr. Wright: Okay.

Sorry, Mr. Chair and through you to the minister. I'm going to be referencing page 107 of the business plan under initiatives supporting key objectives, identifying that \$15 million is allocated to the investment and growth fund. As we kind of take a look at this, Alberta's workforce is something that we do need to grow. We need to be able to see our job creators prosper here in Alberta and also attract new ones, especially when we talk about, as I referenced earlier in the estimates, that we've got a \$5.2 billion deficit. The more we can grow that tax base, the better we can actually be able to chip that away in a much quicker time frame.

Now, I was looking at some stats in regard to job creation because I think this is important to that tax base point.

4:30

In a post actually recently here you drew attention to the fact that Alberta was creating an impressive employment growth of 4 per cent when the national average was only 2 per cent. That was from a month ago. And in a LinkedIn post from about three months ago you referenced that "Alberta accounted for 48 per cent of Canada's total employment growth [in the] last month." Now, I think these are very relevant stats when we start taking a look at attracting investment and growth here in the province. I know it's kind of counterintuitive to what I was saying earlier, with our deficit, but I have to wonder if \$15 million allotted for growing these types of jobs and leading the country is enough.

When we take a look at it, Alberta's government has continued to raise Alberta's reputation as a top-tier investment destination. Most investors know Alberta is the best place to invest and run a business, and we continue to make a strong case that attracting new investment to Alberta is for the best of the entire country. Minister, can you explain the continued investment opportunity here in Alberta but also the vision for the long-term strategy beyond 2025? How many years has the IGF been in operation, and how many more years are allotted? Are we going to see this allotment spread over multiple years?

Then could you also detail the framework that the government uses to decide which companies will be recipients of this grant? I know I'm throwing quite a few questions right at you, but how can we ensure that taxpayers are getting the most out of this investment? And how can we ensure that the application process is fair and equitable for those involved? The last question I have – and then I'll send it back over to you – is: how many projects can we anticipate will be impacted by the IGF, how many jobs did these projects bring to the province, and how much economic input did they contribute?

I'll cede the last two minutes there back to the committee.

The Chair: It's still back and forth, so it goes now back to the minister.

Mr. Jones: Thank you, Chair and through you to the member for talking about my favourite incentive program in the government of Alberta. We are focused on maintaining an attractive and highly competitive investment environment. We collaborate with many partners in the investment ecosystem to ensure that job-creating investments are supported and attractive through effective, client-centred programs and tools and policies like the investment and growth fund.

The IGF has been in operation for over three years. It was launched in 2021, and Alberta's government committed up to \$15 million per fiscal year to fund it. In Budget 2025 Alberta's government continues to support job-creating investment by investing \$45 million over three years, so \$15 million per year, for the IGF to attract investment. The IGF increases Alberta's competitiveness among comparable jurisdictions that may offer other benefits or incentives to companies to attract and support investment. In this way, it has helped close the deal on investments that may have otherwise not happened in Alberta.

IGF's successes to date include 12 grants, announced since the fall of 2021, that will support approximately 1,200 permanent full-time jobs and 1,000 temporary jobs, with total capital investments of over \$770 million. The IGF program is jointly delivered by Jobs, Economy and Trade and select designated intake organizations, including Alberta Agriculture and Irrigation, Invest Alberta, Travel Alberta, Edmonton Global, and Calgary Economic Development.

Companies and their proposed projects that meet the IGF eligibility criteria are invited to apply by an investment adviser at one of these designated intake organizations. To qualify, applicants must create new permanent full-time jobs in Alberta at or above average wages and commit a targeted minimum in capital expenditures. Companies must be at the final investment decision phase and demonstrate that their project has secured sufficient funds to ensure the project can be delivered. The department assesses applications through standard due diligence procedures and an approved program assessment tool. Applications deemed IGF eligible are formally evaluated against IGF program criteria to determine full eligibility.

Standard due diligence procedures include review of the reputation and financial health of the applicant, feasibility of the

investment project and activity, corporate capability and track record of the applicant to succeed in project execution, alignment of project outcomes with the IGF program objectives, and that all sources of funding for the project must be secured.

Projects that meet all the program eligibility criteria will be assessed by the program assessment tool that measures project fit and job-creation capital spending and other strategic considerations. Grant size is tied directly to the number of jobs created and capital investment committed. The grant award is dispersed in instalments based on completion of agreed-upon milestones over the duration of the project, and no greater than 50 per cent of a total project cost may be supported by public funding. Companies in their proposed projects must meet the IGF eligibility criteria, and the department assesses applications, again, through standardized due diligence and the program assessment tool.

Among the 12 announced IGF projects, seven projects supported by the IGF are located in rural Alberta and five in Calgary and Edmonton. The seven projects supported by the IGF that were in rural areas include CGC Inc. in Wheatland county, Southland Trailer Corp. in Lethbridge, English Bay Chocolate Factory in Stony Plain, S3 Group Ltd. in Medicine Hat, Structural Truss systems in Fort Macleod, NewCold in Coaldale, and Logistik Unicorp in Elk Point.

The five projects supported by the IGF in urban areas include Siwin Foods in Edmonton as well as Applexus Technologies, Goodleaf community farms, Fortinet, and Lufthansa Technik recently in Calgary.

Again, it's estimated we're getting \$29 in private investment for every dollar of IGF grant. We've done 12 projects at low cost which have created 1,200 permanent full-time jobs and 1,000 temporary jobs and that have secured \$770 million in capital investment, competing against other Canadian and, in some cases, American jurisdictions for that investment. I would suggest to you that we can't put enough money in this program. That's certainly what we're going to be advocating for.

We also would like to add additional metrics in the program to incentivize productivity and to ensure that the payback to taxpayer is very defined and banded. We are of the view that this program can successfully compete and return the investment to taxpayers between a three and seven year period, three to five years, roughly, for major urban centres and then up to seven years for rural programs, again, to further incentivize rural and regional economic development.

Mr. Wright: Well, thank you for that, Minister. I think, if we can stay on this same vein, there's just one more point that I would love to talk about. If we could revisit that return-on-investment period for rural and cities, I think it's important to highlight. I have a quote from the Business Council of Alberta taking a look at private-sector job creation over the past six months. This is from a post from middle of 2024: 90 per cent of private-sector jobs in all of the whole nation were created right here in Alberta. Is this program leading to that, or are there other programs within the ministry that are adding to this success that should also be explored?

Mr. Jones: That was 90 per cent of private jobs in Canada over a six-month period that were created in Alberta?

Mr. Wright: Yeah.

Mr. Jones: That speaks to Alberta's policy choices to be a low-tax jurisdiction, low regulation. In other words, we've been cutting red tape, through you, Mr. Chair, as the members know. These things matter to business. The IGF is not a lot of money, but it definitely signals to investors that we are pro business.

That's what we heard from, for example, NewCold. This is a \$200 million automated cold storage facility which they are building in Coaldale. You know, obviously the grant that they received was a fraction, a tiny portion, of the overall cost of development, but it signalled to the company and the municipality that we were partners in the project.

The long story short is that policy decisions have made Alberta very competitive in Canada.

The Chair: MLA Hoyle.

Member Hoyle: Minister, block time or shared time?

Mr. Jones: Block time, please.

Member Hoyle: Okay.

Alberta has been among the weakest labour markets in Canada as wage growth has been far below other provinces and the cost of living is among the highest in the country. Page 107 of the '25-28 ministry business plan states that the ministry will "ensure Alberta is a highly competitive destination for job-creating investment by delivering tools, services and programs to support prospective investors and other partners throughout the province." The challenge that we're also seeing is that since 2019, when this government came into power six years ago, Alberta has had the slowest real wage growth nationally.

Average hourly wages in Alberta grew only 2.2 per cent in 2024, the third slowest of any province and barely half the national average at 3.8 per cent. Alberta experienced the highest inflation of any province in 2024 at 2.9 per cent, significantly higher than the national average at 2.2 per cent. Unfortunately, Alberta's wage advantage is severely behind, and we're seeing the impacts of this because wage growth impacts buying power. On a year-over-year basis Albertans paid 2.5 per cent more in January 2025 for goods and services that comprise the consumer price index than in the same month a year ago.

4:40

Mr. Chair, based on page 107 of the '25-28 ministry business plan I'm wondering how the ministry plans to address long-term labour market challenges and reconcile these hurdles if wages in Alberta are not competitive nationally or internationally. What specific measures is the minister taking? Further, what is the plan to set our province up as a competitive environment that workers want to move to and stay here not just in the short term but in the long term?

Affordability is top of mind for so many. Food insecurity, lack of affordable housing and education, lack of quality public health care all lead to economic contraction. In January 2025 Albertans paid 6.6 per cent more for energy and food products on a year-over-year basis. Now this is likely to increase even more with pressures from both U.S. and China tariffs. During these very unstable and uncertain times Albertans will need core services to be there when they fall on hard times, and Alberta's future workforce needs this support. These core services position Alberta as an attractive place to move to and will lead to increased productivity in our economy.

Page 38 of the '25-28 fiscal plan states that the impacts of tariffs will be felt by Alberta consumers as households feel "increased uncertainty around job security and future finances." Despite \$2-a-day savings this government gave Albertans, it doesn't even slightly cover the 39 fee and tax increases that will cost Albertans hundreds of millions of dollars a year, areas with an increase to auto insurance, housing property taxes, quadrupled utility rates. If they used to get a subsidy for child care, they don't anymore. Alberta's inflation rate will still be the highest in the country.

Mr. Chair, considering this budget states that the government expects even more Albertans to be unemployed and potentially thrown into income support, how closely is the minister working with other ministries to help maintain core services so that Albertans are taken care of in hard times? Can the minister share a specific plan he is working on with other ministries? What is the minister's plan to make sure Alberta's wages remain competitive nationally and internationally so we can at least retain our talent and retain and increase our productivity?

The Chair: Minister, with that, over to you.

Mr. Jones: Yes. Clearly, through you, Chair, the NDP has a very different view on Alberta's economy and labour market than we do. Alberta continues to have the highest wages in the country. We have the highest productivity in the country. We have the highest job growth: 35 per cent of private-sector jobs in the nation created in Alberta over a 12-month period.

You don't have to take my word for it. I would take the 200,000 people who have moved here from other jurisdictions, including Ontario and B.C. and from around the world, to participate in what is the greatest economy in Canada and among the greatest in North America. We're meeting today in one of the most affordable major city centres in North America, in Edmonton. You talk about cost of living. This has one of the lowest housing costs of a major urban centre. Calgary grew by 6 per cent – 6 per cent – population growth, and that's because you can't just look at one factor. You know, you have to look at it the way Canadians do and Albertans do.

Alberta has the jobs. It has the highest wages. It has the lowest taxes. It's a great place to live, and the government has recently announced that we're going to further reduce income tax, again building on the Alberta advantage. Even in this period of great uncertainty we continue to secure massive, job-creating investments.

We talk a lot about Dow, but just a few weeks ago Lufthansa Technik: \$120 million investment in the Calgary area. The Calgary airport has additional projects that they're working on as part of the overall envelope of that deal, which we'll be excited to partner on. So I would disagree with the characterization of the Alberta economy and labour market, and I think, frankly, Canadians would disagree. It reminds me a bit of the contrast that I make from time to time of the NDP approach to the economy and our government's approach to the economy. From 2015 to 2019 the government was openly antienergy; they were antibusiness. They told Albertans to get jobs in other jurisdictions. They called Alberta the embarrassing cousin while their members attended anti . . .

The Chair: Sir, I'll just bring this back a little bit. We're going down the wayback machine here a little.

Mr. Jones: That's right.

The Chair: I know. It's good. So let's maybe just bring it in a little bit more, sir. Appreciate it.

Mr. Jones: I get sensitive when our economy is criticized.

The Chair: Again, we've got six hours and everyone is really attentive here, so thank you.

Mr. Jones: What are we doing? Well, we're doubling-down on what works. As I mentioned, you know, Alberta is a beautiful place to live. We can't take credit for that, but what we can take credit for is the policy choices that have resulted in Alberta returning to being the economic engine of Canada. That is that we are a pro-business,

pro-energy, low-tax jurisdiction. As I mentioned, we've just moved forward with another proposal to reduce income taxes further.

In addition to that, we are coming forward with additional policies to attract investment. As I mentioned, we're continuing to fund the investment and growth fund, film and television tax credit, Alberta petrochemical incentive program, but we're also looking to update and recalibrate some of these programs to target things like enhancements in productivity to perhaps update them in relation to the situation with the United States, with tariffs and a potential trade war. In other words, if we were re-evaluating these programs today, how would we structure them in North America, where trade is not as free as it used to be?

I also highlighted on the labour side how we continue to invest in labour market programming despite the federal government pulling back funding at a very inopportune time. I was pleased to launch an industry direct training pilot of \$5 million, which we had some successful applicants recently announced, and I'm pleased to see the work of my colleague in Advanced Education, who is partnering with unions. The message to the workforce and to companies is: we want to do more across all channels, whether that's through our K to 12 system, getting people introduced into the skilled trades earlier through our postsecondaries. Let's do targeted enrolment expansion, union and industry direct training. We're doing everything across the board, and I think that's why you see Alberta continue to outperform our provincial and territorial peers and really lead Canada in almost every metric.

Can we do better? Absolutely. We're open to constructive suggestions on how we can best position Alberta to be the most competitive province. But I think we should be optimistic and proud of what Albertans and our businesses have really achieved.

The Chair: Excellent. Well, I appreciate that.

Over to the government caucus. MLA Wiebe caught my attention.

Mr. Wiebe: Thank you, Mr. Chair, and thank you to the minister. Can we go back and forth?

Mr. Jones: Yes.

Mr. Wiebe: Let's continue on that vein of a strong economic performance by our government. This continues to be a key driver of job creation, investment, and business expansion across the province. Performance indicator 1(b) on page 107 of the business plan identifies the continued high growth rate of Alberta's economy at 2.15 per cent year to year. It is important to examine the underlying factors contributing to this momentum and how Alberta compares to other jurisdictions. Now you may have touched on this already, but can you please comment on what is leading this exceptional growth rate? What factors go into or are considered in establishing the growth rate? How does our growth rate compare to other jurisdictions? What is Alberta doing to maintain this high growth rate? And what strategic investments are we making?

Mr. Jones: Yes. Thank you for the questions.

As I mentioned earlier, Alberta is leading the country in economic growth and also in job growth, and what's contributing to those is really pro-business policies: low taxes, low regulation.

4:50

The growth in the Alberta activity index is a combined result of the ongoing strength and, really, our energy and business sectors supported by increased pipeline capacity, TMX, as well as strong population growth and a boost in residential construction.

This index was developed by Treasury Board and Finance with the goal of providing an estimate of GDP in a more frequent and timely manner than the official estimate. The index combines a number of economic indicators into a single index to give a summary of Alberta's economic activity. These indicators include things like employment, average weekly earnings, retail trade, wholesale trade, manufacturing shipments, new truck sales, housing starts, rig drilling, and oil production. Averaging the economic growth forecasts of Canada's big five banks, Alberta is forecasted to have grown the second-fastest of all provinces, only behind Newfoundland and Labrador. In 2025 these banks are forecasting Alberta to lead all provinces in growth on average.

Jobs, Economy and Trade serves as the government's driver of economic policy and strategy. We work with all other ministries and partners across the province to foster economic growth and support the success of Alberta's entrepreneurs and job creators and, really, to promote the development of Alberta's industries. To this end, we orient our key investments around three key priorities: ensuring Alberta remains an attractive investment destination; developing our workforce; and expanding and diversifying our exports.

Global companies are choosing to invest in Alberta because of our advantages, including our competitive tax system. Our province often competes for job-creating investments against other jurisdictions, many of which offer incentive programs for businesses to expand or innovate or locate there. To ensure Alberta remains competitive my department alone provides a suite of impact-driven programs like the film and television tax credit we've discussed, the investment and growth fund, which we just discussed, and the northern and regional economic development program.

Again, in 2024 the IGF alone helped secure foreign investments across Alberta and was instrumental in the recent Lufthansa Technic investment. Alberta's strong economy is attracting people, businesses, and investors in record numbers. I shared the portion of the national job growth which Alberta represents, which is frankly incredible, and in order to support the demand for skilled workers, my ministry is budgeting \$70 million for a skills training program in '25-26.

Alberta's economic position as an open economy with a large resource base makes it sensitive to conditions beyond our control. As such the impacts of U.S. tariffs will hinder some economic growth for us in Canada. But, again, Alberta is uniquely positioned to weather this storm better than our provincial and territorial counterparts, and that's why we'll continue to, you know, really do what's made Alberta successful to this point.

Mr. Wiebe: Thank you, Minister. Through the chair, I have another question here. One of the many great selling points of being an Albertan is its economic strength. The strength comes from the foundational principles of freedom and opportunity. We as Albertans encourage entrepreneurial spirit and a competitive business environment. With those strong principles come ministry roles providing Albertans with the tools they need to succeed. On page 107, key objective 1.3 states the ministry goals of connecting entrepreneurs and small businesses to resources that can help them start a business, grow, and succeed. Can you also explain and expand on how these initiatives and programs will be used to support entrepreneurs and small businesses across Alberta? What are some of the resources that the ministry might provide to help small business owners and entrepreneurs?

Mr. Jones: Thank you for the question, through you, chair. JET supports small businesses to grow and thrive through the provision

of information and referrals as well as programs to address labour shortages and immediate pressures. The department offers pathfinding services for businesses that direct them to partner organizations to help them grow, expand, export, and diversify where necessary. This also includes the provision of resources that connects businesses to business funding and grant programs. Jobs, Economy and Trade provides pathfinding supports through its Biz Connect service. Biz Connect provides support to Alberta's entrepreneurs and helps small businesses access advice and coaching, financing, training, and information about market expansion and grant funding. Biz Connect is easily accessible via the government of Alberta's small business resources page at alberta.ca, where businesses and entrepreneurs can submit their inquiries to the Biz Connect team.

In '23-24 the Biz Connect team received around 450 inquiries. Of these 204 dealt with funding and grants; 211 were regarding questions around entrepreneurs, startup, and business development; eight were for Indigenous supports and grants for businesses; four were specific to finance; and 25 were general or other. Each inquiry is assessed individually to provide customized advice and referrals suited to the unique needs of business. The service allows the department to deliver responses rapidly, usually in three to five days.

Biz Connect serves as a direct line of communication between small businesses and my department, helping businesses navigate over 300 small-business organizations. Biz Connect provides timely, targeted, and relevant referrals and business supports to them, including how to access, again, advice, financing, and training.

Referrals to partner organizations include small business service providers, business associations, chambers of commerce, financial institutions, postsecondary institutions, nonprofit organizations offering loans in all levels of government. Referrals through Biz Connect target both urban and rural businesses, providing tailored assistance to Indigenous entrepreneurs, newcomer and immigrant entrepreneurs, Black entrepreneurs, women entrepreneurs, youth entrepreneurs, and entrepreneurs with disabilities.

In 2025 we have plans to promote Biz Connect across multiple channels to ensure Alberta's business community is aware of and can access the resources, and efforts are also under way to explore ways to further enhance Biz Connect service delivery, including regular follow-ups with clients to ensure their needs are met and to gather feedback for continuous improvement.

Grant funding is provided to organizations like Business Link, which provides one-on-one free advice, coaching, and information on supports, including financial resources to Albertans who operate a small business. The current three-year grant agreement with Business Link, valued at roughly \$4 million for '24-27, will continue to help Alberta businesses.

The digital marketing program, funded by both JET and the federal government and delivered by Business Link, offers free digital marketing support to help small businesses grow their online presence through personalized support from digital strategists. JET also provides grant funding to Futurpreneur, a national nonprofit organization that provides seed financing, mentoring, and support tools to young Alberta entrepreneurs aged 18-39. Futurpreneur's loan program provides up to \$75,000 in collateral-free, low-interest loan financing, a combination of \$25,000 from Futurpreneur and up to \$50,000 from the Business Development Bank of Canada, specific to young entrepreneurs.

So we've got a lot of programming, and we also link up with a lot of great organizations, chambers, and those business associations that do great work to support small business and

entrepreneurs. We also have a parliamentary secretary of small business and northern development, the Member for Fort McMurray-Wood Buffalo, and he is currently engaging with small-business owners and entrepreneurs to hear how we can better support them.

One thing we have heard to date is that Alberta and even municipalities, economic development organizations, have great programs, but many people are not aware of them or they have difficulty accessing them, so the first order of business, which I touched on, is, first, let's tell everybody what's there. Let's see how efficiently they can access it. Let's see how effective they are, and if there are gaps or if there are new programs that are needed, let's stand those up. There's certainly a willingness on my part and the government of Alberta to support small businesses and entrepreneurs further.

The Chair: Perfect. Thank you.

With that, and if it's okay with the committee, would this be an appropriate time to take a five-minute pause? Is there any concerns about it? Okay. Let's do that. It's near the top of the hour. Five minutes goes by quick when you're speaking. It goes even quicker when we have to scramble for resources, so we'll see you back in five.

[The committee adjourned from 4:59 p.m. to 5:04 p.m.]

The Chair: Welcome back, everybody.

We're turning time over to the opposition, and MLA Ip has the call. The floor is yours, sir.

Mr. Ip: Thank you. Thank you, Mr. Chair. I very much appreciate the opportunity here to ask some questions to the minister. Block or shared time?

Mr. Jones: Block.

Mr. Ip: Wonderful. You almost surprised me there; might go the other way.

I would like to focus my set of questions on rural economic development alliances, or REDAs, and the minister's recent plan to phase out funding. This is directly tied to the ministry business plan outcome 1, and in the estimates it's tied to page 148, line 4.2.

For those watching at home and those who may not be familiar, REDAs are municipally supported nonprofit organizations created to promote the government's economic development in rural regions. REDAs are based on the notion that government would be able to leverage regional strengths for economic development and partner with collections or with municipalities within a geographic area where communities have common interests. I should note that the provincial government through multiple administrations has provided operational funding to REDAs to operate in an arm's-length relationship since 2011.

However, this government has made clear their plans to defund REDAs and leave the funding of REDAs to municipalities instead. First, funding to REDAs was slashed in the 2020-2021 fiscal year from \$100,000 per year to just \$50,000. Then in January last year the government announced their plans to stop funding REDAs entirely, starting in 2027, and as mentioned before, funding for REDAs will then be downloaded to municipalities.

I have to say, through you, Mr. Chair, to the minister, that this is unfortunate and certainly the wrong move. Minister, you earlier spoke of the hub-and-spoke model and the support of regional economic specialists, the economic dashboard, NRED, and other kinds of supports that are available, but I should note that this is not the same as having folks from the community doing the economic

development work. The reality is that with the cuts of funding and the phasing out of funding, some smaller REDAs may not be able to sustain operations.

REDAs are important economic drivers in rural regions. They enable municipalities to come together, leverage their shared resources, and produce more for rural Albertans than if municipalities acted alone. The Alberta Southwest Regional Alliance, for example, which serves municipalities as far south as Waterton Park, by the American border, to north to Nanton, have been able to leverage \$600,000 of member contributions to implement over \$5 million in projects to build capacity and attract investment in the last 25 years.

Especially at a time when there is such economic uncertainty and Alberta is facing tariff threats from President Trump, regional co-operation that strengthens internal markets is more important now than ever before. Take, for example, that regional partners in southern Alberta have recently launched the Southern Alberta Economic Resilience Task Force in response directly to the U.S. tariff threats. I should note that the Alberta Southwest Regional Alliance is a key partner of that task force.

I should also note that REDAs do the critical work of building economic capacity in their respective regions. They will in some cases work with potential investors to determine economic viability of proposed projects. My question to the minister is: why is the government phasing out funding to REDAs when they play such an integral role in rural economic development, especially in smaller and remote regions of the province?

REDAs are also drivers in innovation. To that point, has the ministry actually assessed the return on investment on REDAs, and if so, what is the ROI for Albertans? If an assessment hasn't been conducted, what other metrics have been used to determine that REDAs are no longer needed? The cuts in funding will essentially be a death knell to some of the smaller REDAs where remote communities are served.

Looking forward, has the government calculated the economic impact of defunding REDAs on rural Albertans? To the minister: how does the government plan to support the economies of rural municipalities going forward, especially when unique regional economic development capacity, collaboration, and potential knowledge might be lost? How does the minister and the ministry intend to support regional economic development, collaboration, and capacity building in rural Alberta? Finally, given that working with REDAs was clearly articulated in the Premier's mandate letter, how does he justify now the effect of dismantling of REDAs in Alberta?

The Chair: Just for the edification of those following along at home and the three constituents that asked for clarification, it's rural economic development associations, REDAs, not Ritas. So for those of you following along at home, that's the acronym we're using here today.

Mr. Ip: It is a "d," by the way.

The Chair: There we go.
Over to you, Minister.

Mr. Jones: Yeah. Very pleased to continue to support REDAs and all economic developers across Alberta. I did highlight some of the ways that we do that. We have regional economic development specialists across the province. We have workforce consultants across the province. We have industry workforce partnership specialists. We have a number of economic dashboards and analytics like the Alberta economic dashboard, the Alberta regional economic dashboard, the Alberta major projects, the economic

outlook analysis and statistics, labour market information, Export Alberta.

5:10

We also have programs like the northern regional economic development program, which REDAs access and are accessing, which provides substantial funding for their efforts; the Alberta export expansion program; workforce partnership grants; the investment and growth fund, which we've talked about a lot today and how that's successfully attracting many investments to rural and regional Alberta; the NADC and the bursary, which, again, is attracting people to live, work, and stay in regions around Alberta and the north.

You know, that's just within Jobs, Economy and Trade. We also have things like the small communities opportunities fund out of Agriculture and Irrigation, and we have the broadband initiative out of Technology and Innovation. There is a multitude of programming across the GOA broadly that is supporting REDAs and, frankly, every organization to attract investment and maintain and grow businesses across the province.

Maybe some history would be good in this case so that everybody understands what we're talking about here. We're taking action, of course, to support economic growth and prosperity across Alberta, and regional economic development is an important approach to diversifying the economy and building investment readiness. There are a multitude of players in Alberta's economic development space. JET is committed to regional economic development and values the work of all of the stakeholders and the different players in this work.

Regional equity and broad-based support is a priority, and collaboration between municipalities and with all economic development stakeholders is an important aspect of the work we do. Regional economic development alliance organizations are, again, some of the many organizations that advance regional economic development. These organizations are not agencies of government; they are independent of government and they are independent of each other. They do not provide services on or behalf of the government of Alberta.

The nine independent nonprofit organizations have a voluntary membership that is comprised of member municipalities and regional stakeholders. Members choose to participate in these organizations and help set their priorities in their respective regions. Not all areas of the province have a REDA as only approximately 53 per cent of the province's municipalities choose to participate in one of the existing nine REDAs.

To provide some context, in the early 2000s the government of Alberta began creating regional economic development alliance organizations to advance regional collaboration. Government supported these organizations financially and in-kind. When the government withdrew direct support in 2011, some of these organizations voluntarily decided to discontinue while others moved on to further independence by employing their own staff. Of the 13 organizations that once existed, today nine of these organizations continue in operation, governed by a board of directors that provides services to their members.

Since the early 2000s these organizations have received operational funding from government. However, there are presently many other grassroots economic development collaborations, who operate like regional economic development organizations in Alberta, that have never received direct operational funding. For other organizations or alliances that support economic development, Alberta's government does not fund their operations but encourages them to work with JET and other government departments to apply for project-based funding that is competitive.

To help make the best use of limited public funds, JET is shifting to competitive project-based economic development initiatives. By ensuring a more equitable funding approach, government will be able to recognize all organizations who support regional economic development.

In the past five years the REDAs were provided with \$50,000 per year in funding in 2022 as part of a three-year agreement. We're now providing three years of \$125,000 per year in matching funding that is available to REDAs, matching their membership revenue. They're still eligible for two more years of this transitional funding as they transition to becoming operationally self-sufficient, and that's important. They are ultimately accountable to their members, and their members have to see value. The government of Alberta has to support all economic developers across the province, not simply one group.

Six of these independent organizations received the full \$125,000 last year for '24-25. The transitional funding matches membership revenues of each REDA collected in the previous fiscal year at a ratio of 1 and a half to 1.

The Chair: Perfect. And to be clear, it wasn't just the last member that was saying "Rita," for everyone that's following along at home. It was just a conversation that's taken place over the last while, so I thought I'd take that opportunity to clarify for those constituents.

Mr. Ip: Just for the record, Mr. Chair, I was saying REDA, with a "d."

The Chair: I know you were, but it came up on that side. Now we're heading off into the ditch. I apologize. It was the chair's discretion that did that. I'll get us back on track. I appreciate the humour, folks, and letting me digress a little.

MLA Wright, you caught my attention for the next block.

Mr. Wright: Right off the cliff, Mr. Chair.
Minister, I'd love to go back and forth again.

Mr. Jones: Okay.

Mr. Wright: Perfect. Through the chair to you, Minister, I want to talk a bit about Alberta's film and television sector. On page 107 of the business plan under initiatives supporting key objectives it shows \$95 million is allocated to the Alberta film and television tax credit, which I think is an important piece to diversify the economy, providing additional sectors, but also from a job creation and tourism perspective.

Now, Minister, when I take a look at some of the data from Stats Canada, I look at workforce participation in Alberta at 68.1 per cent compared to the national average of 64.7. The next closest jurisdictions are Saskatchewan and Manitoba, nearly 3 per cent lower than what Alberta is. I also take a look at the average income in Canada at \$68,400 and Alberta being \$77,000, basically dead even. I take a look at our population growth, which increased in Alberta by 2.9 per cent versus Canada's 1.6 per cent. I have to wonder. When we look at the participation percentages and we look at the average incomes and population growth, you know, this is a great sector where we can get additional workforce bumps moving forward.

This \$95 million that's allocated for the film and television tax credit is going to bring additional jobs, whether it's in the short term for production of things like *The Last of Us* show. You know, these are very popular films and television, and they're being produced right here in Alberta. The runoff effects from jet-setting tourism, for set locations, increases – for example, I look at *Interstellar*, *The Revenant*, and other blockbuster films having been a large part of

being able to drive people to rural areas of the province. One of the most recent reboots of *Ghostbusters* was filmed in southern Alberta.

This is an incredible opportunity for us to bring massive foreign markets to Alberta, which is going to be a big part of our future. Minister, I ask: can you expand a bit more on the film and television tax credit, what it is and its purpose and, speaking in the long term, how this is going to affect investment attraction in the province in the film and television industry, but maybe indications as to runoff industries like tourism or service industries? Will this funding affect local filming companies, making sure Alberta-based companies are represented in that? Then the last one I would have on this question would be: how is it contributing to keeping Alberta as the national leader for average income and workforce participation?

Mr. Jones: Thank you to the member through you, Chair. Great stats on the Alberta economy. We do have the highest workforce participation, the highest wages, and the fastest population growth. I think very much these things are obviously because Alberta is a great place to live but also because of deliberate policy choices to create job opportunities and to ensure that, you know, Alberta has the best combination of opportunity, high wages, low taxes.

The film and television tax credit is a great way to promote Alberta and Canada on the global scene. It builds awareness of Alberta from a tourist but also from an investment perspective. We view the film and television tax credit as an important diversification tool. We're always looking for sectors to diversify into. Aviation and aerospace, technology, film and television: these are all good ones.

Alberta's government supports the film and television sector through both Arts, Culture and Status of Women and Jobs, Economy and Trade. Arts, Culture and Status of Women's cultural industries program supports local productions valued at \$499,000 or less, which also supports growing and developing local Alberta talent. They also provide concierge services to production companies through the Alberta Film Commission.

5:20

JET, on the other hand, administers the film and television tax credit. The Alberta film and television tax credit program supports medium- and large-scale productions with total estimated production costs, in other words the sum of Alberta and non-Alberta costs, of over \$499,999. To be eligible, a production must also have a portion of principal photography or key animation completed within our province. The program offers a refundable tax credit of 22 or 30 per cent on eligible Alberta production and labour costs to corporations that produce films, television series, and other eligible screen-based productions, for example game shows. To be eligible, the applicant must have a valid commercial distribution plan for the final project and they must have secured at least 50 per cent of production financing before applying.

Productions meeting certain additional criteria are eligible for the higher 30 per cent tax incentive. At least 50 per cent of the project must be owned by eligible individuals, for example Alberta-based producers, whether as individuals, members of a partnership, or voting shareholders of a corporation, and at least 60 per cent of the total production costs must be eligible Alberta production costs or at least 70 per cent of the total labour costs must be made up of eligible Alberta salaries or wages. Productions can also be eligible for the 30 per cent tax incentive if at least 75 per cent of the Alberta filming takes place in rural or remote regions as defined by the maps in the program guidelines. Eligible productions can apply to the FTTC program up to 120 days after commencing principal photography in Alberta to obtain the required authorization letter.

One of the most attractive features about Alberta's FTTC is that most production costs are eligible, whereas in many other jurisdictions they provide a tax credit on labour costs only, for example in British Columbia.

While incentives remain an important consideration in selection of filming in a destination, much of Alberta's competitiveness stems from other factors, including but not limited to our climate, lower production costs, and our low-tax environment.

To enhance the competitiveness of this program, in June of 2024 we made several changes in response to requests from industry. We widened the program's application window, creating greater administrative flexibility and enabling productions to get their tax credits earlier; we ensured the program has clear rules, appropriate oversight, and less red tape; and we attracted new production genres and provided consideration for filming, again, in diverse parts of Alberta, including rural and remote regions. Changes were made to improve program delivery and competitiveness and to reduce red tape for applicants after engaging with stakeholders.

Reducing restrictions around reality television and game shows increases the competitiveness of our FTTC. These types of productions utilize many of the same resources as traditional film and television projects, producing many of the same spinoff economic benefits that the member was referring to in his questions and supporting good jobs for Albertans. Game shows are a great way to support our film industry during the winter months, when the cold weather makes outdoor filming difficult for certain productions. These types of productions are usually filmed indoors, allowing studios to operate without concern about the weather, and they provide a boost to local businesses, creating jobs and helping keep studios active throughout the season.

There are spinoff economic benefits. Hotels are busy. Restaurants are busy. Suppliers are busy. That's what we like about this program.

Mr. Wright: Well, thank you, Minister, and through the chair to you again I really appreciate you calling out to the aerospace, aviation, and defence portion of the our economy, very important to me in my region.

I take a look at indicator 1(a) on page 107 of the business plan, where it talks about the performance metrics of the film and television tax credit. We see a return on investment of \$4.30 for every dollar. Minister, what can Albertans expect in regard to seeing increases in this return on investment by bringing prime filming locations and productions in the future?

Mr. Jones: Yeah. We do expect \$4 in associated Alberta expenditure for every dollar provided through the FTTC program. Again, this is seen in local communities. When productions are occurring in a small community, small businesses get to serve the production crew, and many of the supplies necessary for the production are purchased at local retailers. So it is a good-news story. It can also put smaller communities on the map and incentivize tourism, not just internationally but also domestically, so I think there's a win there, as well. Again, we view this as a way to provide diversified job opportunities for Albertans. There are lots of young Albertans out there that are enrolling in postsecondary and other programming so that they can work in what is a fun and exciting industry. I've had the opportunity to tour a few sets. It's quite interesting work.

The Chair: MLA Wright, you caught my attention. You know what? We have two Wrights here. This is pretty cool. MLA Wright.

Ms Wright: I'm going to make a very bad joke: you cannot go wrong going from Wright to Wright.

The Chair: When there's two Wrights.

Mr. Wright: There you go.

Ms Wright: There you go, in our favour, Justin.

All right. First of all, Chair, thank you very much. I very much appreciate the opportunity to be here to ask a few – oh. Minister, would you like blocked or shared time?

Mr. Jones: Block time, please.

Ms Wright: There you go. All right. I will continue with my lovely preamble. Very much appreciate the time, Chair, to ask a few questions in these estimates today, and I also do want to recognize all the staff that makes all of this possible, everyone from caucus staff to ministerial staff, of course.

I'll begin my questions focusing on page 109 of the of the ministry business plan as well as outcome 3, "Albertans are healthy and safe at work and treated fairly in the workplace," specifically two key objectives, 3.1 and 3.2. Through the chair and to the minister, making sure that each and every worker who goes to work returns home safely at the end of the day is paramount. Of course, I believe it's one of the most important priorities of Jobs, Economy and Trade. This also means, in terms of the efficacy of OHS teams and their ability to do their job, that they require that they are properly resourced, appropriately trained, and with an ability to work effectively with law enforcement from time to time. That is also important.

Additionally, all the legislation, the codes, the regulations that make this all happen I believe should keep workers at the centre, balanced with industry, sector, and business needs. Regulatory requirements are meant to be prescriptive. That is, employers are required to follow them, and this ensures the precautionary principle is always kept in mind. That, of course, means things like education, not simply enforcement. Folks need to understand what their responsibilities are if they decide to go into business, whether it's large or small. When it's an issue of worker safety, OHS requirements should not be about setting any of those bars low. Minimum standards are not enough where worker protection and safety is concerned.

Looking at performance metric 3(a), through the chair and to the minister, this is the portion where it talks about evidence-based and intelligence-led approach in the development of inspection initiatives, selection of sectors of focus, and overall strategic use of resources. I'm hoping that the minister can clarify what evidence-based means, what it actually is referring to on a daily basis. Does it mean crossjurisdictional analysis, learning and applying current research finds? Does it mean utilizing expertise and research from organizations, including academic institutions?

Also, Chair, and through you to the minister, I'm curious about that term "intelligence-led approach." Some cursory research on my part indicates that its genesis comes from law enforcement. Given that nature of education and the role that it plays in OHS, I'm curious about that balance and how that might play out in terms of the daily work of those OHS teams as well as that forward planning. I'm wondering how that, again, might inform process expectations and also if that might have had something to do with the OHS review and how that might be going, and also what role consultation with industry, different sectors, unions, nonprofits, folks like the different worker resource centres that are out there, folks like the Institute for Work & Health, what role they as well might play in that evidence-based decision-making. I'm wondering, too, if the minister might, Chair, clarify the effect of that consultation and the gathering of evidence that it might play in terms of decision-making in that more broad sphere, not just the nitty gritty.

Secondly, moving on to employment standards Alberta, also related to page 109 of the business plan, outcome 3, key objective 3.2, the Employment Standards Code is the one which establishes minimum employment standards, of course, and workers have a chance to call in, e-mail, that sort of thing whenever they have an issue going on. I certainly understand that those employment standards officers that answer those e-mails and phone calls have a very difficult job. What I do note is that the annual report noted that there was an increase in complaints received. There was a decrease in the number of complaints in terms of their ability to resolve them within 100 days, down to 79 per cent, an increase in the average number of days to begin an investigation to 91. I'm wondering if those increases and decreases simply reflect that kind of increase in the number of people contacting employment standards or if it might be more due to an increase in complexity, which might point to other things. Perhaps we need to have a different sort of legislative review going on.

5:30

There was also an increase in complaint-related inspections from 199 to 311. Because that's quite the increase, I'd love some clarification on that. I'm wondering what trends officers in the department might be noting as a result, what sort of concerns, any flags, what discussions might be held at the moment and sort of leaning forward to what that might mean for the future.

The Chair: Thank you, MLA Wright.
Minister, back to you.

Mr. Jones: Thank you. First, through you, Chair, the increase the member was referring to is due to increased claims, increased complexity of claims, and increased scope of work. In terms of prescriptive, we use a combination of prescriptive and outcome-based requirements similar to health and safety regulations in other jurisdictions in Canada. Prescriptive requirements have specific steps or actions that must be followed while outcome-based requirements focus on the health and safety outcome to be achieved. I think we've got to utilize both. We're also using education and prevention to try to create a culture of safety, which I think is better than any requirement, achieving a culture of safety.

Through the safe, fair, and healthy workplaces division my department focuses on ensuring Albertans are treated fairly at work and can return home safely at the end of their shifts. The department uses a balanced approach to support this work: education, outreach, and partnerships along with compliance and enforcement. The budget for safe, fair, and healthy workplaces is approximately \$70 million, which includes funding for the division as well as for policy support. The work that the safe, fair, and healthy workplaces division does directly supports outcome 3 in the '25-26 business plan, Albertans are safe at work and treated fairly in the workplace.

Starting with occupational health and safety, Alberta's regulatory framework is based on what is known as the internal responsibility system. This means that work-site parties, including employers, supervisors, workers, owners, and contractors, have the primary responsibility for health and safety. My department supports work-site parties in fulfilling their obligations through information, resources, and through regulatory oversight by monitoring for compliance with our legislated requirements.

Safe and healthy workplaces start with prevention. Through the prevention initiative for Alberta's OHS system my department brings together employers, workers, government, the Workers' Compensation Board, and health and safety professionals to keep workplaces and workers safe through awareness and action. The prevention initiative uses an evidence-based approach to focus on

reducing common workplace injuries, protecting at-risk workers, and identifying high-risk work situations.

The definition as put forward by the member, through you, Chair, is accurate. We look at the data. We look at our experience in administering the system. We look at emerging research to target our prevention and early intervention and education initiatives, and we target our efforts at high-risk workplaces or higher rates of issue employers, we'll say, or industry sectors.

My department supports work-site parties through comprehensive information resources to help them meet their obligations for safe and healthy workplaces. Through the online OHS resource portal over 400 resources are made available, including information bulletins on OHS requirements, effective practices guidelines, tool kits and templates for implementing good OHS practices, and webinars on important OHS topics. In addition, core or foundational resources are translated into multiple languages to reflect the changing nature of Alberta's workforce.

Our work in preventing injury and illness also recognizes the heightened risk of mental health injuries in first responder occupations. To help address this issue, the supporting psychological health in first responders grant provides \$1.5 million per year to support applied research and the development of services for first responders who are living with or at risk for posttraumatic stress injuries.

Finally, our prevention work recognizes that safety is not an accident and that injuries and illnesses can be prevented through effective health and safety management systems.

Alberta's certificate of recognition program is a partnership between industry, the department, and the Workers' Compensation Board. Under the program employers can register and receive training from one of 10 certifying partners to implement or improve their health and safety management systems. Upon passing an audit of their system, the employer receives a certificate of recognition. As of January 31, 2025, there are currently over 9,700 certificates of recognition held by Alberta employers, covering almost 40 per cent of the Alberta workforce reported to Workers' Compensation. Certificate of recognition holders outperform employers without a certificate by 26.8 per cent when comparing aggregate loss ratios; in other words, claims costs to their premiums paid. In addition to improvements in safety performance, a certificate of recognition reduces an employer's Workers' Compensation Board costs, which is appropriate. In 2023 COR holders received \$84.9 million in direct refunds from the Workers' Compensation Board.

Moving on to our OHS regulatory role, Jobs, Economy and Trade has over 200 staff focused on monitoring for compliance with legislative requirements, with the majority of those being front-line staff. These additional positions follow in . . .

The Chair: Thank you, Minister.

MLA de Jonge, you caught my attention.

Ms de Jonge: Thank you, Chair. Minister, would you like to go back and forth, or would you like block time?

Mr. Jones: Back and forth.

Ms de Jonge: Sounds good.

Minister, I have a question regarding the coal workforce transition program. It's mentioned on page 146, line 2.4, of the government estimates. This program provides financial support for employees affected by the early phase-out of coal-fired electricity generation, which, as this committee knows, was another one of the NDP's disastrous policies that resulted in ongoing payment of damages borne by taxpayers, early retirement, and poor utilization

of assets, market uncertainty, reliability challenges across our grid, et cetera, et cetera. I digress.

Coal has been a significant part of Alberta's economy. It's provided jobs, energy security, and economic stability for decades. Workers in their communities were substantially impacted by the early phase-out policies. It sounds like this is another way that we're still paying for it. Wow. Through the chair: Minister, why do we need this program? How does it work? Can you elaborate on the types of financial and employment supports available to affected workers? Can you also include in your answer just what partnerships or collaborations are part of this program?

Mr. Jones: Thank you to the member for the important question. The coal workforce transition program was launched in January 2018 and provides financial assistance for re-employment, retirement, relocation, and education to support impacted workers as they prepare to start new jobs or retire. It supports workers whose employment was terminated due to the legislated phase-out of coal-fired electricity generation. All I'll say on that is that the early phase-out of coal-fired electricity was probably done too quickly and did result in economic hardships for communities and also affected the reliability and affordability of Alberta's electricity grid. Only workers from specific work sites are eligible for the coal workforce transition program. The eligible work sites, when the program launched, included Keepphills units 1 through 3, Sundance units 1 through 6, and the Highvale mine in the Wabamun area; Sheerness units 1 and 2 and Sheerness mine in Hanna region; Battle River units 3 to 5 and Paintearth mine near Forestburg; Genesee units 1 to 3 and the Genesee mine in the Warburg area; and the HR Milner station in Grande Cache.

Coal-powered electricity generation in Alberta ended in 2024 as power generators have switched to natural gas fired generation. The program continues to support coal workers involved in the reclamation work at the eligible generating stations and mines. Through February 6, 2025, the three streams of the program have provided support to 694 workers. To assist impacted workers to find other work, there's the bridge to re-employment grant, which, in combination with employment insurance, provides 75 per cent of the worker's previous weekly earnings for up to 45 weeks or until they can gain full-time employment, whichever is shorter. If there's a gap between the worker being laid off and finding alternate employment, this provides a financial bridge. This stream has assisted the majority, or 466 workers.

The relocation assistance grant program provides up to \$5,000 to help pay for moving expenses for workers who move at least 40 kilometres for a confirmed new full-time job or self-employment. This helps ensure that location will not be a barrier to new opportunities, and this stream has assisted seven workers.

5:40

There is also the coal and electricity transition tuition voucher, which helps workers who are laid off or are based at eligible work sites that are closing within the next five years to train for new careers. This voucher provides a maximum of \$12,000 to pursue postsecondary education at any of Alberta's 26 publicly funded postsecondary institutions or five First Nations colleges. Through January 31, 2025, there have been 291 of these vouchers issued.

For workers who are closer to retirement, the bridge to retirement grant provides 75 per cent of previously earned weekly earnings for up to 72 weeks or receipt of pension when the gross employment income is higher than the relief payment, whichever is shorter. This support helps workers who are close to retirement to financially transition until they are ready to access their pension supports. This stream has supported 221 workers.

The workforce adjustment service helps employers and labour groups respond to the effects of changes in the workforce such as business closures, downsizing, job losses, and layoffs. The service works with employers, unions, and the federal government and other stakeholders through the establishment of workforce adjustment committees and referrals to help affected workers find and retrain for alternate employment and transition to retirement.

Through workforce adjustment committees, which have participation from the government of Alberta, employers, unions, information is shared to develop a plan of action to help transition laid-off workers. They can help identify retraining and re-employment opportunities for affected workers. They can develop a communications plan and collect and use labour market information to assist in transition plans. A committee gives all affected parties the opportunity to contribute to the development of a path forward for a near future, and committees typically involve the employer, unions, employees, government – federal, provincial, and municipal – resource personnel, and other community entities.

The relocation grant provides financial assistance to off-set the costs associated with relocation while the coal and electricity transition tuition voucher covers costs associated with employment retraining, again, at our postsecondaries. So there's a broad stream of supports for workers that are affected by the rapid phase-out of coal-fired electricity.

Ms de Jonge: Through the chair: thank you, Minister. I guess that's what happens when you unduly interfere into markets and force transitions sooner and faster than the economics allow. You know, I hear this from my constituents often. We're in a global affordability crisis, and it's a shame that Alberta taxpayers are still on the hook and paying for those terrible policies.

Moving on, on page 149 of the government estimates I see that the ministry's capital investment totalling \$8.15 million for 2025-26 is spread over several programs. Through the chair: can the minister please advise what capital initiatives this funding is going to be directed towards? Furthermore, in the three minutes, Minister: what benefits do you expect to achieve with these investments, and how will this funding support Albertans?

Mr. Jones: Yeah. Thank you for the question. My ministry's capital funding requirements vary each year and are directly related to initiatives that support the delivery of our programs and services. Overall, our capital investments primarily include information technology system development and enhancements.

For '25-26 the \$8.15 million will be directed towards the following items: \$900,000 for occupational health and safety to support IT system enhancements and the potential purchase of a new fleet of vehicles for our occupational health and safety officers – our fleet vehicle requirements are managed in co-ordination with Service Alberta and Red Tape Reduction and can vary year by year – \$1.25 million for economic data applications. JET currently has five main data applications that provide data from different levels of government and related agencies and the private sector to support investment attraction and business development. These include programs I've referenced earlier: the Alberta economic dashboard, the Alberta regional dashboard, the Alberta site selector tool, Alberta major projects, and Export Alberta. These applications currently support the data needs of three broad stakeholder groups: investors, economic developers, and Alberta businesses.

We also have \$5 million for the modernization of child care IT systems and \$1 million for the modernization of the Appeals Commission case management IT system. Our investments in occupational health and safety assets ensure our staff, especially those on the front line, have the necessary tools they need to do their

jobs effectively and efficiently. Many of our OHS online tools and information help support our co-ordinated approach to OHS through education and prevention.

The ministry's economic data applications aim to increase the number of positive investment decisions in the province by increasing the number of wayfinding or pathfinding services offered through JET's online presence and economic data applications. They ensure JET is able to communicate Alberta's competitive advantages effectively by ensuring its online business and economic data ecosystem remains competitive and up to date, and they improve the user experience by making it easier to access pathfinding services. If you haven't tried our site selection tool, I would highly encourage you to do so. It's a very valuable tool for assisting businesses or economic developers in locating potential sites for investments or expansions. They also increase efficiencies associated with managing the applications to better support a wide range of investors, businesses, and economic developers.

Child care is undergoing significant transformation. We are updating and modernizing the IT back end to better support parents, educators, providers, and the government. It would take me a while to go through those, but just rest assured that we have a number of IT-related projects in child care that are going to really be rolled out between April and August of this year which will greatly streamline and simplify the administration of the overall child care program for all involved.

The Chair: I appreciate it, Minister .
Back to MLA Wright.

Ms Wright: Thank you.
Minister, would you prefer shared or block time?

Mr. Jones: I would prefer block time. Thank you.

Ms Wright: All righty. Okay. Continuing on with employment standards, page 109 of the business plan, directly referring to outcome 3, key objective 3.2. Related to some of the work that employment standards does, of course, is that issue of suspected human trafficking. I do note that in 2021 the ministry investigated 95 trafficking-related situations. In '21-22 it increased to 102, in '22-23 it rose to 208, and then in '23-24 it again increased to 338.

Certainly, employment standards staff investigate potential noncompliance with employment standards legislation where signs of human trafficking exist. I also understand they do indeed co-ordinate a response, Chair, with the Temporary Foreign Workers Advisory Office as well as other law enforcement agencies as may be appropriate, depending upon situations.

However, we also do know that there are issues – and I hesitate to use the word “issues”; it seems woefully inadequate given the subject matter – throughout the province, both with those who might be temporary foreign workers as well as those who, for whatever the reason, find themselves to be undocumented and working within this province. Oftentimes they're working and living in unsafe conditions, working for folks who are involved in these illegal and unethical employment practices.

Also, as a result of the situation they find themselves in, whether it's intimidation, language or other difficulties, or they're simply worried about sending that paycheque home, however meagre that paycheque may be, they may not, in fact, feel able to advocate on behalf of themselves. They may simply be frightened. So there could be concerns having to do with some of these undocumented workers in the construction sector or other sectors. For example, they might be paid in cash. They could be both living and working in unsafe conditions. They could be asked to work in areas where

they might not hold the particular required ticket. Their pay may be withheld. There are many, many other examples.

Unfortunately, these situations, I'm fairly certain having had some conversations with folks, lead to the nonreporting of serious injuries and, of course, endanger these workers, who are simply here to work and to provide for their families. As a result, through you, Chair, to the minister: I'm wondering if there might be any plans to update OHS regulations to allow for some greater oversight in this particular area, perhaps to allow for greater penalties. Are there plans to review procurement policies to ensure that these policies and procedures include specific requirements with respect to these workers and their employers wherever and whatever that job site might be? Would there be increased vetting, increased and tougher penalty options, community benefits agreements, for example?

Given that there have been a number of year-over-year increases in complaints, from that 95 to 338, I'm wondering what plans might be in place, Chair, to answer this trend. Is there a plan perhaps for an increase in staff or a reallocation in staff, additional training? I can imagine that the staff officers who are involved in this sort of work must experience their own trauma just as they are listening to, I would imagine, some really horrific stories from these folks.

5:50

I'm wondering also if the minister could clarify the work that Jobs, Economy and Trade might be doing with Public Safety and Emergency Services, for instance. I'm thinking of the Alberta office to combat trafficking in persons community partner grant and other things that might be supportive of these workers who find themselves in this sort of situation. I'm also wondering, Chair, about the continuing work and engagement with stakeholders, knowing that it is important to make sure that we have the most data-driven but also, really, the most empathetic response to these folks who find themselves in the midst of all of this. Further, I'd appreciate clarification in terms of any penalties, administrative or perhaps going off to the Crown prosecutor, that might have been levelled over the last year for those employers who might be engaging in human trafficking and if there are any plans to address that in the long term.

I'll stop there.

The Chair: Over to you, Minister, with an extra 28 seconds.

Mr. Jones: Thank you, Chair, for the questions on a very important topic. We, obviously, at Alberta's government and Jobs, Economy and Trade take a no-tolerance approach to human trafficking, and we continue to take action to protect Albertans. Employment standards continues to address human trafficking by investigating complaints, streamlining the response to suspected human trafficking issues, and, of course, supporting victims of human trafficking.

To further combat human trafficking, employment standards continues to monitor, educate, and conduct inspections with employers, and Alberta's Temporary Foreign Workers Advisory Office helps temporary foreign workers, international students with work authorizations, and employers understand their rights and get help when they're facing unsafe, unfair, or unhealthy working conditions. Jobs, Economy and Trade is a member of the government of Alberta's working group, led by Justice, and supports implementing the recommendations submitted by the former human trafficking task force, and employment standards staff have received human trafficking training specific to identification, trends, and victim support.

The special investigations and inspections units and the Temporary Foreign Workers Advisory Office work with the provincial labour trafficking groups that focus on collaboration, education, prevention, and response. The ministry has an information-sharing agreement with Employment and Social Development Canada to enable exchange of temporary foreign worker-related information that is intended to strengthen protections for victims of human trafficking. All human trafficking-related situations employment standards has investigated have involved vulnerable foreign workers.

I'd like to invite my ADM Myles Morris to discuss our collaboration with public safety, Immigration and Multiculturalism, the federal government and also our work to combat, really, abuse of temporary foreign workers and to prevent and address issues of human trafficking.

Mr. Morris: Thank you, Mr. Chair. My name is Myles Morris. I'm the assistant deputy minister of safe, fair, and healthy workplaces. Through the chair, thank you, Member, for the questions. As someone who started his career in the public service's employment standards office, I appreciate your interest in this area.

When it comes to human trafficking, the work of JET is primarily focused on labour trafficking. There are others who are better suited to deal with other aspects of human trafficking, so that is the focus of our work. Whether it's through our dedicated staff in employment standards and the Temporary Foreign Workers Advisory Office, which is the first and I think still the only office of its kind in Canada, or our occupational health and safety officers, we have eyes and ears on the ground and are well positioned to identify potential labour trafficking situations.

Our work involves making sure that the individuals who are experiencing this are receiving what they are entitled to under our legislation and providing them with connections to the supports they need to potentially leave a very difficult situation. We work very closely with community partners as well as other law enforcement agencies such as police, the Canada Border Services Agency, other federal agencies to ensure that there are no gaps in terms of the supports that are available to individuals who are experiencing potential labour trafficking.

This can include assisting temporary foreign workers who are on a closed work permit to obtain an open work permit so that they are able to leave the situation and also referrals to law enforcement where there is suspected criminality. We've worked very closely with colleagues within government in Public Safety and Emergency Services, who are the lead on this file, again, to make sure that we don't have any gaps in our approach.

When we conduct inspections, often they are joint inspections between occupational health and safety and employment standards. It might start with an occupational health and safety officer attending a work site and seeing something that looks suspicious. We'll go back and do a joint inspection and identify all of the issues and take compliance action where necessary to address whatever the issues might be. Our staff in employment standards and the Temporary Foreign Workers Advisory Office are all trained in identifying signs of labour trafficking.

Thank you.

The Chair: With that, we're back over to this side of the room. MLA Stephan.

Mr. Stephan: Thank you, Chair.

Minister, are you agreeable to share time?

Mr. Jones: Yes.

Mr. Stephan: That is super-duper. Thank you very much. I want to talk about key objective 1.1 in the business plan, ensure Alberta is a highly competitive destination for job-creating investment. I want to talk a little bit about the role of corporate income tax rates.

I'm just going to give a quick breakdown for those who are hearing this. Alberta has a game-changing competitive advantage, actually, relative to other provinces. Our general corporate tax rate is 8 per cent. We had reduced it by one-third from the prior government who, unfortunately, increased the corporate tax rate when they came in, and we saw fewer private sector jobs, which was not very good. Anyhow, Ontario has a general rate of 11 and a half per cent; British Columbia, our neighbour, 12 per cent; Manitoba is also 12 per cent; Saskatchewan is at 12 per cent. The lowest rates next to Alberta are Quebec and Ontario, both at 11.5 per cent. At the time the corporate tax rate was reduced to 8 per cent, I know Jack Mintz had predicted or estimated the job creation that would come from having, you know, the significantly lowest corporate tax rate in the entire country.

I know that in income tax, from when I practised tax law, when corporations are subject to tax and they carry on business in multiple provinces, there are really two things that our income tax legislation looks at when you're allocating income. One is: where is the revenue earned in a province? So, of course, if you're selling a lot of your product into a certain province, that province would have the right to generally tax that income.

Then the other aspect, which you have some control on, is salaries and wages. The business enterprise: where is the location of their salaries and wages? That is something, you know, your customers are, where you do have some control in terms of where your head office functions are, your back office functions are, and businesses would be incented to situate those functions that are not geography dependent in Alberta.

As well, if you're starting a new business and you plan on making a lot of money and paying a lot of tax, you're able to keep that income in your business and reinvest it more easily because you're not having to give as much to government. One question I would like to ask you is: we have the highest income; we lead in economic growth; what role does the corporate tax policy of the province of Alberta have to support that?

6:00

Mr. Jones: Yeah. Great question, through you, Chair, to the member. Our low taxes are a significant driver of our competitive advantage not just within Canada but, of course, in North America. We've actually seen a record collection of corporate tax since reducing the corporate tax, and I'm pleased to see that our government is moving forward with further reductions in income tax, which will also undoubtedly improve Alberta's competitiveness in Canada and North America.

This is coming at an important time. In 2017 President Donald Trump cut the U.S. corporate tax from 35 per cent to 21 per cent and has now proposed lowering that rate further, from 21 per cent to 15 per cent. A 15 per cent U.S. federal corporate tax rate would significantly erode Canada's and even Alberta's tax competitiveness, diminishing Alberta's attractiveness relative to key U.S. states. For example, Alberta's ranking would drop from seventh to 29th among flat-rate states and from first to 11th among progressive-rate states.

Absent a response from Alberta or Canada, a 15 per cent U.S. federal corporate income tax rate may incentivize Alberta businesses to shift investment and activity operations to the United States, potentially leading to reduced capital inflows, job losses, and decreased economic growth in our province. Preliminary modelling results indicate that the economic impact from changes

to U.S. corporate income are in order of magnitude smaller than the impact of tariffs but still material.

Additionally, Alberta continued to see strong competition from the rest of Canada for job-creating investments due to capital support programs introduced by B.C. and Ontario and Quebec, who collect more tax and are thus more able to offer incentive programs.

Short answer: very significant driver of the economic growth and our competitiveness. There's the potential for that to be eroded by actions by our competitors to the south. Alberta has already done the lion's share of the work. We need the federal government to, you know, focus on their core deliverables, repair their balance sheet, and reduce federal taxation, which will not only improve the competitiveness of Alberta but, of course, Canada broadly, which I think is critical.

Mr. Stephan: I appreciate those insights and answers. I hadn't really focused in my questions as much on the United States, but of course with trade and competition, that needs to be taken into account. While we are certainly the best in Alberta, we need to be vigilant that we're competitive not just in Canada but in other jurisdictions as well, especially with our largest trading partner, the United States, actually.

You mentioned the personal income tax reduction. That is the absolute best program that we can have as a government because it costs nothing to administer, and everyone benefits from it. I think that that is such a wonderful thing about our budget and does support job creation as well. More money in people's pockets is always a good thing.

Just for those who are listening, something that is also interesting is that Alberta and Saskatchewan are the only provinces in all of Canada where the top marginal tax rate is less than 50 per cent, and I have to say that that is very, very disturbing. That's very disturbing. I don't like to see our quality of life, our productivity get eroded by government being too big and really cumbering prosperity for its citizens. I appreciate that.

Again, this is on I.I. I want to talk a little bit about job creation. Of course, it's an important program, but the Workers' Compensation Board – and I know they operate at arm's length. I appreciate that, Minister. Of course, they're kind of a cost-recovery organization. I'm just wondering how – because, of course, the higher the rates, the more it's more expensive to support employment growth, and we want employment growth to be supported for our job creators. How are they doing relative to past years? How are we doing relative to other provinces on our WCB rates?

Mr. Jones: Yeah. Our WCB program ranks among the top in Canada, and our premiums are similar to other Canadian jurisdictions. We do have a gap or a subsidy in WCB premiums. In other words, the WCB is not collecting the amount of premiums that they need to cover the ongoing costs of delivering the WCB program, but that gap is expected to close over the next two years. As you'll recall, the WCB did provide premium relief as kind of a recovery and support program in response to the challenges presented by the pandemic.

We're always looking at ways that we can deliver the WCB more efficiently and with a higher rate of customer satisfaction with decisions made more quickly, but largely I've been pleased with what I've seen from the WCB, and I think we can utilize modern technology and artificial intelligence and things like that to further increase the efficiency of delivery of the program.

I take your point that any cost to an employer or a worker is going to be challenging in terms of both competitiveness but also in terms of cost of living, so we must strive every day every year to keep

those premiums from increasing quickly and to find some efficiencies there, so that's what we're going to continue doing.

Mr. Stephan: Great. I'd like to ask you about payroll taxes, but unfortunately we're running out of time here, Minister. Really interested in what you're hearing from job creators on a huge increase in payroll taxes that we've seen over the past couple of years.

The Chair: Right to the wire there as well.

MLA Wright, you caught my attention. The floor is yours.

Ms Wright: Thank you. Minister, shared or block time?

Mr. Jones: Block time, please.

Ms Wright: Thank you.

Staying on page 109 of the business plan, outcome 3, Albertans are healthy and safe at work and treated fairly in the workplace, specifically objective 3.1, support a co-ordinated provincial occupational health and safety approach through education, prevention, inspections, and investigations, one of the things I note, Chair, is that on page 111 of the ministry's business plan, under expenses for safe, fair, and healthy workplaces – and I believe, Minister, you referred to this earlier. I note that the '24-25 forecast is at \$68 million, which is a 6.3 increase when you consider the '25-26 estimates, which you're in right now.

However, I also note the target for the following year, '26-27, of \$73 million really just works out to be a .74 increase. Through the chair to the minister: I'm curious as to why that decrease, particularly given the recent population pressures that we've had as well as other pressures. I'm thinking tariffs and the folks down south, particularly with respect to increased growth in Alberta and, of course, including, Chair, small and medium-sized businesses. I'm wondering what the plan is for ensuring education, prevention, inspections, and investigations can continue to ensure each worker just simply gets to work each day and then they get to come home if we're looking at that decrease over time.

Chair, still focused on outcome 3, key objectives 3.1 and 3.2, working with employers and employees to promote compliance with employment standards, as well with page 106 of the business plan, where it talks about a stable and balanced approach to compliance reinforces the practices that make workplaces safe and relating to that issue of how it's actually functioning for really specific sectors of workers, really specific groups of workers. This, I suppose, is where that balance between evidence and intelligence-led might come to bear.

I'm asking very specifically, Minister, where wildfire firefighters are concerned, and I'm wondering if the government as an employer might have done a field study or be thinking about doing a field study for wildland firefighters. I'm mindful of the fact, Chair, that we've talked an awful lot in the House about the need for evidence and that sort of thing, so this is why the question if there's any kind of study that the department is involved in right now to determine risk in training. If not, would such a study be considered given the fact that this is one of the most dangerous jobs that we have and the fact that it's still considered seasonal even though, of course, the ramifications can be long term?

We know supports that are provided on behalf of the government through these seasonal contracts end up being different because they're seasonal. They're not considered full-time, kind of being attached to the government, and all of this, of course, results in the fact that for some of these workers, because their contracts are not GOA contracts, they may end that season with little to no mental

health supports available for them even though they are indeed first responders.

Staying with those supports, again, I guess, just sort of because I'm curious about this, I'm wondering, Chair, if the ministry is intending on partnering with experts, all those academics, organizations, the wildfire analytics team at the U of A. There's some current research from Australia going on, Chair, that considers how wildfire smoke might in fact be affecting firefighters' brains both short and long term.

6:10

Again, Chair, through you to the minister, knowing that at present presumptive coverage isn't yet available to these wildland firefighters, despite the fact that we know they are exposed to extreme levels of carcinogens, particulate matter, chemicals, organic compounds, polycyclic aromatic hydrocarbons – try and say that one quickly – gases, heavy metals while they fight in those very extreme conditions over those summers, and lumping in that review of the grant, the supporting psychological health and first responders grant program, which does indeed provide grants to improve services for first responders, I'm hoping that the minister can explain what this particular review entails and how it works with presumptive coverage, either being something that the ministry might be thinking of at the moment or not, and when Albertans might expect the review to be complete, whether or not the grant is likely to continue in the future.

In the 14 seconds I have remaining, I also note that the minister recently provided a letter of understanding stating that RNs and RPNs are going to have some of that presumptive coverage restored, and I'm wondering if the minister is considering doing the same.

The Chair: I think he may have heard you even though the mic went off, but we'll see how that works out.

Minister, back to you.

Mr. Jones: Yeah. A lot of questions there. We'll try to get to them all. The '25-26 increase of roughly 4 and a half million dollars is for staff increases for OHS and labour standards work. And I believe there's a moderate increase from there in '26-27 for the same reason.

Andre, can you comment?

Mr. Rivest: Yeah. Thanks, Minister, Chair, and thanks to the member for the question. Just to confirm, we were chatting about page 111 of our business plan. If we look at the line item Safe, Fair and Healthy Workplaces, where we were looking at those figures, I just want to confirm that that line item consists of three kind of core elements on our labour file. Our labour relations work is encompassed within there and our budget for labour relations, which primarily consists of our mediation services group and our team that focuses on the Labour Relations Code and policy and support. Of course, the primary item is occupational health and safety, and then we also have our employment standards work in there. So that's both policy and delivery aspects of both of those programs.

In the '25-26 estimate, as mentioned, it's 72 and a half million dollars, and then moving into the 2026-27 and '27-28 target years, there's that modest increase that you mentioned. It does move up to just over \$73 million. The minister touched on the reason for the increase into the '25-26 year. Then moving forward into the targeted out-years, there is just another general sort of increase, moving things up to \$73 million, which is primarily just additional support for our staff, again, our front-line OHS and employment standards officers. That is the reason for the increases to those two items.

Ms Wright: Thank you.

Mr. Jones: Okay. And then on your other questions, as you know, the government of Alberta established the Alberta heroes' fund for first responders in 2020, and we recently have expanded eligibility to include our valued wildland firefighters, who go above and beyond to protect life and property. We also established the supporting psychological health and first responders grant program in August of 2020. It's a 1 and a half million dollar program. The Ministry of Jobs, Economy and Trade administers this grant, and the intent is to improve services for first responders and emergency workers who are living with or at risk of developing posttraumatic stress injuries.

In 2024 the grant program operationalized eligibility to include emergency workers in addition to first responder groups for the purpose of the grant program emergency workers or those who encounter serious, unexpected, and often dangerous situations requiring immediate action as part of their job. It has two streams, as the member is probably aware, services, focusing on supporting not-for-profit organizations in delivering services for first responders, including supporting early intervention and resilience building, and supporting applied research to develop and evaluate effective programs and services for first responders living with or at risk for posttraumatic stress injuries. In '24-25 we had 59 applications, and 12 projects have been approved for funding, six to service providers and six to researchers, totalling \$1.5 million.

There have also been recent reports that we are evaluating the expansion of presumptions related to PTSD and psychological injuries to registered nurses and registered psychiatric nurses. This is part of our ongoing review of evidence and science, which will of course inform our work and our coverage in Alberta.

I would just invite my ADM Suzanne Harbottle to comment on our continued engagement and research related to wildland firefighters and the presumptions.

Ms Harbottle: Thank you, Minister. Alberta's government does acknowledge the risks that wildland firefighters take to protect Albertans' lives and property. I have a team of policy analysts who have completed a literature review on wildland firefighters, which reviewed some of the studies that you've mentioned. We are still conducting that review. In addition, we've been also following developments in other jurisdictions with respect to presumptions regarding wildland firefighters.

The other piece I would mention is that whether or not you have a presumption, you still can proceed through the workers' compensation regular claim process, and we want to make sure that workers understand that and they're aware because we have heard of people being confused. Because they don't have a presumption, they may not even apply; they don't realize they can go through the regular claims process. We're also trying to be clear about that.

Also, if Minister is acceptable, Myles Morris will be able to speak on the CIPHER grant, which funds research as well.

Mr. Jones: We won't have time, unfortunately.

I would just note that even in evaluating the PTSD applications through the regular claims process, 87 per cent were accepted, so even though there's not a presumption, there's coverage through the regular claims process in many cases.

The Chair: Okay, and stop.

Mr. Jones: You win.

The Chair: I appreciate it, Minister.

MLA Cyr: Oh, I made that joke and now it's not turning on. There we go. Just like magic.

Mr. Cyr: Just hit the button a few more times.
Back and forth, Minister?

Mr. Jones: Sure.

Mr. Cyr: Thank you, Minister.

Minister, I had heard you this morning. You actually were talking about some of the grants that you had given out, and one of those grants ended up in Elk Point, sir, and I'm very thankful for that. That was a million dollar grant. I'm going to tell you that was a First Nations and a Quebec business that had partnered up to do some work to create a plant up in my area. You know, I'll tell you that shows real support for northern Alberta, sir. I will tell you that this is one of my depressed economies in my constituency, and the fact that you're looking to bring jobs and, I guess, a real powerful message that northeast matters: I'm very thankful for that. I was just wondering if you could maybe touch a minute or so on that grant and that process.

Mr. Jones: Yeah. The government of Alberta made a deliberate choice to create a rural stream in the IGF program for exactly that reason. I think that's why you see that a substantial portion of IGF grants, I think seven of the 12, have occurred outside of Calgary and Edmonton. I'm a big believer that we can continue to build on that success to create an even larger and more effective version of this program, and I believe that it could result in additional job-creating investments that really can maintain or turn around communities that perhaps are seeing investments or businesses leave their jurisdiction. So I think that's a great highlight of the power of the investment and growth fund. Not a lot of money, but a lot of impact.

Maybe I'll invite Liam Stone, my ADM, to comment on this, but I believe in that case too we also were able to stack the IGF with other government of Alberta agriculture-related financing. That just shows that we are responsive to the needs of businesses but also the needs of smaller communities, so while we might not have done that, for example, in downtown Calgary, we absolutely will do whatever we can to create the conditions for job-creating investment to be placed in rural and remote communities.

Liam Stone, if you have any additional comments on this particular investment and growth fund recipient, Logistik Unicorp, in Elk Point there, that would be wonderful.

Mr. Stone: Should I reintroduce myself?

The Chair: Yes, please. Let's just do that or the clerk kicks me under the table, and it's very uncomfortable for me.

Mr. Stone: Liam Stone, assistant deputy minister, economic strategy and investment. With respect to this particular investment, while the proponent has asked that because of corporate confidentiality we not talk about the cap ex, it is creating 33 permanent jobs and 50 temporary jobs. As the minister mentioned, we use the IGF in collaboration with other government programs and also sometimes in collaboration with federal programs as well. With respect to this particular investment, I would have to return to the committee to make sure that we've got a fulsome accounting of what other programs might have been utilized for this one.

6:20

What I will say is that we work closely with agriculture because they are an intake partner for this program. What we do with our colleagues over at agriculture is assess what's required to land an

investment into the province, and then we look at our respective programs both with the goal of how to land the investment but also to make sure that the government is not overpaying, to put it bluntly, to land the investment. We don't want to see duplication or overlap where it's unnecessary. In order to deliver that alignment, there's close collaboration with our partners within the government of Alberta. We also have conversations like that with federal partners and also municipal partners. As the minister mentioned, this is designed to ensure that we get the maximum possible leverage for government of Alberta dollars.

Mr. Jones: Thank you, ADM Stone.

First, thank you to that member through you, Chair, for being a powerful advocate for his riding. I like this project as well because it sources the hemp from a nearby First Nation in Frog Lake, so it's just a win-win-win all around. Credit to the proponents but also my department and all levels of government and ag for working together to make this happen. That's often what it takes. It takes my department bringing parties together to figure out the stack or arrangement that can make the project viable, and in this case, again, I think we achieved a win-win-win.

Mr. Cyr: Well, thank you for that.

I would like to talk about your site selector tool. I had the fortune to work with your chief of staff, Jerry Bellikka. I will tell you that it was great to – I guess, for my area, because we're so remote, I want to make sure that my area has all the tools that are available within your ministry. What we had done was we had created a full day where I brought my municipal leaders, my chief development officers, my realtors, and my chambers together into a room. What I have to say is that one of the things that I really wanted them to see was Invest Alberta. While I understand that's not under your jurisdiction or your ministry, I will say that the site selector tool is.

As well, we had from your REDS Lisa Ford come up. She did a really great job presenting what grants are available through your ministry and how to access that. We had: how do we bring in outside of Alberta – and that's Invest Alberta. How do we get the information we need to those outside parties, which is your site selector tool, and if there is a fund or a grant that's available to them, how do we get that information to them? Again, I will say that your ministry was remarkable to work with through all of that, so kudos to you and your ministry. I'll tell you that was a day that was very informative for my entire region.

If you wouldn't mind touching on REDS and your site selector tools, sir. I know we don't have a lot of time here, but they're doing some good work over there.

Mr. Jones: Yeah. The site selector tool really is a best-in-class tool that can be leveraged by economic developers to showcase their region, but also it can be leveraged by businesses who are looking to potentially locate a business or expansion in Alberta. For those of you who have not used the tool, essentially, you can pull up a map of Alberta and screen down based on socioeconomic factors or proximity to rail, availability of fibre, availability of electricity, nearness to highways, whatever. You can do a very customized, filtered search to determine what locations that are currently for sale or available might be suitable for your business to place. As you can imagine, if an economic developer was trying to put this together by hand, it could literally take weeks to do something that this tool can determine in moments.

This is another example of the hub-and-spoke model. It's an investment that no single economic developer would or could ever make, yet the province of Alberta can create this tool that can be leveraged by all economic developers and all businesses. We even

promote the site selector tool on our international trade missions. We put a QR code or hyperlink in our documents and our business cards so that investors, when they hear, you know, that we've got abundant natural resources, we're very pro business, low tax, you can service Asia, America, Canada, we say: check out the site selector tool, and you can identify locations where you could locate your investments. Credit to the team for developing it. It's just an incredible tool.

ADM Sylvia Lepki, I would just invite you up to comment on regional economic development specialists and how they're connecting economic development organizations and communities with the various supports that the government of Alberta offers, supporting pathfinding and ultimately economic development.

The Chair: Say your name really quick.

Ms Lepki: All right. Hello, everyone. My name is Sylvia Lepki, ADM for economic development and business supports. We have a dozen regional economic development specialists covering 10 regions all across Alberta. Their main role is to focus on enhancing local and regional economic development capacity, building strong networks. I'll just read out some of the services in the few seconds I have: referring stakeholders to relevant local, provincial, and federal economic development programs; providing coaching and advice to support and enhance economic development; facilitating conversations and information sharing between the province and economic development stakeholders; identifying potential partnerships with regions . . .

The Chair: Thank you.

Ms Lepki: There's lots. So much they do.

The Chair: I would say that for a clutch play coming off the bench, that was well done. Thank you for that.

MLA Hoyle, you caught my attention. It's back to you.

Member Hoyle: Minister, shared time or block time?

Mr. Jones: Shared time.

Member Hoyle: Okay. Minister, I do want to start off by thanking you for answering many questions today. However, I do have a couple that I would love for you to answer, and maybe you could send this information to my office based on time.

Minister, today you've said many times that Alberta has the lowest personal income tax rate. In fact, according to information on the government of Alberta website we only have the lowest corporate tax rate in Canada, and we also do not have the lowest small business tax, even given the savings that we have . . .

Mr. Jones: I said shared.

Member Hoyle: Oh, you said shared. Yeah, yeah, yeah.

Mr. Jones: Shared. Okay.

What I stated was that Alberta has the lowest corporate tax in Canada and among the lowest combined rates in North America.

Member Hoyle: Okay. Thank you, Minister.

Well, just moving on here. What I'd like to say is that on page 8 of the '25-28 strategic plan – we talked about maintaining Alberta's tax advantage compared to other provinces and the chambers of commerce wanting that small business 2 per cent tax lowered. I had asked earlier, Mr. Chair: can the minister indicate if he has advocated for the removal of the small business tax to the Minister of Finance?

Mr. Jones: Certainly, this would be under the purview of Treasury Board and Finance. Of course, we've received feedback from our small business stakeholders and chambers that this is one way that we could increase the competitiveness of small businesses or reduce the cost burden. We are collecting that feedback and sharing that with Treasury Board and Finance.

Member Hoyle: So, Minister, you have advocated for this, or you're considering advocating for this?

Mr. Jones: I'm an advocate for the reduction and removal of almost every tax.

Member Hoyle: Okay. Great. Thank you for answering that.

Mr. Jones: Of course, we also have to provide world-class public services.

Member Hoyle: Thank you, Minister. I do want to get one more question in, and this is for stakeholders. I want to make sure we get this in.

On page 27 of the '25-28 fiscal plan – and this is, of course, with the anticipation of tariffs. We had some folks in a rural chamber of commerce that wanted to know: how does the ministry, through the chair, plan to offset job losses in oil and gas? Is there a plan for workers who will lose their jobs as a result of these losses? What comparable or transferable jobs will be available if oil and gas jobs decline or disappear? And what alternative industries can rural Alberta focus on, industries that do not deplete their valuable land or water resources, considering the decline of the oil and gas industry? These were from rural stakeholders.

Mr. Jones: Yes. I appreciate that and great questions. We'll get that to you.

Member Hoyle: Thank you, Minister

The Chair: Well, I hesitate to interrupt. Firstly, gold star for everybody for the decorum here today. That was phenomenal. It showed off great. For those following along at home, if you've ever asked a question lots, don't ever give up. You know, MLA Hoyle, you got a yes at the end there for going shared time. Perseverance pays off.

We've gone through six hours for this ministry. We will consider this closed.

I'd like to remind the committee members that we're scheduled to meet next – for good behaviour you get tomorrow off – on Monday, March 17, 2025, at 7 p.m. to consider the estimates of the Ministry of Advanced Education.

With that, the meeting is adjourned. Thank you, everyone.

[The committee adjourned at 6:30 p.m.]

