



Legislative Assembly of Alberta

The 30th Legislature  
Second Session

Standing Committee  
on  
Alberta's Economic Future

Ministry of Executive Council  
Consideration of Main Estimates

Wednesday, March 10, 2021  
3:30 p.m.

Transcript No. 30-2-7

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The 30th Legislature  
Second Session**

**Standing Committee on Alberta's Economic Future**

Neudorf, Nathan T., Lethbridge-East (UC), Chair  
Gochring, Nicole, Edmonton-Castle Downs (NDP), Deputy Chair  
Armstrong-Homeniuk, Jackie, Fort Saskatchewan-Vegreville (UC)  
Barnes, Drew, Cypress-Medicine Hat (UC)  
Bilous, Deron, Edmonton-Beverly-Clareview (NDP)  
Guthrie, Peter F., Airdrie-Cochrane (UC)\*  
Irwin, Janis, Edmonton-Highlands-Norwood (NDP)  
Reid, Roger W., Livingstone-Macleod (UC)  
Rosin, Miranda D., Banff-Kananaskis (UC)  
Rowswell, Garth, Vermilion-Lloydminster-Wainwright (UC)  
Sweet, Heather, Edmonton-Manning (NDP)  
Toor, Devinder, Calgary-Falconridge (UC)\*\*  
Turton, Searle, Spruce Grove-Stony Plain (UC)\*\*\*  
van Dijken, Glenn, Athabasca-Barrhead-Westlock (UC)  
Walker, Jordan, Sherwood Park (UC)

\* substitution for Glenn van Dijken

\*\* substitution for Drew Barnes

\*\*\* substitution for Roger Reid

**Also in Attendance**

Ganley, Kathleen T., Calgary-Mountain View (NDP)  
Notley, Rachel, Edmonton-Strathcona (NDP)

**Support Staff**

Shannon Dean, QC	Clerk
Teri Cherkewich	Law Clerk
Trafton Koenig	Senior Parliamentary Counsel
Philip Massolin	Clerk Assistant and Director of House Services
Sarah Amato	Research Officer
Melanie Niemi-Bohun	Research Officer
Nancy Robert	Clerk of <i>Journals</i> and Research Officer
Warren Huffman	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Director of Parliamentary Programs
Amanda LeBlanc	Deputy Editor of <i>Alberta Hansard</i>

## **Standing Committee on Alberta's Economic Future**

### **Participants**

Ministry of Executive Council  
Hon. Jason Kenney, PC, Premier  
Ray Gilmour, Deputy Minister



3:30 p.m.

Wednesday, March 10, 2021

[Mr. Neudorf in the chair]

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

**The Chair:** Good afternoon, everyone. I would like to call the meeting to order and welcome everyone. The committee has under consideration the estimates of Executive Council for the fiscal year ending March 31, 2022.

I'd ask that we go around the table and have members introduce themselves for the record. My name is Nathan Neudorf. I'm the MLA for Lethbridge-East and the chair of this committee. We will begin by starting to my right.

**Ms Goehring:** Good afternoon. I'm Nicole Goehring, the MLA for Edmonton-Castle Downs and the deputy chair of this committee.

**Ms Rosin:** Good afternoon. Miranda Rosin, MLA for Banff-Kananaskis.

**Mr. Turton:** Afternoon, everyone. Searle Turton, MLA for Spruce Grove-Stony Plain.

**Ms Armstrong-Homeniuk:** Good afternoon, everyone. MLA Jackie Armstrong-Homeniuk, Fort Saskatchewan-Vegreville.

**Mr. Guthrie:** Afternoon. I'm Peter Guthrie, Airdrie-Cochrane.

**Mr. Toor:** Good afternoon. Devinder Toor, MLA, Calgary-Falconridge.

**Ms Ganley:** Good afternoon. Kathleen Ganley, Calgary-Mountain View.

**Ms Notley:** Good afternoon. Rachel Notley, MLA, Edmonton-Strathcona.

**The Chair:** Thank you very much.

Now we will go to the members participating virtually. When I call your name, please introduce yourself for the record. Mr. Rowswell.

**Mr. Rowswell:** Garth Rowswell, MLA, Vermilion-Lloydminster-Wainwright.

**The Chair:** Mr. Walker.

**Mr. Walker:** Good afternoon. Jordan Walker, MLA, Sherwood Park.

**The Chair:** Thank you very much.

Due to the current landscape we are in, all ministry staff will be participating in the estimates debate virtually.

Premier, please introduce yourself, and if any of your officials are called upon to respond to a question, I would ask them to introduce themselves at that time.

**Mr. Kenney:** Okay. Thank you, Chair and members. It's an honour to be here, and thanks for doing this in a COVID-safe way. You wanted me to introduce the folks who are with me? Is that correct, Chair?

**The Chair:** Yes, it is. Thank you.

**Mr. Kenney:** So I'm joined by the Deputy Minister of Executive Council Ray Gilmour; associate deputy minister of Executive

Council Coleen Volk, who helps me in my capacity as Minister of Intergovernmental Relations; Dana Hogemann, who is executive director and senior financial officer for financial services at Executive Council; Mark Cameron, deputy minister of policy coordination office; and Chris McPherson, deputy secretary to cabinet; and I have some political staff here as well.

**The Chair:** Thank you very much, Premier.

I would like to note the following substitutions for the record: Mr. Turton for Mr. Reid, Mr. Toor for Mr. Barnes, Mr. Guthrie for Mr. van Dijken.

Before we begin, I would note that in accordance with the recommendations from the chief medical officer of health, attendees at today's meeting are advised to leave the appropriate distance between themselves and other meeting participants. In addition, as indicated in the February 25, 2021, memo from the hon. Speaker Cooper, I would remind everyone of committee room protocols in line with health guidelines, which require members to wear masks in committee rooms and while seated except when speaking, at which time they may choose not to wear a face covering.

A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are being live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of meetings can be accessed via the Legislative Assembly website. Those participating virtually are asked to turn on their camera while speaking and please mute your microphone when not speaking. To be placed on the speakers list, virtual participants should e-mail or send a message in the group chat to the committee clerk, and members in the room are asked to please wave or otherwise signal to the chair. Please set your cellphones and other devices to silent during the duration of the meeting.

Speaking rotation and time limits. Hon. members, the standing orders set out the process for consideration of the main estimates. A total of two hours have been scheduled for consideration of the estimates for Executive Council. Standing Order 59.01(7) establishes the speaking rotation and speaking times. In brief, the Premier will have 10 minutes to address the committee. At the conclusion of his comments a 50-minute speaking block for the Official Opposition begins, followed by a 20-minute speaking block for independent members, if any, and then a 20-minute speaking block for the government caucus.

Individuals may only speak up to 10 minutes at a time, but time may be combined between the member and the Premier. The rotation of speaking time will then follow the same rotation of the Official Opposition, independent members, and the government caucus, with individual speaking times set to five minutes for both the member and the ministry. These times may be combined into a 10-minute block. One final note. Please remember that discussion should flow through the chair at all times regardless of whether or not speaking times are combined. If members have any questions regarding speaking times or the rotation, please feel free to send an e-mail or message to the committee clerk about the process.

Ministry officials, at the direction of the Premier, may address the committee. Ministry officials are asked to please introduce themselves for the record prior to commenting. Space permitting, the opposition caucus staff may sit appropriately distanced at the table to assist their members; however, members have priority to sit at the table at all times.

If debate is exhausted prior to two hours, the ministry's estimates are deemed to have been considered for the time allotted in the schedule, and the committee will adjourn. Points of order will be

dealt with as they arise; however, the speaking block time and the overall two-hour meeting clock will continue to run.

Any written material provided in response to questions raised during the main estimates should be tabled by the Premier in the Assembly for the benefit of all members.

The vote on the estimates and any amendments will occur in Committee of Supply on March 17, 2021. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. The original amendment is to be deposited with the committee clerk, and as a courtesy an electronic version of the signed original should be provided to the committee clerk for distribution to committee members.

I now invite the Premier to begin his opening remarks. Premier, you have 10 minutes.

**Mr. Kenney:** Well, thanks again, Mr. Chairman and to all of you, colleagues. I'm getting an echo. You're good? All right. Thanks. Let me also say thank you to all of the staff at Executive Council, represented by the deputies here. It's a great team of talented, hard-working leaders who have risen to the occasion during unprecedented times over this past year of crisis to help get Albertans through this challenging time. The staff at Executive Council provide professional, unbiased support and guidance as we continue to focus on protecting lives and livelihoods through the COVID-19 pandemic and the associated economic crisis.

Executive Council's central role is to be the central executive co-ordinating body of the broader Alberta public service to provide support to Executive Council, to cabinet, and to me as Premier and has a particular additional role to support me, as mentioned, as Minister responsible for Intergovernmental Relations, which means all of our efforts to work with other Canadian provincial and territorial governments, the government of Canada, and foreign governments. It's a small but very busy part of government.

Executive Council is leading by example with its own budget. Alberta's finances, as we know, have been hit hard by the collapse in energy prices last year and the world economy. We all saw that in Minister Toews' recent budget. As you know, we are trying to show greater efficiencies and find savings right across government as Executive Council has been doing. The Executive Council budget is, however, increasing from last fiscal year as we are transferring into it a small unit of staff from the Department of Energy with about a \$2 million transfer to create a secretariat to co-ordinate Alberta's advocacy efforts on the environmental, social, and governance metrics of international investors in our energy sector. That's a clean transfer of about 11 full-time equivalent employees, representing \$1.5 million in salaries and benefits and about half a million dollars in associated costs.

We've also had more virtual meetings as well as, of course, fewer in-person meetings to save money this past year on travel and associated costs. We're projected to save about \$334,000 on that in the fiscal year just ending. Savings through staff management as well have been achieved by not automatically filling vacancies. We've been managing overall employee levels across the government primarily through attrition. We've also saved \$10,000 a year from eliminating land lines on telephones in most of our offices. The office of the Deputy Minister of Executive Council spends about \$1.4 million to provide policy advice as well as support on operations and management of issues. The cabinet co-ordination office has a budget of just over \$900,000 for organization and administrative support to the cabinet. The policy co-ordination office works with the cabinet co-ordination office to provide policy support and legislative support, including to the

Legislative Review Committee of cabinet. They do that with a \$2.8 million budget. The operations and machinery of government unit at Executive Council works with all ministries and tracks crossgovernment programs and projects with a \$440,000 budget.

Intergovernmental relations is, of course, an area that has particular urgency right now as we fight for a fair deal for Alberta in the federation. They help to support, for example, the Fair Deal Panel. We've had a very high pace of activity in the IGR mandate this past year, partly because of COVID. We've had, on average, meetings with the other premiers every other week and with the Prime Minister every other week, of course, a much higher pace of just liaising with different federal departments as well and, of course, an increased pace of activity in dealing with the United States and various governments south of the border, so it's been a very busy year for that section, IGR, with a \$5.6 million budget.

**3:40**

We have, of course, the protocol office as well. They've been less busy in terms of events, of course, this year, but they did lead the COVID-safe swearing in of our wonderful new Lieutenant Governor, the Honourable Salma Lakhani, and they've been, you know, very helpful, actually, I have to say, as our cabinet committees have been meeting, in helping to support that in a COVID-safe way. The Lieutenant Governor's office has a budget of \$600,000 to help Her Honour fulfill her duties representing the sovereign.

All of that adds up to an Executive Council budget of \$18.3 million, and I'm pleased to report that that's been coming down every year that I've been in this position. You know, the 2019 actuals, for example, were \$18.8 million, and this year we're budgeting \$18.26 million.

Let me say a couple of words, Chair, if I have time, about Budget 2021, of course, a budget about health care and jobs with a \$1.25 billion contingency for COVID-related health costs and a \$900 million increase in the baseline budget for health care, in part to help Alberta's government achieve our ambitious strategy goal of reducing surgical wait times to four months or less within clinical guidelines.

Speaking of the pandemic management, I want to thank Dr. Hinshaw and her team of public health experts and everybody right across the system for their remarkable dedication in keeping Albertans safe and underscore that at the same time we must all work together to address the economic crisis. Thankfully, we see signs of significant recovery. As mentioned in the Chamber today, banks are now projecting that Alberta may lead the country in economic growth this year, but we are putting the pedal to the metal with Alberta's recovery plan, including with a half a billion dollar contingency for economic growth initiatives to broaden and diversify Alberta's economy while ensuring a strong future for our largest industries like energy, of course.

With that, Chair, I'll yield back the balance of my time so that you and members can have more time to ask questions. I look forward to – I hope this will be an informative exchange and a good opportunity for accountability.

**The Chair:** Thank you very much, Premier.

Just for everybody's notice, I will try to indicate when you have one minute of speaking time left if that is helpful. That way you're less interrupted but you know approximately when your time will come to an end.

For the following 50 minutes members of the Official Opposition and the Premier may speak. The timer will be set for 20-minute intervals so you are aware of that time. Ms Notley, would you wish to share time with the Premier?

**Ms Notley:** Yes. I think that is certainly the best way to go, so we'll give that a shot, and hopefully it'll work.

**The Chair:** Premier, are you agreeable to share time?

**Mr. Kenney:** Sure. I don't know how the other approach works, so it's the only way I know it.

**The Chair:** Simple.

Ms Notley, you may begin your time.

**Ms Notley:** Well, thank you very much, and thank you to the Premier for those introductory comments. Maybe I can begin by mirroring what you had to say with respect to the public servants who are joining you there today and offering, of course, as well the thanks of the Official Opposition to them for their leadership and, I'm sure, never-ending hard work over the course of the pandemic and the crisis that we've been facing since we've last had a chance to discuss the budget, which is actually, I guess, about 16, 17 months now, going back to the fall of 2019.

So big thanks to them and also, of course, to officials in Health, who I know are not with you here today, to Dr. Hinshaw and to all the people who work with her and, frankly, to all our public servants who have been on the front line supporting Albertans throughout this very difficult time, both directly in the public service as well as indirectly through other agencies of the public service. Thank you to all those folks.

I think I'd like to begin my questions in sort of a very granular way, just by looking at some pieces with respect to your office and its functioning, and then I'll sort of move out from there to talk a little bit about the intergovernmental issues that you rightly identified. I do have some questions there and then some questions around job creation, which the Premier also identified, as well as ultimately, if we have time, some questions on your ESG secretariat. But I would like to begin by just talking a little bit about and asking some questions about your office. Of course, my reference on this is the business plan, references 1.1 and 1.2, as well as the estimates doc reference, page 103, and a fiscal plan reference with respect to the FTEs.

To begin with, I guess, as you know, the Public Sector Compensation Transparency Act requires all political contracts above \$111,000 to be posted publicly, but as of most recently those postings seem to be out of date to some degree. In particular, there appear to be outdated contracts posted for your chief of staff, your deputy chief of staff, and also your senior policy adviser. Now, I appreciate that I believe there are contracts there for them that relate to their previous positions, but there are no contracts posted for their current positions. I would hope that the Premier would commit to updating these contracts and posting them and perhaps providing us with them, you know, in time for tabling as we go forward with respect to discussing the budget. Can I get a nod or an affirmation on that? Yes. Oh. Sorry. I think you have to turn on your mic.

**Mr. Kenney:** Yes. Of course.

That would be normal procedure, and I'll ask that that be done as soon as possible.

**Ms Notley:** And can I assume, then, that the conditions of the employment have changed and that to some degree the benefits would likely have increased to reflect the promotions?

**Mr. Kenney:** Well, I have an acting chief of staff, who has continued the same compensation under the same terms of his position as principal secretary prior to January 4; we just appointed a deputy chief of staff, who came onboard, I think, two weeks ago

– that may be why her contract is not yet posted – so she's new to the office; and then a director of policy, Ms Bareman, who had joined us a few months ago from TBF, Treasury Board and Finance. So two of them are new to the office, and one has the same contract, effectively acting in a different role.

**Ms Notley:** The only . . .

**The Chair:** Sorry. Excuse me, Ms Notley. Just so you know, I will interject just for the ease of the operator of microphones. Then you don't have to worry about pushing it on. Just pause it a little bit going through the chair. Again, it signals the operator for a little bit more ease.

Ms Notley, you have the floor, and then I will indicate to the Premier to respond and back and forth.

**Ms Notley:** Thank you. You bet.

The only thing I would follow up with on that is that, in fact, the contract for your chief of staff that is posted is, I guess, a little bit more out of date than we thought, then, because as far as we can see, it relates to when he was a senior adviser in the Ministry of Advanced Education. That is the most recent contract. So if we could get that one going.

Then I also note that in your office there are no contracts posted for your executive director of communications and planning, for policy adviser Ben Harper, for a tour and scheduling person named Shannon, for a scheduling officer named Lisa, and for a digital co-ordinator named Danielle. Now, I do understand that the act only requires people who earn over \$111,000 to have their contracts posted, so that might be why they are not. It was certainly our practice, when we were in government, to have all political contracts posted regardless of whether they were above or below that amount, so I'm hoping that that would get posted.

**Mr. Kenney:** Ms Notley, I'll certainly look into that. I must confess I wasn't aware of whose contracts were posted and whose weren't. I'll take a look at that and see what the criteria are and how that relates to the legal requirements and standards. We'll get back to you.

3:50

**Ms Notley:** All right. Now, I know that because these contracts are available and we've had a chance to look at some of them, we do understand that they include severance provisions, that people would receive severance should their employment come to an end. But, of course, there is an exemption to eligibility for severance should termination occur with cause, and cause is defined as including, although it's not exclusive, dishonesty, failure to disclose requested information, breach of fiduciary duty. Now, my understanding is based on a media report in mid-January that your former chief of staff did in fact receive his severance. Can you just confirm for me that that's correct?

**Mr. Kenney:** That is correct, per the provisions in his employment contract.

**Ms Notley:** Okay. Here's where I have a few questions, then. Give me a bit to sort of pull this together. You yourself did say in a public statement, Premier, that your chief of staff had displayed what you characterized as terrible judgment. Now, we know that you announced a lockdown on December 9, and it took effect on the 13th. Above and beyond advising Albertans that they should stay away from each other and their family at Christmas, it also, of course, advised against nonessential travel. This has obviously been a pretty well canvassed issue.

You also stated that you found out about the vice-chair of your Emergency Management Cabinet Committee, EMCC, on the 29th of December, and then on January 7 you stated that you became aware of your chief of staff's travel, quote, as he basically was on his way to the airport. Then you went on to say that you don't have comprehensive lists of everybody in amongst the hundreds of government political staff and senior officials and others who may have travelled abroad.

This is a bit curious. We're aware that on November 24 your chief of staff directed ministerial offices to send vacation requests to him. That was on November 24. We assume that when a chief of staff makes that direction, that's what happens. In addition, we're aware that on December 16 his assistant was helping him to arrange for his trip abroad by arranging for phone coverage, a totally reasonable thing to do. If you don't get that done, then you end up incurring massive phone charges.

I'm a little concerned, frankly, that your chief of staff, in fact, by way of this document, was the person that would have been told about people, including members of cabinet, including the co-chair of EMCC, going on vacation and that he also was clearly making plans to go abroad with his assistant, who, I suspect, worked around the corner from your office – certainly, that's more or less how it worked when I was in your office – yet you only became aware of this as he was driving to the airport.

I'm just troubled by this, and I'm wondering what your thoughts are and how this might actually relate to the fact that he remained eligible for a severance when it seems to me that this would suggest that either he ought not to have been eligible for the severance or, conversely, perhaps there was more awareness than we ourselves were all made aware of.

**The Chair:** The Premier to respond.

**Mr. Kenney:** Sure. Thank you, Ms Notley. I've addressed all of that in response to several questions at news conferences on New Year's Day as well as, I think, January 3 or 4. I'll just reiterate my very clear recollection with respect to Mr. Huckabay. It's that he came into my office a few days before Christmas. I forget exactly what day; I guess we could look it up in my calendar. We exchanged some pleasantries. He said, "Well, I'm off." I said, "Where to?" He said: "Well, going home, and then we're flying out to London," I think later that day. So I was a little bit taken aback, but I thought: you know, this is his call. In retrospect, I obviously should have said: that would be really a bad judgment call. I took responsibility for not having intervened at that point in those news conferences.

I did become aware of Ms Allard's presence in Hawaii – I think it was on December 29 – when the news stories started to emanate out of Ontario about former Minister Phillips. My office began to make queries with MLAs and ministers about their whereabouts. That's where we found that a number of members of the government caucus had travelled outside the country, and we asked that they come back to Canada as quickly as possible. As you know, there were further consequences that we announced on that Monday, which I think was January 3 if I'm not mistaken.

**The Chair:** Just one quick comment. I have allowed some latitude on the question of severance. I believe that further conversation about vacations would be outside of the realm of estimates. If the member of the Official Opposition would continue on the estimates course, I would appreciate that.

Thank you.

**Ms Notley:** Sure. I just want to wrap up, though, on the issue of severance, because one of the things that we didn't really hear about in previous conversations with the media was that, well, first of all,

Mr. Huckabay had clearly planned in advance – I guess you've acknowledged, obviously, that he must have – but also that he was the one to whom ministers were giving advice that they had vacation plans. That is a new piece of information. That's certainly not something that I recall hearing in the media in that period of time in January.

My concern is that given that ministers and, in particular, the co-chair or associate chair of EMCC were specifically directed to advise Mr. Huckabay of vacations and that Mr. Huckabay came to talk to you on some date – I don't know what date it was – and mentioned that he was planning to leave and that he didn't mention that your associate chair of the Emergency Management Cabinet Committee was also planning to leave the country, it just strikes me as a strange thing that it would still render him qualified for severance.

**The Chair:** The Premier.

**Mr. Kenney:** Can you hear me?

**Ms Notley:** Yes, we sure can.

**Mr. Kenney:** All right. Sorry; it's taking a couple of seconds to get these mics turned on in this room.

Mr. Chair, I would simply say that Mr. Huckabay, I think, exercised poor judgment, which he has acknowledged to me, as have other of my elected colleagues. But Mr. Huckabay did not do anything illegal, nor do I think he did anything unethical. He had an employment contract through the Premier's and ministers' staff employment order, which falls within the parameters of that order, which included a severance provision, which has been respected. There's a legal obligation on the employer to respect the severance provision. That's the technical advice we received, and that's why he received severance, as did members of your staff when they left your office in the past. I understand that \$6 million in public funds were used for government staff severance after the 2019 election. Severances are part of the employment contracts, and we respect the law.

**Ms Notley:** Well, again, because this does ultimately relate to our . . .

**Ms Rosin:** Point of order, Mr. Chair.

**Ms Notley:** . . . approval of this line item in the future . . .

**The Chair:** Sorry. A point of order has been called.

Ms Rosin.

**Ms Rosin:** Thank you. Under 23(b)(i) as well as 23(c). We have yet to hear a line item for this budget, nor do I understand how vacation requests tie into budget estimates. Also, we have needless repetition. This is the third time that we've had the Premier now about to answer the same question. So a point of order under both of those grounds.

**The Chair:** Ms Ganley.

**Ms Ganley:** Thank you, Mr. Chair. This is clearly, in my view, not a point of order. Not only did Ms Notley reference the line item, because this is under the office of the Premier and Executive Council – and, as noted, that's line 1.1 – but this money, this severance, is clearly paid out of the budget. It is clearly relevant; \$50,000, in my view, is not an insignificant sum of money. It is clearly relevant whether or not this money was paid to someone who was not, in fact, legally entitled to severance.

4:00

**The Chair:** Thank you very much.

While I am inclined to agree that this line of severance is in the budget, I have previously asked the Leader of the Official Opposition to continue down the vein of estimates, and I would ask her to conclude this conversation and continue with her questioning moving forward. Thank you very much.

**Ms Notley:** Well, I will move forward except I will allow the Premier one more chance to clarify what he just said, because I read into the record the language of the contracts, which are, of course, appropriately part of this conversation, which talk about the exception from the entitlement to severance in the case of termination for cause. I read out what amounts to termination for cause, and I articulated the new evidence that there was information that was critical to the co-ordinating and planning of government work throughout a pandemic that was not obviously shared or, according to the Premier at least, was not shared with the Premier. It would therefore, I would argue, trigger the exclusion from eligibility for severance. If the Premier wants to continue to say that, no, even though his chief of staff was the person to whom people needed to report when they chose to leave the country and that it was appropriate for his chief of staff not to tell him that his associate chair of the emergency management committee of cabinet was leaving the country, then fine, I will move on. But I'm going to give the Premier one more chance on this.

**Mr. Kenney:** Again, the advice I received was that Mr. Huckabay's employment contract, the terms of it, required that severance be honoured, and that's exactly what happened.

**The Chair:** Thank you very much.

**Ms Notley:** Okay. On the matter of EMCC, then, I'd like to move on to that. There have been critical times over the course of the pandemic where, you know, the intensity of the pandemic has waxed and waned. Of course, there was a time in November where the Premier quite appropriately was compelled to isolate – actually, twice, I believe, but in November it was the second time – because of exposure, and I can absolutely understand how you can't avoid having people around you in the job that he does. My recollection, of course, is that Executive Council was quite brilliant at giving you all the possible technology you could possibly ever use so that they had full on, 24/7 access to you even while you're forced to isolate.

The reason I ask about that is because during the 12th of November to the 24th of November, which was part of the time when the Premier was in isolation, we saw cases go from about 800 cases to 1,600 cases per day each day, so it was quite a critical time. During that time there was a point where even the Premier's sometime friend Rick Bell characterized the fact that he hadn't heard much from him as a head-scratcher. You know, we FOIPed the schedule and your schedule, Premier, and we noted that the EMCC didn't meet at all during that time, or at least it wasn't on your calendar. So I am curious as to whether the EMCC met without you.

**The Chair:** Sorry. That just concludes the first 20 minutes. There will be another 20 minutes. Please continue, Ms Notley, or are you ready for the Premier's response?

**Ms Notley:** No. He can respond. Yeah.

**Mr. Kenney:** The Emergency Management Cabinet Committee has not met since, I believe, May or June. We shifted the COVID response to the Priorities Implementation Cabinet Committee.

"Acting" is what we informally called the COVID cabinet committee. So EMCC effectively – we decided to streamline the decision-making process and moved the EMCC functions over to PICC, and certainly I had many meetings, both formal and informal, throughout that week when I was in isolation with respect to the pandemic.

**The Chair:** Thank you.

**Ms Notley:** Okay. Just on that, perhaps you could clarify for us, because during that period of time I will say that the calendar, anyway, appeared quite light, you know, particularly given the intensity of the pandemic at the time. Roughly a third of the time if not a bit more during that time was booked as executive time. I'm just wondering if you could tell us what executive time was, because I didn't actually see the other committee that you referred to identified in your schedule either during that period of time, but I did see quite a lot of time as executive time, and I'm unfamiliar with what that includes. Normally there are a thousand people trying to get access to your decision-making authority, so unscheduled things are kind of . . .

**Ms Rosin:** Point of order, Mr. Chair.

**The Chair:** A point of order has been called.

**Ms Rosin:** Again on 23(b)(i), is there a line item that pertains to the Premier's and his cabinet's calendars? If so, I would love to know which one.

**The Chair:** Ms Notley.

**Ms Notley:** Absolutely. For the member, it is on page 48 of the business plan, referencing again 1.1, 1.2. It is absolutely the job of the Executive Council to co-ordinate and align the work of ministries. CCO does that, PCO does that, PICC – I think it's the right word – does it. It's all about the work that they are doing during the worst government crisis in – I don't know – arguably a century. That is exactly the work that is done in this ministry and these estimates.

**The Chair:** Thank you, Ms Notley. I appreciate that. That is helpful to know that. I appreciate when you do tie it to the business plan or estimates. Not a point of order.

Premier, you may respond to Ms Notley's question.

**Mr. Kenney:** Thank you. I'm advised that I chaired meetings of the Priorities Implementation Cabinet Committee during that period on November 11, November 17, November 19, November 23, November 26. I do recall that many of those were multi – like, they're quite lengthy meetings. In some cases that cabinet committee has met as long as eight or nine hours in one sitting.

With respect to executive time that simply would have meant me being constantly on the phone or doing video meetings with senior staff, senior officials, the Minister of Health, people in his department, et cetera. My recollection: I was in my Calgary home that week, and I pretty much had a phone growing out of my ear the whole time, in constant communication, primarily but not exclusively about pandemic-related matters.

**The Chair:** Thank you.

**Ms Notley:** Well, I think we'll probably have to follow up on this in a different setting. What I will say is that what we received through FOIP does not actually align with what your officials have just reminded you of, so we will need to follow up to find out why

the schedule that we received through FOIP does not align with what's going on there.

Anyhoo, the last piece on staffing relates simply to the work of two folks as it relates to issue management and communications. Again, because this is an item – the reference is again 1(b). Also, the estimates document reference is page 103, office of the Premier/Executive Council, operating expenses, and talking about the fact that we are approving salaries for these folks going forward.

Obviously, I understand that people who work in your office, the political staff as well as the public staff, work very, very hard, no questions. You know, it's a fascinating and also stressful job because you are dealing with many, many different things coming at you many, many different times. Of course, the job ultimately, in accordance with what is set out in your performance measures in your business plan, is to do those jobs, to align the work of government on behalf of the people of Alberta in as objective a way as possible and to support the best interests of as many Albertans as possible. I'm taking some editorial leeway there, but that's basically what I believe they do.

4:10

However, as the Premier will remember, our caucus on behalf of a number of people has been very concerned about the way in which the tragedy in Alberta's meat-packing industry has unfolded over the course of the pandemic. I note that in April of last year, as we had the first outbreak at Cargill and the announcement of the first death at Cargill – we've just recently received documents that suggest that both your former director of communications and your current director of issues management were engaging with CPE in terms of what information should be articulated in, I believe, what were the regular daily briefings by Dr. Hinshaw. In particular, there were a couple of different interventions simply to change the direction so that when reporting on the first death at Cargill, quote, unquote, context was provided to make sure we understood that the first death was someone over 60 and context was provided to suggest that, well, it might not have just been Cargill because there was transmission in people's homes.

I am troubled that your issues management director and your director of communications seem to be engaged in not issue managing for the people of Alberta but, rather, issue managing for Cargill. I'm just wondering whether this is an ongoing thing, whether we can expect to see more of this going forward or whether we might see them actually take a slightly less aligned position, shall we say, for the sake of diminishing responsibility of an employer that ultimately hosted the largest outbreak in North America and an industry in this province that hosted the only deaths in Canada.

**The Chair:** Thank you, Ms Notley. I have allowed some latitude with that. I would appreciate your drawing it to the estimates of Executive Council and the future look of that.

Premier, if you'd like to respond.

**Mr. Kenney:** I'll do my best although I must admit that I'm not entirely clear on the precise question. First, let me say – and I'm sure that Ms Notley and all members join me in this – an expression of condolences for those individuals whose lives were lost, of course, all 1,900 Albertans who have passed away as a result of the pandemic, including those in the meat-packing plant industry.

Secondly, I'm not aware of what discussions happened between my staff and the Ministry of Health in that regard, but I do know that Dr. Hinshaw has stated repeatedly her concern that much of the transmission associated with those outbreaks occurred outside of the immediate workplace. She said this to really learn from that and

to be self-critical of the government's response, to say that we needed to respond more quickly to the potential for transmission in large workplaces like that, outside of the workplace. We changed policy to start providing for free hotel rooms to facilitate self-isolation for people in working conditions and living conditions of that nature.

**The Chair:** Thank you, Premier.

**Ms Notley:** Okay. Well, we'll leave it there for now and take this opportunity – how much time do I have left, Mr. Chair?

**The Chair:** You have 10 minutes and then an additional 10-minute block.

**Ms Notley:** You bet. Sorry; so 20 minutes still?

**The Chair:** Yes.

**Ms Notley:** Okay. Thank you.

I'd like to move on to some of the conversations that you identified in your opening remarks, Premier, with respect to intergovernmental affairs. In particular, you did mention the matter of the fair deal for Albertans and the work that you would suggest is being led through your office with respect to that. Of course, I don't think I need to – I mean, I can link. It's part of 2.1, 2.2 of the business plan, page 48, and page 103 of the estimates document.

Now, I guess the first thing that I just want to clarify is: where are we seeing the money set aside for the referendum that was one of the recommendations of the Fair Deal Panel? I know that it's not in Executive Council, but where is it?

**The Chair:** Premier, if you'd like to respond.

**Mr. Kenney:** Yeah. The administration of an election would not be the responsibility of Executive Council, but I do know that in the budget, funding has been provided to municipalities to work with us in the administration of a concurrent referendum on municipal voting day later this year. I'll ask if officials can help me find the reference in the estimates. I guess it would be under JSG. We'll get back to you with the exact reference to that, Ms Notley.

**The Chair:** Thank you, Premier.

**Ms Notley:** Now, I understand that, obviously, the fair deal report has made a number of recommendations, and one of them, of course, was this idea of talking about equalization. I gather that's one of the items that will be a part of the referendum. However, there's also been a lot of conversation about the future of CPP and the idea of pursuing an Alberta pension plan. I believe that it was in roughly July 2020 that the Finance minister committed that a referendum would be held on CPP. Now, I am just curious: will you be planning and will you today commit that in October, with the referendums that are being put forward as part of the outcome of your Fair Deal Panel, which, of course, is an extension of your work in intergovernmental affairs – just keeping it relevant – we will in fact be seeing a referendum on CPP in addition to a referendum on equalization?

**The Chair:** Thank you, Ms Notley.

**Mr. Kenney:** Thank you for the question. The answer is that the government has not yet decided whether we will proceed with a referendum on the question of a potential provincial pension plan. We are awaiting the results of a technical study being led by Treasury Board and Finance in co-operation with external experts

to look at the costs, the benefits, and the potential structure of an Alberta pension plan similar to the Quebec pension plan. It was a recommendation of the Fair Deal Panel following its consultations that we proceed in that direction, but we are doing the technical study. If the conclusion is that it would be a net benefit to Alberta and our economy while strengthening our province, then we may proceed with that referendum. Final decisions on that will be made later this spring.

**The Chair:** Thank you, Premier.  
Ms Notley.

**Ms Notley:** Thank you. Can I conclude from that that should your technical report conclude that proceeding with an Alberta pension plan rather than continuing on in the Canada pension plan is a good idea, you will not proceed with it unless it has been included as part of a referendum and put to the people of Alberta?

**The Chair:** Premier.

**Mr. Kenney:** Sorry, Chair. Yes, Ms Notley. I've been clear about that, that we would only proceed, as I've said to you in the Chamber many times, if Albertans approve of it in a direct vote.

**The Chair:** Thank you, Premier.

**Ms Notley:** Okay. Then carrying on on that issue and the various issues arising from the fair deal conversations, there was a time when you were talking about setting up sort of a little mini-Alberta embassy in Ottawa, in Montreal, in Vancouver. I am just curious where that is at and if that's happened or if it didn't happen and where, in fact, the line items exist for that.

**The Chair:** Thank you.  
Premier.

**Mr. Kenney:** Thanks very much. Yes, it was our intention. In fact, our election platform included a commitment to have a bigger advocacy presence across the country, and it was our intention in 2020 to open an Alberta advocacy office in Ottawa, partly so we could – you know, of course, I and our ministers deal with political leadership, but we want somebody who can be the equivalent of an ADM, a senior official, who can engage with the heads of agencies, with departments on more technical issues that really touch on Alberta's interests.

4:20

Similarly, we think it would be very useful to have a full-time voice for Alberta, both an investment promotion function but also to defend our province's interests, in the energy and other sectors, in the Quebec National Assembly, with the government, and with other key opinion leaders. But all of those plans were interrupted by the pandemic. It was not practically feasible to establish new offices when people couldn't really travel or hold meetings generally. So those plans, Ms Notley, are on hold indefinitely. I do hope we can come back to them, but they're not a line item in the estimates because they've been frozen by the pandemic.

**Ms Notley:** All right. Thank you. So it's not currently a plan to go ahead with them in the upcoming fiscal year? No. Okay.

On the issue, though, of having offices and people representing us in offices in other jurisdictions — and you did mention your role in liaising with governments across Canada as well as foreign governments. I'm trying to remember. Just a second as I check my notes here. Still checking and flipping. Sorry for the delay. Here we go. In April 2020 you appointed James Rajotte as Alberta's senior

representative to the United States to work out of Washington. At the time he was to be paid a salary of \$249,600, and his job was to make sure Keystone XL gets done.

Now, I assume that he was not actually a political appointee, so we don't see him on the list of political appointees that are circumscribed by the Public Sector Compensation Transparency Act, that would govern your political staff, that we talked about earlier. I assume that in appointing him, he was a member of the public service. But he's also not on the sunshine list through the public service either. So I am curious as to why and where Mr. Rajotte's salary lives. Has he been appointed? Was his appointment delayed? Is he receiving a salary? Has it just moved on? Where is that?

**The Chair:** Thank you.  
Premier.

**Mr. Kenney:** Yes. Thanks, Chair. I'll just offer a brief response, and then, if you don't mind, I'd like to ask DM Gilmour to fill in with additional information.

Mr. Rajotte's position has existed in Washington under governments for, I think, well over 25 years. It's a mandate broader than simply Keystone XL; it's a mandate to represent Alberta's interests in the country, where we have over \$110 billion of exports. In terms of the exact nature of his employment contract, DM Gilmour, could you speak to that? Oh, he has to go to the podium. I'm sorry.

**The Chair:** Thank you, Premier. If he can just introduce himself by name for the record before he speaks.

**Mr. Gilmour:** My name is Ray Gilmour, Deputy Minister of the Exec Council. Just to add to what the Premier has said, he certainly has been employed through the Department of Jobs, Economy and Innovation. He will be up on a contract on the sunshine list. The rule around that is that twice a year, by June or by December, anybody who has signed new contracts will be posted on that list.

**The Chair:** Thank you very much. That concludes the second 20-minute block.

Ms Notley, for your final 10 minutes you may begin.

**Ms Notley:** Okay. Well, I guess I just sort of want to follow up with that because he was appointed in April, he was to have started May 1, 2020, so I'm not quite sure why we wouldn't have seen him in June or in December. That's my first question. My second question is: has he actually been located in Washington that whole time, or has he been working elsewhere?

**The Chair:** Premier.

**Mr. Kenney:** Thank you, Chair. Sorry. It's taking some time to get the mic on here again. Deputy Minister Gilmour has undertaken to get back about why that wasn't posted earlier.

In terms of his location, he is co-located with the U.S. embassy. He has an office there, which, as Ms Notley will know, has been the arrangement for a long time, and works through the department of global affairs. There's a kind of service contract between the government of Alberta and that federal ministry to provide co-location, administrative, and other support, including housing support. I do know that he's been back and forth between Edmonton and Washington, primarily because Washington has largely been shut down in terms of the ability to meet with people. I believe he's actually back in Washington right now, but he has spent some of

his time kind of getting set up here with Jobs, Economy and Innovation, working on the phones and with Zoom and videoconferences, and some of his time in Washington. I think now, hopefully, with things starting to open up and getting a little bit closer to normal in the United States and Washington, he'll be there on a permanent basis.

**The Chair:** Thank you, Premier.

**Ms Notley:** Last question on this. The reason we are concerned about this is, obviously, I mean, \$250,000 is not nothing, and obviously Keystone was not a big win, and that, of course, was actually what exactly he was described as being focused on when the announcement was made last April. Also, I'm very aware of the office that you refer to – I've been there myself – and if you go to the directory for that office, Mr. Rajotte appears on it as do the other staff at that office. Unfortunately, there's absolutely no contact information for Mr. Rajotte. It's not possible for someone who wants to perhaps connect with an emissary from Alberta to reach Mr. Rajotte because there's no e-mail, there's no cellphone, there's no address. There's nothing. I'm just a little concerned about how that work is getting done or has been done or will be done going forward.

**The Chair:** The Premier to respond.

**Mr. Kenney:** Yeah. Mr. Chair, I did not say that Keystone XL was not part of his mandate; obviously, a very important part of it. I said that it wasn't the only part of his mandate. He's been working on many other critical files, including, of course, line 5, line 3, exports generally. I do know that with respect to KXL our senior representative Mr. Rajotte spoke to, I believe, over 65 congressmen and Senators as well as many governors. He liaised closely with the heads of the major building trades unions in the United States and with many other critical stakeholders. He has spent hundreds of hours doing that important work.

I do believe that Mr. Gilmour wanted to provide supplementary information on the posting of the contract.

**Mr. Gilmour:** Just to add to the point of clarification, anybody that's employed from January to December is posted in the following June, and anybody that has a severance from January to June is posted in December, so his will show up in June.

**The Chair:** Thank you for that.

Ms Notley.

**Ms Notley:** Okay. Well, thank you very much for that clarification. I would appreciate if you could also advise us, give us more information, provide this committee with more information about the occasions when he's been in the U.S., the meetings, all the things. I mean, hundreds of hours is great except that, obviously, there are far more than that in any given year, and it's quite a significant salary, and it's a new position, so we would just want to see a report on how that's unfolded. It could be tabled here with the committee.

**The Chair:** The Premier to respond.

**Mr. Kenney:** Yeah. I'm not sure which is the appropriate legislative committee, but I'm sure that Mr. Rajotte would be delighted to present to any relevant legislative committee on his work and that of his office.

**The Chair:** Thank you very much.

**Ms Notley:** My hope is that the information on that can be tabled as part of this estimates process in the Legislature before we are asked to vote on the budget.

**The Chair:** All right.

**Mr. Kenney:** I would just clarify that the budget for his office is within the Department of Jobs, Economy and Innovation, so I think the information that Ms Notley is requesting would most probably appropriately be tabled at that committee that's dealing with JEI estimates.

**The Chair:** Thank you, Premier.

**Ms Notley:** Indeed, but that, I believe, has already occurred, and Mr. Rajotte's role was primarily described and led through Executive Council, so I'm just asking that that be directed to your ministry to table it appropriately before we have to vote on this going forward.

4:30

I'd like to switch now to a matter that we did discuss in question period today, but it also does very much relate in more detail to estimates, to the budget, to the business plan as well as the fiscal plan as well as the strategic plan, and that, of course, is on the issues of jobs, job creation. Indeed, it was one of the highest named priorities of the government in much of their documentation. What we do not have yet is a clear understanding with respect to the way in which the budget is dealing with Alberta jobs now.

We saw that there were projections of \$136 million being spent on a job-creation and education retraining program in the upcoming budget. We also know that that is part of the \$185 million that was provided by the federal government last fall. We also know that there's roughly \$60 million that is booked in the current budget to be rolled out the door by March 31, yet it's March 10 and there's been no announcement about this, and no employers or business owners or anybody have been given the opportunity to apply for that \$60 million. The concern, obviously, is that this is money that came from the federal government. None of it has been expended yet. It appears in the budget even though there's been a clear admission by your Finance minister that the rules around rolling over federal money, in this case, don't allow for this much money to be rolled into future years and that it's not been confirmed that the federal government will agree to this. So why is it actually appearing in our budget as a done deal?

**The Chair:** The Premier to respond.

**Mr. Kenney:** Yes. Thank you, Mr. Chair. We have every expectation that the government of Canada will approve our proposed program design for this revised and expanded job training program, which would proceed on a cost-shared basis. As Ms Notley would know, there are a number of labour force agreements between the province and the federal government that are partnerships. I understand from Minister Copping that most other provinces have made an identical request to ours for the allotment that came through as part of the safe restart agreement from the federal government for additional transfers on job training to be reprofiled into the fiscal year that will start in April.

**The Chair:** Thank you, Premier.

Ms Notley, you have just under one minute left.

**Ms Notley:** Okay. Well, I guess I'm just – I mean, I guess I'll have to get back to this, but I'm quite troubled. When there's no

approval, the idea of putting it into a budget seems pretty sketchy. It's not typically how – like, I understand that we have massive contingency dollars in other categories, but to me that's not what this is, and that's not the way it's being reported. It is quite troubling.

I'd just like to go back to one thing. On November 20, 2020, we had over 1,100 cases reported, 11 deaths, and there was actually, according to the schedule that we have here, no COVID briefing on that day as scheduled in your calendar regardless of what committee it had migrated to or from. My question is: why is that?

**The Chair:** That concludes the first 50-minute time period for the Official Opposition.

We now will go to the government caucus, with no independent members. We will go to government caucus for 20 minutes of questions from their members. Who is taking the first questions for government caucus?

**Mr. Walker:** I believe I'm up, Chair.

**The Chair:** There we go. Thank you, Mr. Walker. Please, proceed.

**Mr. Walker:** Thank you, Mr. Chair. Hello to all of my colleagues, especially the Premier and all the senior officials at Executive Council and the Premier's office, for being here. This is an important occasion for this committee to ask . . .

**The Chair:** Okay. We seem to have lost Mr. Walker. Can you please pause the clock? We will have to get Mr. Walker to relog in.

Government caucus, do you have someone who can – Mr. Rowswell?

**Mr. Rowswell:** I'm available if you can hear me.

**The Chair:** Yes, we can.

We will ask Mr. Walker to relog in. We will start the clock again. Mr. Rowswell, please proceed.

**Mr. Rowswell:** Okay. Thank you. With respect to the business plan on page 48, section 2.4, one of the key objectives of Executive Council is to

collaborate with other ministries and jurisdictions to reduce red tape and barriers to internal trade. This includes reviewing Alberta's exceptions under the New West Partnership Trade Agreement to reduce wherever possible and working with other governments through the Regulatory Reconciliation and Cooperation Table to reconcile existing regulatory measures that act as a barrier to trade, and cooperate to align new regulatory measures.

I know I've heard people say that sometimes it's easier to trade internationally than it is between provinces, and I know you've done some easing unilaterally to try to initiate stuff, but I'm just wondering if you can give us an update on the progress on negotiations with other provinces in reducing the trade barriers within Canada.

**The Chair:** The Premier to respond.

**Mr. Kenney:** Yes. If you don't mind, Chair, I'm just going to quickly respond to Ms. Notley's last question. I didn't get a chance to respond. She was asking why there was nothing on, I guess, a freedom of information return on my schedule on a particular date in November for briefings. I'm advised by senior officials here that cabinet meetings, like the I think eight or seven meetings I chaired of the Priorities Implementation Cabinet Committee, operating as the COVID cabinet committee that week, are subject to cabinet

confidence so they are not FOIPable, to use that term. I can once again assure her that I was in constant contact with my office and senior officials about the pandemic throughout that week, including that day.

Now, in response to MLA Rowswell's question. Thank you. You know, our government made a strategic decision to show real leadership on the dream of achieving free trade of goods and services in this country rather than sitting around haggling. The previous NDP government had actually increased the number of exceptions filed by Alberta under the Canada free trade agreement and had unfortunately developed a reputation for protectionism, of thickening barriers to internal trade. I believe that Alberta has, because of our free enterprise culture, our export-based economy, benefited from greater domestic trade. There are some economic estimates that the Canadian economy loses as much as \$130 billion a year in potential wealth because of interprovincial barriers to trade for goods and services but also to mobility of workers, professionals and tradespeople. That is why Alberta has eliminated unilaterally 80 per cent of our exceptions under the Canada free trade agreement.

We've also taken a leadership role with three other western provinces to invite the rest of Canada to join us in the New West Partnership agreement, which is a much higher quality trade agreement. In fact, the length of NWPTA is shorter than the length of pages of exceptions filed under the Canada free trade agreement, so it's a much better trade agreement as a legal platform. We are in fairly advanced negotiations with the government of Ontario about potentially acceding to NWPTA, which I think would be a game changer in advancing the cause of internal trade.

We're also pleased with the progress that's happening under the regulatory reconciliation and co-operation table, most recently with respect to construction. We are very much focused right now on knocking down nontariff barriers to the export of Alberta spirits and beer to other provinces, which we think have unfair barriers to our exports for our great products. By the way, I think we have a great story to tell on that.

4:40

Finally, as I've announced, we had commissioned a study from the C.D. Howe Institute into the feasibility of a legal model for basically the unilateral recognition of trade and professional credentials from other provinces. The single costliest aspect of domestic trade barriers in Canada relates to barriers to the mobility of labour. As a province that has always been a net beneficiary of interprovincial migration and that in good times faces labour and skill shortages, we think it would be manifestly to Alberta's advantage to significantly streamline that whole credentialing process. It's my intention to come forward to the Legislature in the autumn with a bill that is modelled on the European Union approach to unilateral recognition of professional and trade certification.

**Mr. Rowswell:** Thank you. And is – oh. Sorry.

**The Chair:** No, go ahead, Mr. Rowswell.

**Mr. Rowswell:** So the response or the reception from other provinces at this point looks promising? Is there anything the federal government can do to help out with that?

**Mr. Kenney:** A qualified yes on the first question. You know, when we get together as Premiers and talk about this – of course, a lot of these discussions have been kind of unfortunately sidelined because of COVID – there's always goodwill around the table at the level of top political leadership. Unfortunately, my observation is that what then happens is that various special-interest groups get

involved in protecting their own, lobbying to maintain protections for their own industries or preferences, and sometimes it can be a bit of Whac-A-Mole. We had one of our neighbouring provinces – it's a province that's hard to pronounce but easy to draw – that recently imposed some very strong preferences for road builders and that basically cut out Alberta contractors. That was very disappointing. When I raised that with my counterpart, he immediately acted and removed those preferences. Sometimes we feel like we're playing Whac-A-Mole.

On the other hand, you know, Premier Pallister in Manitoba and outgoing Premier McNeil in Nova Scotia have been strong champions of the trade agenda. It cuts across party lines. We are very hopeful the government of Ontario will find a way to join us in NWPTA. We do think the federal government of Canada should take a stronger leadership role. I said to the Prime Minister in our first meeting, the week that I was sworn into this job, that the federal government has constitutional superpowers to achieve the dream of Confederation as an economic union. I've strongly encouraged him to use those powers, as I have the new federal minister of intergovernmental relations, Dominic LeBlanc. I hope that they will take a stronger leadership position on that.

**The Chair:** Mr. Rowswell.

**Mr. Kenney:** Thank you. You can carry on to the next person.

**The Chair:** Government caucus, who would be the next person? Mr. Toor.

**Mr. Toor:** Thank you, Chair, and thank you, Premier. With respect to the business plan, Premier, on page 47 it states the Cabinet Coordination and Ministry Services provides organizational and administrative support to Cabinet and Cabinet committees, leads corporate planning and reporting for the ministry and supports state, official, working, and private visits to Alberta.

Premier, can you explain the function of the cabinet co-ordination office and the cost associated with the office?

**Mr. Kenney:** Thank you, MLA Toor, for the questions. The cabinet co-ordination office effectively – they're the air traffic controllers, if you will, of all the policy work that goes through the cabinet system. As you know as a member of the government caucus, we've set up an informal process at the front end where ministers brief members of government caucus on the general themes of a potential policy change, and then, based on that, the input that emerges from that goes to a cabinet committee. There's a memorandum to cabinet written by the minister, which may involve proposed regulations, proposed legislation, proposed policy changes. If it passes at that stage, it then goes either to the Priorities Implementation Cabinet Committee, operating as what is colloquially known as the inner cabinet, or the entire Executive Council, the whole cabinet, for ratification and sometimes for a separate study.

Now, what the cabinet co-ordination office does is to co-ordinate that whole process, the flow of the scheduling, the flow of all of that information, all of those proposals between the ministries, crossministry work. They have a budget of \$916,000, which is 5 per cent of the total Executive Council budget. We've had a very busy year. This past year they've helped to co-ordinate 120 meetings, representing 1,048 items for discussion, so they've been working, you know, really, overtime throughout the pandemic.

**Mr. Toor:** Thank you, Premier.

I'll pass it on to, I think, MLA Armstrong-Homeniuk.

**Ms Armstrong-Homeniuk:** Good afternoon, Chair and Mr. Premier. Chair, though you to the Premier, with respect to the business plan on page 47 it states that

the Policy Coordination Office works with all ministries to support the development of policy options that align with the government's agenda and coordinates the review and approval of government regulations.

Can you, Mr. Premier, explain the function of the policy co-ordination office and the costs associated with the office, please?

**Mr. Kenney:** I talked about support for these cabinet committees. The policy support comes from the policy co-ordination office; the cabinet co-ordination office does more of the kind of, as I said, air traffic control. The policy co-ordination office has a budget of \$2.9 million, which is about 17 per cent of the total Executive Council budget. They make sure that, for example, departments are providing, ministers are providing adequate information to cabinet committees for decisions to be made, that all of the necessary aspects of a decision are being considered. There are fiscal implications, legal, constitutional, social, and other implications. In a sense, they provide a quality control function to the cabinet decision-making process, and they also provide direct support to me on occasion in terms of policy advice. I see that they have supported 99 cabinet committee meetings this past year, dealing with 721 different proposals; so, again, they've been extraordinarily busy.

**The Chair:** Ms Armstrong-Homeniuk.

**Ms Armstrong-Homeniuk:** Thank you, Chair. Through you to the Premier, with respect to the business plan on page 49 can you, Premier, explain how the Executive Council plans to continue to improve on its performance metrics with respect to the services provided by the Executive Council to the other ministries?

**Mr. Kenney:** I'm going to invite the DM of Executive Council to respond to Ms Armstrong-Homeniuk on that point, how we're going to improve our performance. I think we have pretty good performance metrics. I'll just point this out. You know, first of all, we don't deal with a lot of clients. My department is not an operational – we don't deliver surgeries or pave roads, so it's more difficult to measure my department's effectiveness. But the main metric we use is surveys with people within the government, how they rate our performance, and they're pretty good. Generally the ratings are in the – we've gone up from 82 to 87 per cent for the policy and cabinet co-ordination offices; we've gone up from 72 to 77 per cent on advancing the government's agenda, the measurement within the government for that. And Coleen leads the most popular, apparently, part of government; they've gone from 92 to 97 per cent, a positive reading on supporting other ministries on intergovernmental relations work.

Ray, how are you going to do better than that?

**Mr. Gilmour:** Well, thank you, Premier and to the committee. As the Premier mentioned, you know, we're very busy and we co-ordinate across government. The techniques or the styles that we use to try to continue to improve on that are strong communication across government and an awareness and clarity as to what's coming. As I'm sure all of you can appreciate, when policy put together the pace and at the pace that we're working at, it requires strong communication. There's always going to be a conflict or some type of a discussion required because of the different interests that are always required to be met. And we find that through strong communication and as we go forward, that helps us in that regard. We will continue to work with all of our deputies and all of our ministries and try to see where there are ways we can improve and

enhance the performance and the results that come forward, and we have regular meetings throughout the year where we have these conversations.

Thank you.

4:50

**The Chair:** Thank you.

Ms Armstrong-Homeniuk?

**Ms Armstrong-Homeniuk:** I cede my time.

**The Chair:** To?

**Ms Armstrong-Homeniuk:** To Mr. Guthrie. Sorry.

**The Chair:** Mr. Guthrie, you have approximately five and a half minutes left.

**Mr. Guthrie:** Thank you.

Thank you, Premier, for being here this afternoon. With respect to the business plan on page 48, key objectives 2.2 and 2.3 state that Intergovernmental Relations, IGR, works with all ministries to ensure a co-ordinated and consistent approach to intergovernmental relations and approves all of Alberta's intergovernmental agreements, so IGR supports the Premier's intergovernmental agenda, missions and meetings. Naturally, Premier, you and your office have done a tremendous amount of legwork dealing with other provinces and the federal government to bring about awareness of Alberta's contributions to the entire country, and thank you for that.

You know, I feel that over the course of the last year COVID may have overshadowed some of the great work that you've been doing. Premier, can you give us an update of how Intergovernmental Relations is advancing Alberta's interests with the federation?

**The Chair:** To the Premier.

**Mr. Kenney:** Thank you, Mr. Guthrie, and through you, Chair, to the members. This has been a really busy time for Intergovernmental Relations because, as I pointed out, there's been so much need for collaboration across the country on our COVID response, and that's why the pace of meetings has been unprecedented.

You know, the Council of the Federation is the 13 provincial and territorial Premiers. Typically we'll meet once or twice a year, but in the past year we've met once or twice a week, often. Similarly, the first ministers' meeting, which is basically COF plus the Prime Minister and some federal ministers – we've been meeting on average every other week to discuss all the different aspects of the national response to the pandemic and the socioeconomic crisis.

That's been the main focus, I would say. Some of the highlights there would be the safe restart agreement, where I believe Alberta received, if I'm not mistaken, \$1.3 billion in funding from the government of Canada, our proportionate share. There were a lot of hard negotiations around that.

Let me just say: I've been so impressed and so often moved emotionally by the support shown to Alberta during the crisis, at the height of the crisis 11 and 12 months ago, when the price for our energy, our largest commodity, was falling off a cliff to its lowest level in history, when we were selling Alberta oil at negative prices about 11 months ago and I was raising the alarm about the potential total decimation of the country's largest industry. I heard incredible voices of solidarity, not just rhetorical support but provinces with much smaller economies that have struggled and have depended on things like equalization, saying to the Prime Minister: "We need to stand behind Alberta during its time of need. Alberta has been there

for us and the rest of Canada for decades. We need to be there for Alberta now." It made a real difference on so many levels in those months of crisis last spring and in practical ways.

I'll just share with you. Three months ago or so – I guess it would have been in September, come to think of it – the then chair of the COF, François Legault, was organizing a national news conference to articulate the province's primary collective priority right now, which is significant increases in federal health transfers. The then president of COF, Premier Legault, called me to say: Jason, we have not forgotten about the unique situation Alberta is going through, and I want to add into this communiqué our unanimous support already stated for Alberta's demands on the fiscal stabilization program, that the caps on it be lifted both prospectively and retrospectively. Okay. I'm getting the signal, but that's just one sign of how the spadework, the relationships have really paid off.

We've also made progress. You know what? We have a lot of major issues of disagreement with the federal government – I'd be happy to speak about those all day – but we've also gotten some progress: the equivalency agreement on the TIER major emitters levy; equivalency agreement on methane, which is going to significantly reduce regulatory costs versus federal regs; the chapter 11 agreement on the Species at Risk Act for the caribou protection plan; and we're now working with the feds, of course, on carbon capture, utilization, and storage. I see two bundles of issues: those where we have total conflict, like Bill C-69, the retail carbon tax, undergratification, and many other issues; and then a bundle of issues where we are making progress or do believe progress is possible.

**The Chair:** Thank you very much, Premier.

That concludes, within seconds, the 20-minute block for the government caucus.

Now, I do have just a quick couple of COVID challenges that I'll try to address here very quickly before going back to the Official Opposition. For everybody involved, I do try to introduce the speaker, predominantly for *Hansard* to be able to switch the microphones so we don't have to touch those. One of the other challenges was that during the government time the Premier did answer Ms Notley's last question. I don't know if you heard it or not. The Premier could not have known that you left the room because of the COVID technical things. I did check with the clerk. Calendar dates are not necessarily related to estimates. Estimates are forward looking, and while comparisons to the past, previous years do provide context and are allowable, I would more firmly ask that we address the focus on the current estimates moving forward.

I will provide a moment. If the Premier would like to restate his answer to Ms Notley while she's in the room, I would give him a moment or two to do so.

**Ms Notley:** I have heard it already.

**The Chair:** You did hear it already? That is not required. Thank you very much for that, Ms Notley.

Now we move to the next round, which consists of five minutes of questions from the members, followed by five minutes of response from the Premier. As mentioned, members are asked to advise the chair at the beginning of their rotation if they wish to combine their time with the Premier's time, which I believe was stated, so we will continue with the shared time. No person may speak longer than five minutes at a block. Please remember that discussion should flow through the chair at all times regardless of whether or not speaking time is combined.

With that, I assume, Ms Notley, you begin a 10-minute block.

**Ms Notley:** Thank you very much. I'd like to talk about jobs, job creation, and job-creation efforts. My reference, of course, is the strategic plan, which says on page 6 that "jobs and growth are the defining mandate of this government" – I doubt that the Premier would disagree with me on that – and then, of course, again under 1.1 and 1.2 of the business plan, as far as ensuring that the work of the government is co-ordinated, in essence.

I'd like to talk a little bit about that because there have been a lot of numbers being thrown around, and I am kind of a stickler for accuracy. I look in the fiscal plan and I see that there is talk of a \$3 billion job-creation plan or economic recovery plan. I see, for instance, press releases saying that we are going to create 90,000 jobs with the capital plan. This is a bit troubling for me because, in fact, neither of these things are really accurate, and I think that Albertans need to have a chance to really dig through what is new here, what's incremental, what's being added to the government's effort, how much of a strategy is there, really, to create jobs in this province.

Let's start with capital. As has been discussed in previous estimates, although we support the incremental bump of \$1.7 billion to capital investment that appears in this budget, it's kind of what I would characterize as low-hanging fruit. It's not as much as what we did in 2017 after the recession there, but it is a classic effort. That \$1.7 billion bump does not create 90,000 jobs. That \$1.7 billion bump might create, roughly, based on multipliers used in other jurisdictions, about 8,500 jobs, which is not nothing. Those are important jobs, and I think they're very worth while. I just really want us to be using appropriate numbers. We are maintaining the employment of tens of thousands of people, maybe even 90,000 people, as a result of maintaining capital investment as the government of Alberta – absolutely; for sure – but we are not creating new jobs, and we're certainly not creating that many. But it's good to keep people employed. I would be the first to argue that, and I will argue that many times over, in many different settings. So that's the first thing unless the Premier wants to suggest that that's incorrect.

5:00

The other thing, though, that I'd like to get into a little bit is that the remainder of that \$3.1 billion is made up primarily of either federal money, pre-existing TIER money, or this half-billion contingency. I'd like to get to that. Some people get really irritated with me when I obsess over the contingency, but again I'm a stickler. Contingency means maybe. Contingency means we will spend it if we need to, not we are going to spend it. So it's really quite confusing to Albertans when you see \$500 million under a contingency.

I want to ask the Premier: is it their plan to actually spend \$500 million on economic recovery? Yes or no? Is it a contingency, or is it actually a plan to spend it? If it is a plan to spend it, how will they spend it? Meanwhile what we've got in here is some lovely verbiage on about nine different strategies which are not described and have no dollar figure attached to them. The Finance minister and the jobs minister are not able to attach any projected jobs to those strategies, so we've got a lot of fluff and not a lot of plan. Maybe the Premier could start by telling us what his plan is with that \$500 million contingency and why it is that we call it that.

**The Chair:** Mr. Premier, you have up to five minutes.

**Mr. Kenney:** I thank Ms Notley for the thoughtful question. She invited me to respond to her remarks on the capital plan. Let me just underscore that the 90,000-jobs figure is an estimate that was, I believe, made by the Ministry of Jobs, Economy and Innovation

based on the standard models that would have been used by her government in the past to translate capital investments into FTE, full-time equivalent, employment statistics. The reference there is to the \$20.7 billion in planned capital spending over three years that is embedded in this budget, which is an increase over where it had been. We are sustaining record-high levels of capital investment, and the estimate from the Jobs, Economy and Innovation department is that that represents approximately 50,000 direct jobs and 40,000 indirect jobs sustained over that period.

Of course, this represents as well countercyclical spending, which is there to address the collapse in the global economy. We are essentially borrowing that money, right now at pretty low interest rates – about 1.75 per cent is our current bond rate – to make those investments, many of which will help to make our economy more productive in the future, many of which are addressing strategic priorities. For example, the \$240 million investment in modernizing our irrigation infrastructure in southern Alberta, the first renewal of that infrastructure in 60 years, together with support from the local irrigation districts and the Canada Infrastructure Bank, represents an \$800 million renewal. It will increase massively the arable land, the crop yields, will likely entice additional food processors to come into your hometown of Lethbridge, Mr. Chair. That's just one example of how the capital plan supports the broader Alberta recovery plan and our sector strategies to speed up our economic diversification.

With respect to the half-billion-dollar contingency for job creation to which Ms Notley referred, yes, I can assure her that that will be expended. In fact, I don't think I'm going out on a limb here to say that Minister Toews is going to have a challenge on his hands to prevent expenditures in excess of the \$500 million for targeted investments to support the growth strategy. You know, I totally understand Ms Notley's questions and even her skepticism on this because, yeah, in an ideal world it would be preferable to enumerate everything we plan to do in that area, but we're not living in an ideal world. We're living in a COVID world, we're living in a time of unprecedented uncertainty, and we're just admitting that. We're just admitting that we're working on the completion of a number of sectoral strategies.

We have a number of ideas of where some of those investments will be made, and I know ministers Schweitzer and Toews have shared those. But we're not in a position to lock ourselves in for, like, a year from now when we're in such incredible flux. God forbid that we should see new variants beat the vaccine programs around the world and drag us back into a global COVID recession 2.0, but those are the kinds of real possibilities in the year ahead of us. So we must maintain, I would implore Ms Notley's donors – our view is that we must maintain a margin of flexibility.

The other way we could do this would be to not put it in the budget, not be transparent about our spending intentions, and instead just roll out supplementary estimates which are authorized not by the Legislature but by the cabinet and are only done retrospectively instead of prospectively. I think this is a much more honest and transparent way of saying: "We will have to make some strategic economic investments. Here the Legislature is allotting us X amount of money. We'll do our best to stick within that as opposed to just making it up as we go along through the supplementary estimates process."

**The Chair:** Thank you.

**Ms Notley:** Well, I would argue that what this budget reflects is: making it up as we go along. The fact is that we've had a year – we've had a year – to put this together. You had a council that you established almost a year ago. We expect more details than a half-

billion dollars of walking-around money. I do, however, appreciate the Premier's clarification that those 90,000 jobs will be sustained, and I would ask that he ask his communications people to stop saying "created," because indeed that is a primary difference.

But congratulations, for sure, on sustaining those jobs, and I hope that he takes the same approach to jobs in health care, jobs in education, jobs in child protection, jobs in supporting community resilience, jobs in postsecondary education. We do need to sustain jobs that are funded by the taxpayer because that's part of ensuring an economic recovery right now. We cannot impose austerity onto the economy and expect growth to come from it. Sustenance is great, but let's make sure it crosses all areas of what the public sector does.

I gather I am now finished till the next time. Thank you.

**The Chair:** That does conclude your 10-minute block.

We now go back to the government caucus. Is it with Mr. Guthrie? Oh, Ms Rosin. You begin a 10-minute block. You have up to five minutes.

**Ms Rosin:** Thank you, Chair, and thank you so much, Premier, for being here today. On page 103, section 2 of your budget this year, it shows a fairly large increase to intergovernmental relations, and I believe that this increase is primarily for the hiring of an environmental, social, and governance secretariat. Now, I can attest to you that there is no one in this province who values and understands more the importance of balancing our economic recovery and revitalization with the importance of protecting and conserving our environment and promoting our brand as a wonderful place where we balance those two things. In fact, I believe that the creation of this role was something that a couple of constituents of mine, whom you and I both know quite well, from Banff have advocated long and tirelessly for, something that I'm very excited and proud to see that our government has implemented.

I'm wondering if you can speak a little bit to what the roles and responsibilities and the purpose of this environmental, social, and governance secretariat are and how those roles and responsibilities will complement the roles and responsibilities of the Canadian Energy Centre. Also, I suppose if you could elaborate on that a little bit further and just explain how this new secretariat will support Alberta's interests beyond just the energy sector into other sectors as well.

**The Chair:** To the Premier.

**Mr. Kenney:** Thank you, Chair and to MLA Rosin. First, let me underscore that there is no new spending associated with the creation of this environmental, social, and governance secretariat in Executive Council, in my department. This is \$2 million that's being transferred to my department from the Department of Energy to bring that critical work more into the centre of government, where we have a kind of convening power, if you will, a convening role across all departments and agencies, and we can play that coordinating role.

Now, I think a lot of Albertans, when they hear this acronym, ESG, might think it's – I don't know – some kind of a medical term or something. It's fair. It's only in the last perhaps 18, 24 months that it's become an increasingly urgent issue for Alberta. It refers to a matrix for investment that is influencing capital markets and financial institutions based on E, environmental, S, social, G, governance metrics.

5:10

ESG investment criteria have been used – I would say misused – by some large institutional investors and financial institutions, disproportionately in Europe, to effectively blacklist the Canadian oil sands and the Alberta energy sector. We think that's been based in part on dishonest, incomplete, dated, torqued, highly politicized data driven by campaigns by green-left organizations that, as MLA Rosin knows, have been trying to land-lock Alberta energy through a deliberate campaign, the Tar Sands Campaign, for the better part of 12 years, 13 years now. That is in part why our government ran on a commitment to push back with a \$30 million budget allotment for advocacy of our responsible energy sector.

Now, by the way, a lot of that money was already being spent in advertising campaigns in the past: \$10 million of it comes from the TIER fund for major emitters; \$10 million of it is reprofiled from the previous government of Alberta energy advertising campaigns. That \$30 million fund resides in the Department of Energy. We're taking \$2 million, bringing that into Executive Council to have kind of like a central co-ordinating function to look at, you know: what are the gaps in our own ESG story? Where do we need to do better or additional research? What data do we need to update? Should we be contracting more expert third-party academic research on the shrinking carbon intensity or emissions from the Alberta energy sector? Part of it is that research and policy function. Part of it is identifying: what are the top advocacy targets, and who's responsible, who's best suited in the broader government of Alberta to carry that message?

I'll give you an example. The new Invest Alberta agency will be the primary voice on our ESG message to those global capital markets in places like New York, London, and Frankfurt. The Canadian Energy Centre may have a mandate to advertise to a more popular, widespread, general audience, for example. So the ESG secretariat will co-ordinate activities both on the research side, policy co-ordination, and advocacy efforts. This is critical.

I know that a lot of Albertans say, you know: what is this all about? At the end of the day, the oil and gas companies and their associations tell us that this is their single greatest current challenge. We can get them pipelines to ship increased capacity. We're producing, by the way, record levels of crude from the oil sands right now, today. We can have strong prices. We can have all of those things. But if they don't have access to capital to maintain and expand their projects, then they won't have a bright future. So we need to work with them on this ESG imperative, and that's why we've set this up at the centre of government.

**The Chair:** Thank you.

**Ms Rosin:** Thank you so much, Premier.

I will cede the rest of my time currently to Mr. Guthrie.

**The Chair:** Mr. Guthrie.

**Mr. Guthrie:** Thank you, Premier, in earlier discussion from this committee meeting, we were talking about referendum questions and IGR, and now equalization is such an important issue to so many Albertans. It's a topic that this government has agreed to address at the fall municipal election. Could you comment on what that question would look like, its significance to Albertans, and how this can position Alberta in its discussions with the federal government?

**The Chair:** Premier, you have three and a half minutes.

**Mr. Kenney:** Yes. Thank you. Of course, Chair, MLA Guthrie knows very well that the United Conservative Party ran on a key commitment to hold a referendum on the principle of equalization that has been articulated in section 36 of the Constitution Act since 1982, since the patriation. We have not yet finalized the question. We did ask the Fair Deal Panel to consult and confirm whether we should proceed with that. That was their advice. So we have confirmed that it will be held concurrent with the October 2021 municipal election for the sake of administrative efficiency and convenience of voters. Also, you know, I often get asked by some Albertans why we have not yet had that vote, and one of the answers is that we wanted to maintain something out there as leverage in our relations with the government of Canada, dealing with issues like the construction of Trans Mountain, the expansion and construction of Coastal GasLink, and so many other vital issues. You know what? If Mr. Guthrie and other MLAs have suggestions about exactly what question to ask, we'd be happy to take those on board. Cabinet will be making a decision later this spring on the precise question.

But I just need to add this caveat, as I always do. Holding this referendum will not in and of itself change equalization or other unfair aspects of the entire system of fiscal federalism. We cannot change the Constitution, for example, unilaterally, but what we can do through this referendum is to elevate our fight for fiscal fairness to the top of the national agenda, taking a page out of Quebec's playbook in how they have so powerfully dominated, frankly, the politics of the federation for half a century. I would refer Mr. Guthrie to the recent op-ed written by former Alberta finance minister professor Ted Morton, that I think really articulates that theory very well.

**Mr. Guthrie:** Thank you, Premier. I think there are a lot of Albertans looking forward to this fall and having a say on that, so thank you very much.

I'll cede my time to Mr. Turton.

**The Chair:** Mr. Turton, you have just over one minute.

**Mr. Turton:** Okay. Excellent. Well, thank you so much, Premier, for coming here today and, obviously, for answering these questions. I know that you've had, obviously, a long week, but it is very much appreciated on behalf of the residents of Spruce Grove and Stony Plain.

As you have mentioned numerous times this afternoon – I guess I'm going to be specifically talking a little bit about intergovernmental relations because I think that at no other point in our province's history has that position and that line item been so important in terms of working with other provinces and the national government in Ottawa on how we can further Alberta's interests. You've touched a little bit on the conversations you've had with Premier Legault and other provinces about how we can get through the COVID-19 pandemic, and you kind of touched a little bit on the conversations that you've had and also the conversations that we need to have with the federal government, not just to be able to deal with the medical crisis of the pandemic of today but also the economic uptick that we have to go through as we get our province out of the conundrum that we're in and move on to tomorrow.

**The Chair:** I apologize for the interruption. That concludes that 10-minute block of time.

We now go back to the Official Opposition for a 10-minute block. Ms Notley, you have up to five minutes.

**Ms Notley:** Well, thank you very much. I think it was my plan anyway to touch on the issue of the ESG secretariat, so I'm glad that that was raised. I will start – maybe I'll just try to put my questions together because I'm worried that we've got short time, and then you can follow up. I've just got my eye on the clock here.

First of all, I find it somewhat amusing that you suggested that some people might think ESG is a medical term but that it's become a big issue in the last 18 months. I'm sure you are aware that in 2019 you actually called it a fad to the *Globe and Mail* yourself, just outside of 18 months ago. I can actually assure you that those were real issues probably for a decade, and it didn't suddenly shift from being a left-wing, green conspiracy theory to suddenly being an issue that you needed to pay attention to. In fact, it's always been an issue that we needed to pay attention to, so I'm glad you're sort of there.

The problem is that it does appear as though you and the government are still riding two horses, and of course that never ends well for anyone but the most skilled of rodeoers. I want to say that we are quite troubled by this. On one hand you are acknowledging that the oil and gas industry struggles to get investment as a result of ESG concerns, which drive investment decisions internationally in multiple forms, separate and apart from any conspiracies, yet on the other hand, you are doing a number of things in this government. For instance, we saw performance measures in the ministry of environment, 4 out of 5 of them, I believe, removed in this budget with respect to emissions reductions. Gone are measures around total emissions, total emissions in the oil sands and total emissions in the electricity sector. The only metric left is percentage of emissions priced. To me, that runs counter, and it looks like somebody's not doing a very good job of thinking about ESG matters.

5:20

Then in terms of social licence, although, yes, we do have work with respect to indigenous communities through the AIOC, we also see significant budget cuts to the Department of Indigenous Relations as far as it relates to consultation. When we look at transparency and effective governance, also not a fad, actually a thing that investors look at, we, of course, see the multiple challenges with respect to transparency around, for instance, KXL, the coal leases, the \$500 million that may or may not get spent on projects that may or may not ever be itemized for Albertans. We do seem to have a bit of a challenge here. I guess one thing that I would like to know is how you are going to bring that together.

Of course, the other thing we've got is an energy war room which has been an international embarrassment on multiple fronts, and we have the inquiry into un-Albertan activities, which most recently spent \$28,000 to actually buy junk climate science. These things run counter to the very ESG goals that international investors look at. It seems to me to be rather wasteful to be spending \$2 million to present a picture to international investors of a government that respects ESG standards while at the same time dealing with the theatrics of the war room and the ever-delayed Allan inquiry.

Finally, I will ask: I understand that we spent \$125,000 on the Eurasia Group, led in part by Gerald Butts, the former chief of staff to Prime Minister Trudeau, and I am wondering if part of this money will go to continuing to ask for their assistance in connecting with investors. Certainly, the description of that contract was that they were going to be doing the very ESG work that you described to your previous MLA for Banff-Kananaskis.

I believe I'm pretty much again out of time.

**The Chair:** Fourteen seconds.

**Ms Notley:** All right.

**The Chair:** To the Premier. You have up to five minutes to respond.

**Mr. Kenney:** Okay. Thank you, Mr. Chair. I think that was more sort of a grab bag of political points rather than specific questions about the estimates, but I'll do my best. Let me say, first of all, that Ms Notley has accused the government of, quote, trying to ride two horses simultaneously. No. There's only one horse, and that's called Alberta, and the direction is towards a prosperous future.

I understand, and it's entirely legitimate, that Ms Notley and her party have always been hostile to this province's largest job-creating industry. The NDP, historically, in this province has existed to oppose what they've always referred to as, quote, the corrupting influence of big oil in Alberta's political culture. That's why they opposed the Northern Gateway pipeline. It's why they opposed the Keystone XL project. It's why they surrendered on the de facto federal killing of Energy East. It's why they sought to impose massive additional costs, rendering our industry uncompetitive in a trade-exposed environment.

We fundamentally happen to disagree with that. The government that I'm privileged to lead was elected with a mandate to unapologetically respond to the campaign of lies . . .

**Ms Ganley:** Point of order.

**The Chair:** Sorry, Mr. Premier, to interrupt.

A point of order has been called. Ms Ganley.

**Ms Ganley:** Yes. Thank you very much, Mr. Chair. I call a point of order under 23(b) as well as (h), (i), and (j). That's speaking to the matter at issue and also seeking to create disorder. Clearly, there were some questions asked. Yes, it was asked in the non-back-and-forth format of a series of questions which are then given a series of time to answer, but this sort of performative tangent about what previous governments may have done or may not have done is certainly out of scope of the estimates. We're here. We have a very limited amount of time. We're here seeking information that Albertans are entitled to about how public funds are being used, and I think it's not only off-topic but extremely disrespectful to Albertans for the Premier to be using the time in this manner.

**The Chair:** Would anyone like to respond?

**Mr. Guthrie:** That's clearly not a point of order. The opposition may not like the answer, but the Premier is well within his rights to answer the question. As he's noted, it was a grab bag of information that was thrown on him. He's trying to do his best here to get through that. It's clearly not a point of order.

**The Chair:** I would tend to agree. I've allowed quite a bit of leniency throughout the entire estimates. Ms Notley used almost the full five minutes of her time. The Premier will be able to continue his remarks. He has approximately two minutes left of his time.

**Mr. Kenney:** Ms Notley referred derisively to the campaign to land-lock Alberta energy as, quotes, a conspiracy theory. It is anything but. It is a highly co-ordinated campaign. It's not a theory; it's a reality. It's called the Tar Sands Campaign. It started at a conference organized by the Rockefeller brothers foundation in 2008 in New York City. This is well documented. A couple of dozen organizations, highly co-ordinated, constantly sharing tactics and strategies: those are the groups that have been behind trying to

shut down everything from Northern Gateway to Trans Mountain expansion, to KXL, to line 5, to line 9, to Energy East, desperately trying to bottleneck this province, and that's where we have a fundamental disagreement with the NDP. They want to defend those organizations. That's where they come from. I understand that. It's a legitimate political choice, but Albertans have chosen a different path.

Now, in terms of concrete progress on ESG issues, by the way, we are, after Norway and Denmark, the most highly ranked country on earth with respect to ESG metrics, and our energy producers are the most highly ranked amongst global energy producers. You would never know that if you just heard from voices on the political left.

But we have to do better, and we are doing better, which is why we've rolled out the TIER program, why we've co-operated with the federal government on methane equivalency, on regulations. It's why we are – we just formed a working group with the government of Canada on potentially a massive expansion of carbon capture, utilization, and storage technology.

We can and must do better, and we are leading the way to being the best, most ethical, and most environmentally conscious major producer of hydrocarbon energy in the world.

**The Chair:** Ms Notley; 16 seconds.

**Ms Notley:** Will you or will you not be spending money on Eurasia, and why did we remove 4 out of 5 emissions targets from the budget plan? Those are my questions.

**The Chair:** To the Premier.

**Mr. Kenney:** Yeah.

**The Chair:** No more time.

We just have literally one minute, 40 seconds left. I will leave it with the government caucus. Mr. Turton to use that time as he chooses.

**Mr. Turton:** Yes. Thank you very much, Mr. Premier. You heard my preamble before, so I'll just sum up my question real quickly. Can you please explain how Alberta is co-ordinating with the federal government and other provinces to address the COVID-19 pandemic as well as take advantage of potential economic opportunities?

**The Chair:** To the Premier. You have one minute, 15 seconds.

**Mr. Kenney:** Right. Well, thank you. You know, we have major and in some cases massive disagreements with this current federal government on issues that are vital to our economic future, but we have sought to be productive as, I think, Canadians expect of us throughout the pandemic, and we do appreciate various forms of federal support, just as we've demonstrated leadership in sharing tens of millions of dollars' worth of personal protective equipment with other provinces in the country.

Right now we continue to focus on the need for them to show us good faith by lifting retrospectively the cap on the fiscal stabilization program – that would be worth several billion dollars to Alberta – and we join with our fellow provinces in asking for a fair deal on the Canada health transfer, given how the federal share of health funding continues to decline as health costs continue to increase, particularly in the COVID crisis.

**The Chair:** Mr. Turton, for the final 15 seconds.

**Mr. Turton:** Yes. I'll just simply say, you know, thank you again very much for your response, Premier. I appreciated your answer

and especially the candour that you've had regarding the challenges and opportunities that you face as you deal with other provinces and the federal government. I have a great hope and optimism.

**The Chair:** I apologize for the interruption, Mr. Turton, but I must advise the committee at this time that the time allotted for consideration of the ministry's estimates has concluded.

I would like to remind committee members that we are scheduled to meet next on March 10, 2021, at 7 p.m. to consider the estimates of the Ministry of Labour and Immigration.

Thank you, everyone. This meeting is adjourned.

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







