



Legislative Assembly of Alberta

The 31st Legislature  
First Session

Standing Committee  
on  
Alberta's Economic Future

Ministry of Jobs, Economy and Trade  
Consideration of Main Estimates

Monday, March 18, 2024  
7 p.m.

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**Legislative Assembly of Alberta  
The 31st Legislature  
First Session**

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

Getson, Shane C., Lac Ste. Anne-Parkland (UC), Chair  
Loyola, Rod, Edmonton-Ellerslie (NDP), Deputy Chair  
Sweet, Heather, Edmonton-Manning (NDP),\* Acting Deputy Chair

Boparai, Parmeet Singh, Calgary-Falconridge (NDP)  
Cyr, Scott J., Bonnyville-Cold Lake-St. Paul (UC)  
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Hoyle, Rhiannon, Edmonton-South (NDP)  
Stephan, Jason, Red Deer-South (UC)  
Wright, Justin, Cypress-Medicine Hat (UC)  
Yao, Tany, Fort McMurray-Wood Buffalo (UC)

\* substitution for Rod Loyola

**Also in Attendance**

Batten, Diana M.B., Calgary-Acadia (NDP)  
Brar, Gurinder, Calgary-North East (NDP)  
Ip, Nathan, Edmonton-South West (NDP)  
Wright, Peggy K., Edmonton-Beverly-Clareview (NDP)

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Teri Cherkewich	Law Clerk
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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 Jobs, Economy and Trade

Hon. Matt Jones, Minister

Tanis Liebreich, Assistant Deputy Minister, Child Care, Strategy and Policy

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



7 p.m.

Monday, March 18, 2024

[Mr. Getson in the chair]

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

**The Chair:** Hey, folks. We are live. I really appreciate everyone coming out tonight. I would like to call the meeting to order and welcome everyone that's here in attendance. The committee has under consideration the estimates for the Ministry of Jobs, Economy and Trade – JET, as it's known in-house – for the fiscal year ending March 31, 2025.

I'd like that we go around the table and have the members introduce themselves for the record. Minister, if you could introduce your officials once we do that. To get this started, I'll introduce myself. I'm Shane Getson, MLA, Lac Ste. Anne-Parkland, better known around these parts as God's country. We'll go to the members, starting to my right.

**Mr. Wright:** Hi. Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

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

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

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

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

**Mr. Jones:** Matt Jones, Minister of Jobs, Economy and Trade and MLA for Calgary-South East. To my left we have ADM Tanis Liebreich, assistant deputy minister of child care, strategy, policy, and delivery; Chris McPherson, my deputy minister; to my right Andre Rivest, acting senior financial officer, and Suzanne Harbottle, ADM of labour and workforce strategies. I do have additional staff, which I will highlight in my speaking remarks.

**Member Brar:** Gurinder Brar, MLA for Calgary-North East.

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

**Mr. Ip:** Nathan Ip, MLA for Edmonton-South West.

**Member Batten:** Diana Batten, MLA for Calgary-Acadia.

**Ms Sweet:** Good evening. Heather Sweet, MLA, Edmonton-Manning, and deputy chair.

**The Chair:** Perfect. I don't believe we have anyone online, or we'd be doing those introductions, so we'll just pass that.

I'd like to note the following substitutions for the record: Ms Heather Sweet is in for Member Loyola as deputy chair. Welcome aboard, Deputy.

A few housekeeping items before we turn to the business at hand. As you've noticed around the room, *Hansard* is running and operating the microphones, so no need to reach out and grab those and try to manipulate them. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of the meetings can be accessed via the Legislative Assembly website.

Remote participants: we can pass that.

If you need to get the committee clerk's attention – he's to my left here – you can raise your hand in here, obviously, or send an e-mail or anything else if you need his attention for whatever reason.

Please set your cellphones to the least disturbing mode that's available since we're in a meeting. Please set them to silent for the duration of the meeting.

Speaking times and limits. I apologize, everybody. I'm terrible at reading notes, but this is one of those times where I have to read it into the record, so please bear with me. Hon. members, the main estimates for the Ministry of Jobs, Economy and Trade shall be considered for three hours. Standing Order 59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(6) sets out the speaking rotation for this meeting. The speaking rotation chart is available on the committee's internal website, and hard copies have been placed on the table in front of you for those sitting at the table here.

For each segment of the meeting, blocks of speaking time will be combined only if both the minister and the member speaking agree. If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted in the main estimates schedule, and the committee will adjourn. Should members have any questions regarding speaking times or rotation, please e-mail or message the committee clerk about the process: again, to my left.

With the concurrence of the committee – I'm awfully hopeful we can get our first consensus on this – I'd sure like a five-minute break at the halfway mark. If the committee does agree to that, the shot clock for the overall meeting will still continue to run, but we'll actually have a five-minute chance for a comfort break. Is anyone against having a comfort break partway or halfway through the meeting? Seeing none, perfect. Thank you very much. The chair is very appreciative of that.

Ministry officials who are present today may, at the direction the minister, address the committee. Ministry officials seated in the gallery, if called upon, have access to the microphone in the gallery. Folks in the gallery: introduce yourselves at the podium so that it's recorded for the record.

Pages are available to deliver notes and other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members. However, members have priority to sit at the table at all times.

Points of order will be dealt with as they arise, and individual speaking times will be paused. However, the block of speaking time and the overall three-hour time will continue to run.

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

Finally, the committee should have an opportunity to hear both questions and answers without interruption during estimates debate. Debate flows through the chair at all times, including the instances when speaking time is shared between the member and the minister. You'll find that I'm smiling up here and nodding very much with whatever you're saying to keep the decorum going. Please feel free to look in my direction and cast me a glance every once in a while.

The other thing here, too, folks: this isn't the House. It's a boardroom, a committee room, so no heckling. There's none of that.

The other thing that really seems to work in these meetings is when we refer to the actual estimates themselves that are under consideration and also for the folks at home that are following along. If you can reference a page number, a table number, the book you're talking about, it sure makes things go a heck of a lot smoother, and honestly it doesn't waste any time for points of order. It allows the conversations, the questions and answers, to flow quicker.

Is everyone comfortable with the rules of engagement? Okay. Perfect.

With that, Minister, we would just be tickled if you would open us up. You get the first 10 minutes of this, and away you go.

**Mr. Jones:** Thank you, Mr. Chair. Good evening. It is my pleasure to present the 2024-25 main estimates for the Ministry of Jobs, Economy and Trade. I've already introduced those at the table with me here, but behind me in the gallery are Jerry Bellikka, my chief of staff; Josh Aldrich, press secretary; Leah Wood, my ministerial assistant; Jennifer Jabs, my ADM of international trade; Liam Stone, ADM of economic strategy and investment; Sylvia Lepki, assistant deputy minister of economic development and business supports; Myles Morris, assistant deputy minister of safe, fair, and healthy workplaces; Wendy Doyle, executive director of child care policy and continuous improvement; Dione Kennedy, executive director of prevention, early intervention, and youth; Shanna Schulhauser, director of communications; and Mike Jenkinson, director of executive operations in the deputy minister's office.

Jobs, Economy and Trade enhances Alberta's competitive advantage and helps create the conditions that contribute to our province's economic prosperity. The ministry's activities have helped to make Alberta the economic engine of Canada, and in 2024 we are keeping that momentum going.

For the upcoming fiscal year the ministry will employ about 1,300 staff to undertake these activities. These activities will also be financially supported by \$1.85 billion in operating expenses, \$14.6 million in capital investment, and \$10 million in capital grants.

One activity that supports Alberta's economy is promoting trade opportunities. Showcasing Alberta to the world through trade missions enhances the province's access to new and emerging markets, provides opportunities for our exporters, and also creates jobs for Albertans. We will continue to build on the success of recent trade missions to Japan and the Middle East and look forward to telling Alberta's story in Central America, Europe, and Asia in the coming months.

We will also continue to work with the federal government to make sure our province's interests are promoted and protected in international trade agreements. Along with expanding our markets, the ministry will continue to attract investment and provide support for regional economic development. We will invest \$38 million in '24-25 to support these activities, which includes \$15 million for the investment and growth fund, a deal-closing program that has encouraged capital investments of approximately \$400 million and created 900 permanent and 500 temporary jobs across the province.

In '24-25 we will spend \$105 million to support our province's world-class film and television industry through the film and television tax credit. We will also be improving the program's requirements to make it easier for film and television producers to claim the tax credit, and we will be expanding the program to more types of productions and encouraging producers to film in diverse parts of the province. Like the investment and growth fund, this program has been a great success and is attracting even more film and television productions to Alberta while diversifying our economy.

We will also continue to support regional economic development and small businesses through a variety of programs and initiatives. Budget 2024 provides a total of \$17 million for these programs, including transitional support to regional economic development alliances, or REDAs, and pathfinding, coaching, and training so that small businesses can continue to grow and succeed. When businesses and regions thrive, it creates job opportunities for all Albertans.

Part of the work of my ministry is to support workers and their employers. Budget 2024 will invest \$129 million for skills and

training support programs, workforce development, and labour market information. Through agreements with the federal government we will continue to assist Albertans who are seeking jobs and help them gain new, in-demand skills. These programs also help those who may face employment barriers such as people with disabilities, women, newcomers, youth, and Indigenous Albertans. We will continue to attract workers to Alberta in areas of high demand and in occupations facing labour shortages.

**7:10**

The Alberta Is Calling campaign is one initiative that has helped ease those pressures, and the Alberta Is Calling attraction bonus, which will be launched next month, will take this a step further by bridging significant labour market gaps that currently exist in the skilled trades. With a budget of \$10 million, the attraction bonus will provide a one-time \$5,000 refundable tax credit to help hard-working out-of-province job seekers take up key positions in Alberta skilled trades.

Once these job seekers have been attracted to Alberta, it is important that they work in safe, fair, and healthy workplaces. Budget 2024 will invest \$68 million for education and enforcement of OHS and employment standards laws. I note that OHS programs are off-set by funds transferred from the Workers' Compensation Board, which is backed by employer premiums and investment income from the board's accident fund. This means no taxpayer dollars are directly involved.

The ministry is hiring 33 additional full-time front-line staff to improve education and enforcement of OHS laws. These additional staff will allow more in-person inspections of work sites, reduce overtime costs, and help retain OHS officers by periodically rotating them off trauma-related work. This is a positive step to having all workers return home safely after each workday.

Budget 2024 also supports the ministry's continuing work to clear the backlog of employment standards complaints, effectively enforce the rules, and protect vulnerable workers from being exploited, and we will continue to promote early resolution of complaints between employers and employees. In the unfortunate circumstance where workers are injured or ill and are not being compensated fairly for it, the ministry has allocated \$19 million to support the Appeals Commission for Alberta's workers' compensation. The Appeals Commission helps to ensure injured and ill workers and their employers are being treated fairly by the workers' compensation system. As with OHS, the Appeals Commission is funded by transfers from the WCB, which means no taxpayer dollars are directly involved.

Finally, the ministry continues to support the fair and equitable application of Alberta's labour relations laws by providing \$5 million to fund the Alberta Labour Relations Board. Safe, fair, and healthy workplaces are productive workplaces that contribute to Alberta's continued economic growth.

A sustainable and high-quality child care system allows parents to pursue employment opportunities, achieve financial independence and security, and increases their participation in Alberta's economy. Budget 2024 provides \$1.2 billion for child care affordability and access. It also provides \$304 million for child care quality and supports for early childhood educators, or ECEs. We listened to child care providers and on March 1 made important changes to how we pay them so that our child care system can remain sustainable, affordable, and available to hard-working Alberta parents. By providing child care providers with 80 per cent of their approximate monthly claim at the beginning of each month in addition to the fees they collect from parents, we are helping to reduce their operating financial pressures.

These changes were all part of our government's transformation of the child care system. Budget 2024 will continue to support this transformation through the province's child care funding framework. We will continue to work closely with the federal government on the Alberta Canada-wide early learning child care agreement and the affordability grant agreement, which has reduced daycare costs to \$15 a day as of January 2024 and will further reduce those costs to \$10 a day by the end of 2026, ensuring Alberta's parents are even better supported in their efforts to balance work and family life. Budget 2024 is a responsible plan for a growing province. The estimates of Jobs, Economy and Trade support that plan and help foster the conditions for economic growth now and into the future.

I am happy to take your questions, and thank you for being here.

**The Chair:** Thank you, Minister, and with two minutes extra. That's very kind of you.

Now we're off to the first 60-minute block, and it begins the question-and-answer portion of it. It will go over to the Official Opposition. During this period you can cede your time back and forth amongst each other, and then I'll let you ask the question if the minister wants shared time or block time. From there I can advise how the speaking times go, but basically within the block no more than 10 minutes of speaking in a row.

With that, I see Member Ip.

**Mr. Ip:** Thank you, Mr. Chair. Just as a matter of procedure, I guess the first thing to decide is whether it's block time or a dialogue.

**The Chair:** Yeah. Absolutely. Just make that request, and away we go.

**Mr. Ip:** I guess I'll maybe ask that to the minister. What would you prefer? What would work best for you?

**Mr. Jones:** Block time.

**Mr. Ip:** Perfect. Then I'll begin my first block.

I want to thank Minister Jones as well as all of the ministry officials and staff who are here to answer questions and thank you for the very important work that you do in this ministry and for facilitating tonight's dialogue. With this in mind, I'd like to start my questions with some larger, big-picture questions, and specifically I want to start with outcome 1 of the business plan, Alberta's economy is prospering. Certainly, as the Official Opposition critic for Jobs, Economy and Trade, and like many in this room, I'm very committed to ensuring that Alberta businesses and enterprises have the support to find talent they need so that they can grow and prosper and that Albertans have access to sustainable, well-paying jobs that enable families to thrive.

Minister, you spoke of the importance of workforce development and workers who face barriers, but as we begin this estimates debate, there are serious issues facing Alberta employers and workers. Specifically, page 26 of the government's fiscal plan projects that Alberta's real GDP per capita has begun to stagnate between the years of 2022 and 2027. This, of course, is particularly concerning as Alberta is – we all want it to be the land of opportunity, yet according to the government's own words “real GDP per capita [is] falling behind.” My first question to the Minister of Jobs, Economy and Trade is: what is your plan to address the stagnating GDP per capita, and if there is a plan to specifically address this issue, is it reflected under the workforce strategies line item or any other line item of the current government estimates? How do you expect the real GDP discrepancy, as described in your documents, to improve as we head into 2024?

Mr. Chair, staying with outcome 1 of the business plan, another large, big-picture item that I want to address pertains to automation and the changing landscape of jobs in Alberta. As we know, there are fewer jobs in the oil and gas sector today than there were even in 2019 due to a number of different factors. There is a shift, certainly, in the landscape of our workforce, but much of it is due to automation, and this trend is going to accelerate for years to come. Reported by both Ernst & Young as well as by McKinsey, workforce and the nature of work is changing, and by 2030 globally millions of jobs will be lost to automation. So the decisions that Alberta makes now in getting ahead of these trends will certainly affect Albertans for decades to come. Speaking to this, I would like to know what the government's plan is to navigate Alberta's economy as these workforce changes come into play, like automation, and as it impacts some of perhaps our traditional industry. Again, are some of these strategies, if they exist or if there is a plan, currently reflected within the government estimates, as in: is it currently being funded?

I also want to draw our attention to objective 2.1 from the Alberta business plan, which talks about implementing initiatives to address Alberta's current and longer term labour market challenges, which the minister also referenced in his remarks, and specifically within this I'd like to draw your attention to the Alberta Is Calling attraction bonus, the \$5,000 refundable tax credit for skilled trades that move into Alberta from other provinces in 2024. Of course, this program is intended to be an incentive to attract much-needed talent to Alberta and fill labour shortages in the skilled trades. Even so, there are a number of different discrepancies and, I would say, about-face changes from what was previously promised by this government and what is now being delivered.

Positively, when this program was first announced, it was going to be a \$1,200 tax credit; it is now a \$5,000 tax credit. Certainly, on this side we see that as positive. However, previously health care and child care workers were included as part of the tax credit; currently it excludes health care and child care workers. We know that this province continues to face a shortage both health care and child care workers, so my question to the government is actually quite simple. Why did the government make this change, and what actually spurred this change between last May, the last election, and until now?

7:20

Next I'd like to focus on perhaps more of the specific details of the Alberta Is Calling attraction bonus. I understand that the details are still to be released, but I'd like to learn – and I'm sure members of the public would also be interested in learning – about the government estimates in terms of the number of folks who will qualify for this tax credit, and how does it compare to the number of skilled trades workers that we need? In other words, how many people would actually qualify for this tax credit under the current eligibility requirements that are being proposed, and what is the actual need that is projected by government? Obviously, I'm wondering if those two numbers align. If you have that information, that would be certainly very helpful.

I'm aware that the minister has publicly stated that the number of workers that Alberta needs ranges between 20,000 and 30,000, so I'm interested in knowing if ministry staff or the minister can provide this information. How many of these positions that we actually need in Alberta, in which there is a shortage, are specifically in the skilled trades? My understanding is that this program currently has a general benchmark of attracting about 2,000 skilled trades workers. But, anecdotally, I think that when you speak to stakeholders, Alberta needs much more than 2,000 skilled trades workers. I'm concerned that currently what is being

budgeted within this program is simply not enough to move the needle in terms of filling the shortages that we're seeing all across the province.

Assuming that there is a bit of a discrepancy between what is needed, the number of workers needed in the skilled trades, and what this program funds, I'm hoping that the minister can provide an explanation as to why specifically the benchmark is 2,000 right now.

I would also like to dive into the tax credit specifically and understand which professions would actually qualify for this tax credit. When we're speaking about skilled trades, that's a broad category. Does it simply mean that it's only folks that would earn a red seal or journeyman, or is it a broader, umbrella term that describes other professions as well?

As I continue on this line of questioning, I'd like to learn more about the budget for this program. My understanding is that \$14 million is set aside. So just doing very rough math, if you multiply the \$5,000 tax credit by about 2,000 workers, which is, to my understanding, sort of the benchmark, it's about \$10 million. What isn't clear in the budget documents is what \$4 million might be spent on if it's not on the tax credit itself. If the minister can please enumerate in detail that spending, that certainly would be helpful. Specifically, I'd like to learn how much of that approximate \$4 million will be spent on in-house administration and if you're able to provide any breakdowns.

When it comes to outreach and the implementation of the program, I'd like to understand how you might actually be targeting or specifically reaching the desired... [Mr. Ip's speaking time expired]

Thank you.

**The Chair:** It's surprising how quick that 10 minutes goes. But, MLA Ip, well done for setting the tone and the pace for this, of referencing the documents and keeping the tone here. Well done.

Minister, over to you.

**Mr. Jones:** It wasn't quick for me, Chair. He asked many, many good questions. I'll try to go through them, and if I miss anything, please catch me on another question. What do I think of when I think of Alberta as prospering? I think about people wanting to live and work here and build a business. Certainly, at times Alberta has not seen that. Prior to me entering politics, and one of the reasons I entered, we saw about 183,000 people lose their jobs and a flight of tens of billions in capital from 2015 to 2019, and it resulted in record business closures.

You fast-forward to today, and we're seeing the opposite. We're seeing record numbers of people choose Alberta, 200,000 over a 12-month period last year. You're seeing the fastest job growth in the country, the highest wages in the country, the lowest taxes in the country, and the least red tape. When I think of Alberta as prospering, I think of a government that creates the conditions for Albertans and Alberta businesses to prosper. Those are key things like low taxes. We reduced the corporate tax. We've kept personal taxes low, and we've kept things like a sales tax or health premiums off.

I think of a government that champions business and energy. Certainly, our government has done that, including at times when perhaps traditional energy, which is now very popular – everywhere I go in the world, everybody wants Alberta's oil and gas. At times it was not so popular to champion our world-class oil and gas sector. I think of a government that gets out of the way of people in business, and that comes back to our obsession with reducing regulatory burdens.

I think by most metrics Alberta is outperforming Canada and is certainly far exceeding its weight in Confederation. I'm not concerned by temporary small declines in GDP because I'm optimistic that Alberta will continue to outperform our Canadian and North American counterparts. We are investing to make sure that we do that. We're going to train workers. We're going to invest in capital to become more productive. We're going to open up additional trade with places like Japan. We were recently on a trade mission there.

You talked about automation and effects on the oil and gas sector. This is a very real challenge but also a significant opportunity. I look at the oil and gas sector, and in some ways it is amazing that we can achieve record production with fewer inputs, but at the same time there's also an opportunity to take workers with significant experience in our world-class energy sector and say: where else can they add value? Where the world is excited about Alberta is in things like hydrogen and geothermal, CCUS. It turns out that the same skills that were relevant in oil and gas production and extraction are very relevant in these other emerging and very key sectors, so we're looking at how we can support our postsecondaries and our companies in bridging that gap so that as fewer people do work in the oil and gas sector, we can get them working in other key sectors, including hydrogen and CCUS, which comes back to the broader plan of continuing to diversify the economy.

We love our oil and gas sector, just like we love our ag sector, but it is prudent for our government to diversify, and that's why you see us make significant investments in things like tech and innovation and film and television.

Address current longer term labour challenges. Yeah. This is a crossministerial challenge to solve, and we're working with partners outside of government as well. We've pulled together Advanced Education, Education, Immigration and Multiculturalism, my ministry, and others to look at the areas where Alberta has key labour issues to solve.

I'll use the skilled trades, as it's the most obvious example for this ministry although the same would apply in health and child care. We look at the entire training funnel or training ecosystem, and we have to start making changes in every aspect of it to address the needs of today and get ahead of the needs of tomorrow. You look at skilled trades. That means we've got to start young in our K to 12 system. We have to esteem the trades. We have to educate youth on the significant job opportunities that a career in skilled trades offers, and we have to give them tangible, real-life experience. So that's what we're looking at doing. We're looking at ensuring that everybody who attends K to 12 in Alberta exits having had the opportunity to hands-on try something related to trades and that they have an awareness that there is a valued and valuable career available to them in the skilled trades.

7:30

Then you move on to the postsecondary. You've seen that our government is adding seats like crazy. We're training as many skilled trades as we can because – and this came into one of your questions later – as of Q3 last year we had about 19,700 vacancies in the skilled trades. That's about 22 per cent of our 80,000-ish vacancies, so it's a key area for us to solve. We're also looking at greater partnerships with unions and industry to train workers directly. This is not a problem that postsecondaries can solve on their own. There are very sophisticated unions, very sophisticated companies that have access to the equipment and the sites that could be used to help address the skilled labour gap, which is a good segue into why Alberta Is Calling is still necessary.

First, this is a laser-focused campaign to target skilled trades workers across Canada, and the reason for that is simple. We cannot



produce the ones we need today today. It takes years to produce them, yet we have homes, schools, hospitals, and billions of dollars of investment that we have successfully competed for and won that we need to deliver on if we are to win additional investment. It is a \$5,000 nonrefundable tax credit. I'm glad that you agree that that is a much more appropriate number than \$1,200; \$1,200 taxable, to me, was not material. That was what we found when we consulted with industry; they said the same thing.

As to why this current phase does not include health care or child care workers, this is phase 1, and we will evaluate this program to determine if it can be leveraged to address other shortages. We have ongoing work within our ECE for child care. We have professional development. We are promoting the career, and Health has – I have a page. I would encourage you to ask them in their estimates, but they have about a page of different ways that they recruit and retain workers.

I'll use the Philippines MOU as an example. They have a bridging program where they take nurses from the Philippines and give them financial assistance and training to quickly get them on the ground working in Alberta. They have incentives for rural physicians. The Alberta Is Calling attraction bonus is targeting skilled trades, but it doesn't mean that we're not already as a government making significant efforts to recruit and retain health care workers and child care workers.

And on child care I'll note that our capacity to train them is up 33 per cent as compared to three years ago. We have 47 per cent more ECEs than we had three years ago; that's about 8,500 more. They're more educated than they used to be; in other words, we have a higher proportion of level 2s than level 3s. It is obviously a commitment of mine to continue to produce and retain ECEs because we need them for our ambitious child care space creation goals. It's roughly 10,000 additional licensed spaces that we need to create each year for the next three years.

You asked about the budget. Very simple: \$10 million for the \$5,000 grants for 2,000 recipients, and then you have a few million dollars for advertising across Canada – that's TV, radio, billboard, social media – and then you have some for administration. And, of course, as with every program, we're going to look to get as much of that in the way of refundable tax credits and advertising and try to be as lean as we can on the administration side.

Hopefully, that addresses most of your questions. Thank you.

**The Chair:** Perfect. Thank you, Minister.

Back to the Official Opposition.

**Ms Wright:** Thank you, Chair. I'll begin my 10-minute period of time by focusing on outcome 3, as noted in the ministry business plan document, page 94, where it states, "Albertans are safe at work and treated fairly in the workplace." Certainly, this major block of my questions and comments are going to revolve around those issues of occupational health and safety, Chair. My questions will also reference 3.1 and 3.2 of the key objectives on page 94 of the business plan, which have to do with working with stakeholders and others to implement changes to that OHS code and indeed to support a co-ordinated approach through education, prevention, inspections, and investigations. Of course, I hope it goes without saying that making sure that every worker who goes to the job and making sure that they return home safely is one of the most important priorities of this ministry. Of course, that also means that the work that OHS teams do is extraordinarily important.

According to the 2022-23 jobs, economy, and northern development annual report – it noted in that report that close to 8,000 regulatory requirements were removed from the OHS code. Some new requirements were added in eight parts of the code. And

it also talked about the fact that generally – and I think the minister alluded to it earlier – the ministry has reduced regulatory requirements by about 41 per cent. In this year's ministry plan it also references in 3.1 and 3.2, the key objectives, that ability to work with stakeholders, employers, and workers to then implement all of those changes that have happened in OHS safety codes in order to protect the health and welfare of Alberta workers. Certainly, in my view, regulatory requirements are meant to be and should be prescriptive. It's about keeping that idea of the precautionary principle in mind, Chair, and that's because these sorts of requirements do indeed save lives, prevent injuries, prevent illnesses in workers. When it's an issue of worker safety, it shouldn't be about the bare minimum or lowering the bar.

Chair, through you to the minister, in that business plan where it discusses how legislative changes and service enhancement reduce costs of employment for employers, one of my questions, then, is to ask about the potential implications that folks might be seeing right now of those reductions that have happened over the last number of years. What are some implications and ramifications that folks and the minister are now seeing in terms of how that lack of almost 8,000 regulations may indeed have affected the safety and welfare of workers in Alberta?

I'm wondering, too, whether or not there's been discussion at the ministry level, if there's been recent discussions with stakeholders; if so, who those stakeholders might have been. For instance, have they been employees, employers, folks perhaps representing the WCB end of things? I know I've said this often: because I'm a teacher, I'm looking for that ongoing feedback loop. Are people looping back to do a bit of a double check to see how folks might either continue to be or not continue to be impacted by those changes and updates?

Then, Chair, through you to the minister, page 94 of the ministry's business plan talks about performance metrics, specifically section 3(a), performance indicator. It notes that Alberta is committed to reducing occupational injury rates by implementing effective prevention programs and labour legislation, yet on page 95 of the business plan we see that over the last three years lost-time claim rates as well as disabling injury rates have both increased over 12 per cent. Even when COVID-related injuries and illnesses are eliminated, both rates have still increased. It's important to remember that even as we consider the numbers, we're dealing with people, their lives, and their livelihoods. So I'm hoping that the minister can speak to the reality of those increases over the years, potential reasons for those concerning trends as well as any plans that might be in place to reverse those trends.

Sticking with page 94 of the ministry business plan, performance metrics section 3(a), and looking as well at the 2022-23 annual report, page 59, where it talks about different OHS field activities and how those field activities might indeed relate to lost-time claim rates. I note that in 2019-20 there were 24,456 field activities with a resulting 1.56 lost-time claim rate. And if you look at '22-23, we're down to 21,950 OHS field activities, a lost-time claim rate of 1.95, and then again the fact that the number of investigations has decreased substantially, the number of presentations given in meetings has decreased, yet reinspections have increased, continuations of investigations have increased, the number of publications delivered is increasing, and overall inspections indeed have decreased as well.

When I sort of put all of that information together – and we know, of course, that the lower the rate of lost-time claims and the lower the rate of disabling injury, the better, of course, for workers and the folks that they work for. So I'm hoping the minister can explain again what trends or unaddressed risk factors might be at play. I'm

wondering if thought has been given to looking into things further beyond the OHS review, which of course has a different purpose.

And I'm wondering again, bringing it back to my original question, if the changes to regulations made have really had a negative impact, and could this be the area in which we're actually seeing that negative impact? Further, how do we know one way or the other? What metrics and measures are in play? Which ones are being considered? What assessments are brought to bear when analyzing any results that might be found? Is there a sense or a trend, perhaps, that infractions might be becoming not only more plentiful but as well, perhaps, a bit more serious?

7:40

Then my next block of questions delves, I suppose, a little bit deeper into how the system itself is functioning on behalf of workers; that's objective 3.1 and 3.2. I note that the ministry uses an evidence-based and research-based approach in order to identify emerging trends and areas where it deems proactive action would be beneficial. That seems quite reasonable to me. And in the business plan on page 91 it also notes that research, indeed, helps to identify emerging trends and where that proactive action would be beneficial.

So I'm wondering, Chair, through you to the minister, if the minister could then clarify and explain the differences between reactive and proactive inspections, and why it appears the incidence of proactive inspections is so much less than those that are reactive. Further, could the minister clarify what research is being used to identify those emerging trends and inform current OHS practices? What research might be ongoing, for instance, with any of our postsecondary institutions? Again, are there ongoing surveys, interviews, round-tables, councils, committees doing work on this really important matter? Is there, perhaps, crossministry or crossjurisdictional work that's being done at either the federal or even interprovincial level? Then to clarify and explain how that research might translate into an evidence-based approach.

Further, I note, Chair, that on page 91 of the business plan it states, "targeted attraction and retention strategies, including Alberta is Calling, promoted Alberta as Canada's destination of choice for skilled talent." Yet, according to the workplace injury, illness, and fatality stats provincial summary 2022, we know – and this does exclude COVID-related data – that sectors like nurses' aides, orderlies, and patient service associates have recently become the leading occupation with the highest proportion of claims. That's on page 10 of that summary. We also know, just generally, that folks who happen to be working in health care, including paramedics and nurses, are increasingly concerned about their exposure to traumatic incidents.

We know that the sector that I most recently worked in, the education sector, which, of course, includes educational assistants, has recently risen to become as well one of those sectors with rates higher than the provincial average and one of the highest rates of claim. And, certainly, I'd venture to guess with my own experience as a teacher working with many EAs, I would imagine that those claim rates that we are seeing probably don't reflect the reality of what's actually happening in our schools.

So the questions I have, then: I'm wondering if the minister, again, could explain in detail what crossministry work has been done, particularly with Health, Education, and Advanced Education, to assist these workers as they deal with injuries on the job, as they deal with illnesses on the job, as they deal with those sorts of dangers that they work with every single day. I know that the minister referred to some additional staff, and I'm wondering if some of those staff might be working on some of these initiatives.

I'm also wondering, finally, Chair, what are the assurances that the ministry can give these workers that the environment that they are working in every day will be safe over the long term? Because this, of course, not only has to do with the future but current workers, too, knowing that one fatality is one fatality too many. One injury is one injury too many. My concern is that we haven't really established the conditions for retention and recruitment, despite the fact that that's what these programs are all about.

**The Chair:** With two seconds to spare. Well done. Great questions. I shouldn't say that, but as the chair it piqued my interest given my former background, and I'm looking forward to hearing the responses as much as the folks are at home.

**Mr. Jones:** Thank you. Through the safe, fair, and healthy workplaces division, my department focuses on ensuring that Albertans are treated fairly at work and can, obviously, return home safely at the end of their shifts. The department uses a balanced approach to support this work, which includes education, outreach, and partnerships along with compliance and enforcement activities. The overall budget for safe, fair, and healthy workplaces is \$68 million, which includes funding for the division as well as policy support. The work of safe, fair, and healthy workplaces division directly supports outcome 3 in the 2024-27 business plan, that Albertans are safe at work and treated fairly in the workplace.

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

Safe, healthy workplaces start with prevention. Through the prevention initiative for Alberta's OHS system my department brings together employers, workers, government, the Workers' Compensation Board, and health and safety professionals on a regular basis to keep workplaces and workers safe through awareness and action. The prevention initiative uses an evidence-based approach to focus on reducing common workplace injuries, protecting at-risk workers like those mentioned and identifying higher risk work situations.

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

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

Finally, our prevention work recognizes that safety is not an accident and that injuries and illnesses can be prevented through effective health and safety management systems. Alberta's certificate of recognition program, or COR, is a partnership between industry, the department, and the Workers' Compensation Board. Under the program employers can register and receive

training from one of 10 certifying partners to implement or improve their health and safety management systems. Upon passing an audit of their system, the employer receives a certificate of recognition. There are currently about 10,000 certificates of recognition held by Alberta employers, covering almost 40 per cent of Alberta workforces reporting to the Workers' Compensation Board.

Certificate of recognition holders outperform employers without a certification by 27 per cent when comparing aggregate loss ratios. In addition to improvements in safety performance, a certificate of recognition reduces an employer's Workers' Compensation Board costs. In 2022 COR holders received \$78.7 million in direct refunds from the Workers' Compensation Board.

Moving on to our OHS regulatory role, Jobs, Economy and Trade has 216 staff focused on monitoring for compliance with legislative requirements, and 151 of those are front-line staff. With the increase of \$5 million in OHS funding in this year's budget those numbers will increase to 249 and 187 respectively, so we're increasing resources. These additional positions follow an internal examination of our service delivery approach and support an enhanced model that focuses on areas of high risk where our interventions can have the greatest impact.

Our OHS officers conduct inspections of work sites in Alberta every day. These inspections are done proactively based on evidence around higher risk industries and occupations as well as in response to complaints. The goal of these inspections is to determine whether the work-site parties are meeting their legal requirements, and officers use a range of tools to achieve compliance. It starts with education as some contraventions can easily be corrected on-site by clarifying requirements, and further compliance action is not necessary. Officers also issue compliance orders for corrective action if a contravention cannot be corrected immediately. In situations where work activity or equipment presents an immediate danger, officers will issue stop-work and stop-use orders to address the hazard. Finally, our officers can issue tickets and administrative penalties for certain violations of legislation.

With respect to our proactive and focused inspections I mentioned earlier that we take an evidence-based approach to ensure our inspection activities are aimed at areas of high risk and where our interventions can make the most impact. We utilize WCB claim information along with our own compliance and enforcement data to determine priorities for proactive inspections. In addition, we conduct focused inspections in some areas based on emerging trends that we are seeing in the field. Some of the areas where we have proactive and focused inspection programs under way include manufacturing, wholesaling, warehousing and department stores, continuing care, oil and gas, and residential construction. Some of the key facts or data from our inspections for the first three quarters of '23-24 are as follows. Officers completed 13 and a half thousand inspections and issued 11,000 orders; eight violation tickets and 16 administrative penalties were issued.

7:50

The other component of our compliance and enforcement work is investigating serious incidents. This includes incidents that result in fatalities or hospitalization along with other serious noninjury incidents such as unplanned or uncontrolled explosions, fires, or floods; structural collapses or failures; or the collapse or upset of a crane, derrick, or hoist. The goal of our officers' work in conducting these investigations is to determine the cause of the incident and to identify whether there has been a violation of legislation. Upon completion of an investigation the file is reviewed for potential enforcement action, which can include orders, administrative penalties, or referral to Crown prosecutors for consideration of

charges. In the first three quarters of '23-24 484 investigations were initiated for reportable serious incidents, and charges were laid in 15 cases against work-site parties for violations of our legislation.

To support the work of our officers conducting investigations, we have investigation specialists who connect with the next of kin of deceased workers to make referrals to the appropriate supports and keep them up to date on the file. These specialists also liaise with the Crown prosecutors on files that result in charges. Once an investigation, including any court proceeding, is concluded, we publish our fatality investigation reports. This provides opportunities for all to learn from the incident and to take steps to prevent similar incidents in the future.

Turning now to employment standards, Jobs, Economy and Trade is responsible for administering and enforcing Alberta's employment legislation. This includes areas such as paying earnings, overtime, vacations, and terminations of employment. There are 118 people who work in the employment standards branch. Like OHS, employment standards also uses both education and compliance approaches so workers know their rights.

I wanted to touch on the lost-time claim rate, which measures lost time, injury, and disease. It's a claim for an occupational injury or disease that causes any time away from work beyond the day of the injury. It represents the number of lost-time claims per 100 person-years worked and the probability or risk of lost-time injury or disease to a worker during a period of one year's work. The measure reports both reactive and proactive OHS field activities, including inspections, reinspections, investigations, and presentations.

In '22-23 OHS field activities did decrease about 17 per cent over the prior year. The decrease was primarily due to higher than usual field activities conducted in '21-22 to support the province's response to the COVID-19 pandemic and to support workers in implementing pandemic management protocols. The number of activities in '22-23 was roughly equal to the number in 2018-2019 prepandemic, which makes sense, after dropping from the highest point in 2020-21.

OHS field activities include inspections, reinspections, investigations. There are various external factors that affect the number of OHS inspections such as economic activity and workplace trends, resulting in targeted inspection programs. Factors that are within the control of the ministry include providing educational materials, which help employers and workers understand their responsibilities; conducting proactive inspection programs; working with employers who have high rates of injury and disease; and promoting the workplace health and safety management system through the certificate of recognition program I referenced earlier.

The disabling injury rate did increase to 3.01 in 2022 from 2.88 in 2021 and was the highest in the last five years; however, without COVID-19 claims the disabling injury rates were 2.32 for 2020, 2.5 for 2021, and 2.5 for 2022. This demonstrates another example of how ...

**The Chair:** Thank you, Minister. Being completely unbiased, your answers didn't disappoint the chair; hopefully, they didn't disappoint the opposition.

Over to the opposition members for your next portion.

**Member Batten:** Perfect. Thank you. Through the Chair, can I ask the minister if you'd consider shared time for this next block?

**Mr. Jones:** Block time.

**Member Batten:** Block time? Okay.

All right. Child care. The Canada-Alberta Canada-wide early learning and child care agreement is where I want to start. Through

the chair, I'm looking at the business plan, page 95, the initiatives supporting key objectives, the second point. In 2024-25 the ministry will allocate \$1.4 billion in affordability grants and parent subsidies to support an average of \$15 per day for families with children enrolled in licensed child care programs. Can the ministry, through the chair, confirm that of the \$1.4 billion only \$331 million is provincial funds with the rest, the \$1.13 billion, coming from the federal government?

Page 64 of the fiscal plan '24 to '25 indicates a carrying forward of \$73 million of unspent funding from '22 to '23. Through the chair, does the minister expect another carry-forward for this current fiscal year? Through the chair again, were there funds unspent on child care in the '21-22 fiscal year? If so, how much, and were these funds returned to the federal government or carried forward? Through the chair, what is the total of unused federal funds that the ministry has not spent in the allocated time? Can the ministry explain the reasoning behind the delay of spending, especially given the needs of the providers, parents, and educators?

In 2019 the province provided \$424 million to child care and has decreased their contribution year over year. As mentioned, this fiscal year the government has allotted \$331 million of provincial funds. Does the ministry expect the need for child care spaces to decrease? Does the ministry expect that the population boom that Alberta is having doesn't include children now or in the future? Can the minister please explain why the province is not investing in child care?

Again through the chair, is the program on course for the \$10 a day on average by 2026? I noticed that the goal for last budget and this current one are both at \$15 a day. I understand that we did hit that at the end of 2023, but I am curious, through the chair to the minister, where we're currently at and whether we're on track for \$10-a-day child care in 2026.

Can the minister, through the chair, share what areas have the most expensive child care and what areas are lowest to support an average? When I refer to "where," I mean physically inside the province. Through the chair, are there operators that are not participating in the grant program, and how much do the lowest income earners pay each day? I question, again through the chair: what does average mean in the context of \$10 a day here in the Alberta agreement? Is it regional? Is it the whole province? Et cetera.

Through the chair, can the minister share what the province has planned for 2026, when this agreement with the federal government is scheduled to expire? Is the provincial government prepared to take on the bulk of the funding? Should Albertan families prepare to have their \$10-a-day child care discontinued, or is the provincial government planning to support and fund the system that is child care? If the latter, when can Albertan families expect the continuation of the \$10-a-day child care, and/or will they be consulted as the plan moves forward?

I'll now move on, Mr. Chair, to quality and safety. Page 148 of estimates, budget line 5.1, child care affordability and access: this specifically speaks to providing funding for licensed child care programs to lower the child care fees and improve access to quality, inclusive child care and also oversees licensing and inspections. Quality: through the chair, can the ministry provide a definition of quality in the context of child care? I'm looking at the business plan '24 to '27, page 95. Outcome 4 repeats similar phrasing, a claim where you have significant investments in high-quality, inclusive child care, and key objective 4.2 uses "enhance quality." Again, the definition is really important for us to understand the objectives of the government with this budget.

I would also love, through the chair, for the ministry to comment on where they're at for core versus enhanced services for this child

care agreement. My understanding is that the \$10 a day will cover core whereas the enhanced will have additional costs. My first question through the chair to the minister is: how are these categories being determined? What experts have been consulted? Have parents and early childhood educators been consulted themselves? What evidence-based resource are they using to guide these decisions? Will the public have a chance to provide their input on the final list?

Through the chair to the ministry, how is this ministry avoiding creating a two-tier child care system? Will there be regulations around whether you can offer both the core and enhanced at the same centre or within the same cohort, classroom, et cetera? And where might I find the resources to fund these actions inside the budget?

Next I'd like to talk about the Flight curriculum framework. It's an evidence-based framework that maximizes learning and development. Through the chair, can the minister share the number of educators that were trained on Flight in '23 and '24? How many educators does this budget aim to train? How does this compare to previous years? The annual report, page 19, indicates a new intermediate level of training that was rolled out in 2022. Can the minister share if these trainings are going to continue, whether there are plans for an expert-level training, and, again, which budget line do these funds come from?

8:00

There have been a lot of conversations in other estimates regarding the ever-increasing complexity of children and their families, where the needs are quite different than a decade ago, where behavioural and communication concerns have huge impact on the supports necessary to keep these children and families safe. With that in mind, through the chair, can the minister provide examples of actions, strategies, and policies that will be or are being introduced to keep our children and the workers safe?

Again, safety. I would love to clarify, through the chair to the minister, what changes they've made to their licensing and inspecting practices given the E coli outbreak in the fall of 2023 in Calgary, where at least 448 people fell ill, mostly children – one adult and 39 children were hospitalized, some with life-changing consequences – and more recently centres have been found having live mice and cockroaches. I realize, of course, the government works with municipalities and health authorities, but clarity on what actions the provincial government is doing would be great. What proportion of the \$1.17 billion is allocated for action to ensure this never happens again?

I also, through the chair to the minister, would like to know how many stop orders have been issued in this last fiscal year to unlicensed child care, why they were issued. What tangible actions has the ministry made to prevent the same happening again? How many previously unlicensed day homes are now licensed from the \$500 incentives, and will this continue in '24 and '25? Where can I find those funds in the budget?

Moving on, performance metrics. There is only one for child care, and it reads as follows:

- 4(a) Performance Measure: percentage change in the number of licensed child care spaces. This includes daycare, family day home, out-of-school care, preschool, innovative, and group family child care programs. Child care programs safely operate while leveraging federal investments for focused space creation.

The target itself does not reflect how child care is being managed by the government. Available spaces do not speak to staff retention or the quality of the curriculum or the care being provided. Further, our target for this one metric for '22-23 was 8 per cent; however,

the actual percentage gain was only 7 per cent. So we were not successful.

The eventual goal is to provide one space per three children across the province, so 33 per cent. Page 95 of the business plan '24-27, initiatives supporting key objectives, the first point: we see that \$40.7 million is allocated to support the expansion of child care spaces. Now, correct me if I'm wrong, Chair to the minister, but in '23-24 the government allocated \$59.3 million. So this year this is actually a cut by \$18.6 million. After a year where we didn't actually hit our target, knowing there's a huge demand, knowing that child care is a key economic driver, and we only looked at this one metric, I would love the minister, through the chair, to explain the rationale behind cutting the \$18.6 million.

Previous business plans have provided the number of spaces available and then on the enrolment and number of children that received the subsidies. I'm not sure why this has been removed. If we could ask the ministry, please. Since the business plan no longer is publishing these numbers of spaces, where is the information being published so that the public receives transparency on these goals?

Last year the metric for '24 to '25 was set at 10 per cent. Now it's been reduced to 9 per cent despite failing to meet our targets the preceding years. Through the chair, can the minister explain this change in goals of child care spaces? What is the target now? Where are these spaces anticipated to be created? Is there any money anticipated to be directed towards child care that is due to the charter hub in Calgary? Where are the plans to support parents, and where is child care required the most?

And then I'm just going to say thank you.

**The Chair:** And from the chair to the minister, this is your turn, sir, to respond.

**Mr. Jones:** Okay. There are a lot of questions in there. I'll try to address a number of them through some remarks, and then I will go through the ones that I do not address.

Obviously, affordable child care has become a critical part of Alberta's success. As access to affordable child care increases, so do the opportunities for parents and guardians to enter the workforce, driving forward economic growth and employment. Through the Canada-Alberta Canada-wide early learning and child care agreement an additional \$3.8 billion is being invested over five years to help reduce child care fees for parents while supporting the creation of up to 68,700 new, high-quality, affordable and inclusive child care spaces. I'll pause there. Three point eight billion: that is from the federal government over five years. It's been matched by about \$1.7 billion in provincial funding.

This does not include our investments in ECS through Education, and I'll note that we also fund out of school care for children that are not covered under the federal agreement as well. So we are significantly investing in child care.

Child care fees paid by parents were reduced by an average of 50 per cent across the province in January 2022, only a few months after signing the agreement, and were further reduced to an average of \$15 per day in January 2024.

I'll note there that the timing of the signing of the agreement is very important for many of your other questions. Alberta signed the agreement late in 2021, in November, and then obviously started the hard work of implementing what is a very large agreement and a fundamental change to the way that child care operates in Alberta. You know our fiscal year: it ends in March. So Alberta, effectively, only had one quarter to implement the first year of the agreement, which is why Alberta, since the very beginning of this agreement, has been unable to spend all of the annual allotted funds from the

federal government and why we've required carry-over. The agreement allows for 10 per cent. Every year we've gone and said: "Hey, we signed this late. We need larger carry-forwards." And the federal government has said every year, "We get it; we were there, too," and they have approved that carry-forward.

This year I'm expecting a carry-forward of I'm going to say around \$350 million, Tanis?

**Ms Liebreich:** Two hundred.

**Mr. Jones:** Two hundred and fifty million. My apologies: \$250 million.

But to your other question, we do expect that to be the final carry-forward that is in excess of the 10 per cent because we do expect to fully utilize those funds to ensure affordability for parents.

I had mentioned that fees were brought, on average, to \$15 per day in January 2024. You asked how that's calculated. We take the simple average of child care fees that are charged to parents after incorporating the affordability grant that we provide to operators and the subsidy, which is also provided to operators but, really, based on the parents' incomes, and we come up with the simple average, which hit \$15 per day in January 2024.

You asked if we were on track. By 2026 parent fees are targeted to be an average of \$10 per day, keeping even more money in the pockets of Alberta families. To support an average of \$15 per day, Alberta will allocate approximately \$1.2 billion in affordability and access initiatives. This investment will ensure quality child care continues to be affordable for Alberta families, because affordable child care has always been about Alberta families, and we've heard from parents about how important and life-changing these savings have been for them.

We've also added over 22,000 net new spaces, supporting thousands of Albertans to participate in the economy, go back to work, or undertake training opportunities. Our space creation grant program continues to generate tremendous interest since the program is open to both nonprofit and private operators. We have seen an overwhelming response from operators interested in creating new spaces under the future system and forecast the growth over the next year to be significant.

You asked about space creation broadly. We are looking to create 68,000 spaces over the five-year agreement. We've already created 22,000. We've approximately three years to go, so we want to create a little over 10,000 spaces per year, with the bulk or an increasing amount as we approach the final year of the agreement, in '25-26.

This is why we'll invest up to \$40.7 million in '24-25 to support the expansion of licensed child care spaces in areas where they are needed most. At the same time, we know that we couldn't achieve our targets without the support and collaboration of child care operators and educators across the province. The sustainability and long-term success of the child care system in Alberta is a priority. With Alberta's unique mixed-market child care system, we worked hard to include private child care operators in the CAELCC agreement so that parents would continue to have choice when selecting the child care that works best for their family.

**8:10**

I also want to acknowledge the hard work and dedication of the thousands of early childhood educators, or ECEs, that really are the backbone of the early learning child care system in Alberta. Since signing the agreement, we have added over 8,500 ECEs to the workforce, and we've seen the number of ECEs leveling up their credentials by 34 per cent, which ultimately supports our space creation efforts and quality across the province. You had asked

about how many were trained in Flight. I believe 902. I believe that was the last year, Tanis? So 902 in the last year. Certainly, we see Flight reflected in many of our child care operations.

As fees have been reduced to an average of \$15 per day for parents, the government has increased funding through the affordability grants to child care operators to replace the revenue they would have otherwise received from parents as well as to provide additional funding to reflect the increased costs on operators. They have financial reporting requirements under the agreement that they did not have prior to the agreement. With this shift, child care operators are receiving an increasing portion of the revenue later in the month. We knew this was putting pressure on child care operators, which is why we expedited monthly funding for child care operators to ensure that the child care system is sustainable.

Starting March 1, we issued a claim advance which provided child care operators approximately 80 per cent of their monthly claim at the beginning of the month in addition to the fees they collect from parents. By providing the majority of funding up front, we will help to reduce the financial pressures on child care operators, allowing them to focus on what they do, which is providing high-quality care.

I do want to note that the current affordability grant structure will eventually be replaced by a new funding formula, which you touched on in your questions, under the cost-control framework. That will determine how and when funding is allocated to child care operators over the long term. Our government recently held engagement sessions across the province to get child care operators' input on development of the new funding formula so that it will continue to meet the needs of child care operators and parents while ensuring high-quality child care is an option for Alberta families.

I think I'll touch on here that your line of questioning was good in that it highlighted many of the challenges and opportunities when taking a system that has 2,600 operators and transitioning them to what is, really, a universal system. We obviously want to be equitable to our operators. We want to ensure that they have viable operations, which means we have to do a regional analysis to determine what is the cost of reasonable delivery of high-quality child care, whether it be in Fort McMurray or southeast Calgary or Lac Ste. Anne-Parkland, or God's country, as the chair would call it.

In reality, those costs would be different. To do that work, we first have to define the service, which is the other work that we're doing right now. What is \$10-a-day child care? What does it include, and what does it not? This is not in any way, shape, or form trying to reduce the quality of child care. Quite the opposite. We are setting the bar very high, and every operator across the province will be expected to deliver high-quality child care at that standard.

Then we're going to do the analysis I touched on earlier to determine what a reasonable cost would be to provide that based on their type of operation, the age of the child, where they are in the province, and that will feed into what their affordability grant or whatever the final subsidy piece ends up being, because I don't like all the current pieces. There are just too many of them. It's a little confusing and administratively difficult on both sides. Hopefully, that answers your question on that.

Core and enhanced. Very simply, core is going to be high-quality child care as defined with the assistance of our operators and our parents. Enhanced is going to be anything that's not included in core. Two examples that have come up are that some operators historically have offered transportation and additional food options. If a child needs or a parent is looking for special dietary items or more regular food or transportation to and from a residence, that would not typically be offered by every child care operator. Those

would be two examples of things that we will explore, but of course any definition of core and enhanced would be done in conjunction with parents and operators.

We have an expert panel that is reviewing . . .

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

I hesitate to interrupt, but it is now government caucus time for this next 20-minute block. Any members? MLA Cyr.

**Mr. Cyr:** Thank you, Mr. Chair. Would the minister, through you, be okay with block time?

**Mr. Jones:** Yes, or back and forth, whatever you want to do.

**Mr. Cyr:** Well, back and forth will work for me, sir, if you're open to that.

**The Chair:** All right. Proceed.

**Mr. Cyr:** Thank you, Mr. Chair and through you to the minister. I appreciate that. Minister, having heard all that you've been able to accomplish in your brief time as minister here really fills me with hope. I will tell you that your work on the child care file is something that I think we can all say is moving forward. But there are a lot of things happening in the province specifically about regional economic development alliances, or REDAs, one of those things that that is important to all rural Alberta.

For myself, I know that when the announcement came that there was going to be changes in the formula on how you're going to be calculating the funding for these REDAs, we had a lot of the partners within the REDAs really with some questions for you, sir.

One of the partners that I had come through with a letter to my office, which I sent to yours, was the city of Cold Lake. I'd like to read a quick phrase if that's okay with the chair.

**The Chair:** We'll give you a little latitude.

**Mr. Cyr:** Thank you, sir.

**The Chair:** Just a little, though.

**Mr. Cyr:** We've worked with our representative REDA and the Northeast Alberta Information Hub on a number of projects critical to the economic diversification of the city of Cold Lake and our surrounding region. We appreciate the effort and the foresight that the Northeast Alberta Information Hub's executive director, Bob Bezpalko, has brought, advocating for the region, identifying economic development opportunities, and working collaboratively with us on economic development projects. Now, one of the things he goes on to say inside of this letter is that they were invaluable on actually working towards an aircraft maintenance engineering school.

We had the REDAs also advocating for hemp, and we actually had our chair come up and speak regarding rail and highway 28, the economic corridors. It shows that there's quite a diversity when it comes to what our REDAs are bringing forward, sir. We had the good fortune of even having you up, Mr. Minister, through the chair, of course. What happened is that you met with our local REDA, and you kind of gave a direction of where the government was going. I can tell you that for myself I'm very thankful, Minister, that you took the time out of your busy schedule to come all the way up to northeast Alberta. It's a long drive, and I know that going all over the province like the way you have, just making sure that we're heard, that we feel heard in rural Alberta: I myself and, I know, my local REDA also appreciate that, sir. So thank you for that. We appreciate that.

Getting back to the questions at hand here, what we've got, getting back to this funding change – this is covered under 4.1 in the estimates, sir. Can the minister tell us why these changes are being undertaken and how this will impact budgeted funding for this year?

**Mr. Jones:** Yes. Thank you. Thank you for the question. There are nine REDAs across Alberta which are independent, not-for-profit organizations made up of member municipalities and regional stakeholders. They include the participation of approximately 53 per cent of Alberta's municipalities. Alberta's government has funded these organizations at times over the years, but beginning in 2024-25 we will be transitioning REDAs from direct operational support to project-based funding, which all other economic development organizations across the province are currently on.

REDAs will receive three years of transitional funding as they prepare to become operationally self-sufficient. Up to \$125,000 is available to each REDA for each of the three years based on a formula that matches their membership revenue, which is reflective of their regional buy-in and regional investment. I'm happy to report that all nine REDAs have entered into this grant agreement, with the majority receiving the maximum for this year. In addition to this funding, an independent consultant will be available to work with the REDAs to assist in planning and preparing for this transition. These supports and transition period will help REDAs adjust their business models in a sustainable way without impacting operations.

8:20

REDAs are not the only regional economic development organizations across the province. As I referenced earlier, there is actually a multitude. Some others include Edmonton Global, Calgary Economic Development for the major urban centres as well as Economic Development Lethbridge, Fort McMurray Wood Buffalo Economic Development and Tourism, Invest Grande Prairie as well as Indigenous organizations.

To serve all Alberta communities, the ministry is enhancing the core services available for regional and local economic development, which I'll call the hub-and-spoke approach. The ministry is also shifting to a more competitive grant funding approach to ensure the best value for money and that projects with the most promise and impact can leverage the grant dollars available.

All regional economic development organizations, including REDAs, have access to a suite of programs, tools, and resources that will support their activities, and I want to mention some of those. We have across the province regional economic development specialists, professionals in the field that work with economic development partners, including REDAs, on all things economic development. They help them wayfind. They provide them advice, coaching, whatever is necessary to enhance their economic development efforts. We have workforce consultants: similar professionals but they handle the workforce side, which is critical. Obviously, when trying to grow a region or attract investment, workforce is generally the second question you hear about.

We have the northern and regional, NRED, program, which is project-based grants which are available to economic development organizations, including REDAs. They range from \$20,000 to \$200,000. They do require some matching, but there's a lot of funding there. There's actually a new and similar program available through Agriculture and Irrigation called the SCOP, or small communities opportunities program, I want to say, which offers up to \$100,000 also for economic development and at a lower match.

We also are making REDAs an intake partner for what's called the investment and growth fund, and that's a deal-closing fund that

offers up to a \$5 million grant to close deals, job-creating investments, and it's based on strategic fit with the province, how much capital they're investing, and how many jobs they're going to create. This is a significant program. It was actually used to help attract hemp investment, that the member was referring to. Again, at up to \$5 million this is a significant program that no individual REDA, no individual economic developer could afford, yet now all nine will be able to leverage it in their economic development efforts, and that is a great example of the efficiency and the leverage of a hub-and-spoke model.

I'll use one more. We have a number of economic development tools, labour market dashboards. We're just finalizing the release of a site selection tool, and this is one of the most impressive tools I've seen a government develop. It will enable economic development partners, including REDAs, to really showcase the sites that are available for businesses and investors in their region very quickly. Most of you have seen the demo of this site selection tool, but it really will save a REDA perhaps months of work to do a presentation. Again, a piece of software that no individual economic developer could justify that will leverage all economic development efforts across Alberta and another proof point to me on the efficiency of building up the core or the hub and better serving the spokes.

Maybe that addresses the first part of your question. Do you have a supplemental?

**Mr. Cyr:** Yes, I do, Minister, and through you to the chair, thank you for that answer. You actually answered a couple of my questions, so good on you. You kind of got ahead of me there.

Key objective 1.4 states, "Collaborate with community leaders, industry and business to diversify and grow their regional economies." This is a two-parter. How does the ministry prioritize these meetings with community leaders, industries, and businesses? The second part of this question is: what specific feedback has come out of these consultations, and how have they impacted your ministry's business plan and budget?

**Mr. Jones:** JET works with stakeholders across the province to encourage economic growth, and we are ensuring that all corners of the province can attract job-creating investments that support economic opportunities for all Albertans. Regional economic development is an important approach to diversify the economy and build investment readiness across the province. We recognize that communities across regions have unique and diverse economic opportunities and challenges which require targeted and tailored solutions.

In practice, what do those discussions look like? Certain regions will be interested in different industries, or they will be at different stages in their economic development journey. For example, some will have seen the remarkable success of the Industrial Heartland, and they are starting to think about their own business cluster or special economic zone or designated industrial zones. Those are the types of conversations that we have.

Other conversations with regions: they might want to see more diversifying investments from, say, our film and television program, which is a substantial part of this ministry. It's discussions like that which informed the changes that we've proposed to the program, which will very much incentivize more production in rural and remote Alberta. Currently about three-quarters of it happens in the greater Calgary area, but in the future we hope to offer an incentive that will attract additional net new and push some existing activity out in rural Alberta.

Another meeting I had with one of the regions: they wanted us to bolster regional air coverage. They're concerned about the

diminishing commercial air traffic, and we certainly share their desire to maximize the value of our regional airports. So I took that away, and we're collaborating with Transportation and Economic Corridors on an initiative to enhance regional airports.

We very much do the meetings that you just talked about. We meet with municipalities, Indigenous groups. Postsecondaries are very critical in this exercise. We meet with chambers, local not-for-profits that are involved in the space, and we basically ask them: how can the province support you and leverage what you're already doing? For Lethbridge that was – the Lethbridge area, as you know: great irrigated land. We've put, I think, \$700 million into it, so they, of course, wanted us to promote their agriprocessing capabilities on the global stage, and that's exactly what we did on our trade missions.

So it's a back and forth of us reaching out, hearing what each region is interested in, and then very much trying to tailor our programs and also to serve as a funnel of investment to them.

**Mr. Cyr:** Well, thank you for that, Minister. I appreciate that. You know, it brings warmth to my heart when I hear that you're out there, actually where the people are, sir, really hearing what we have to say.

Sometimes we have to do meetings here in Edmonton. I know that at one of the meetings we had, you brought in the REDA chairs and the MLAs that are involved with the REDAs to discuss the change in funding. You know, it was a hard conversation, but sometimes we need to be looking at: how do we repurpose a program into something that works better for the communities at large and the ministry at whole?

So the partnership funding agreement that you've got from my area showed that we were ending up with the maximum amount of funding available. That shows that we didn't take a huge cut in the grant simply with this new funding formula, sir. So thank you for that. I know that you're being flexible through this, and you're trying to make sure that we're all taken care of through this process. You also delivered the message face to face, with these hard discussions, to these business leaders and community leaders throughout, so thank you for that.

You did touch already on the northern and regional economic development program. That's where my next set of questions are going to be. When we talk about economic development, we often get lost in the Edmonton and Calgary corridor, but I know the province has paid close attention to northern communities like mine in Bonnyville-Cold Lake-St. Paul. I know the province has paid close attention to other areas, specifically going down south and in central Alberta. Their needs through this program are also being developed through other programs but still through economic development. Underneath section 4 of the budget estimates: what is the budget for the northern regional economic development program this year, and how many projects will it help?

**Mr. Jones:** Thank you for the question. A very important program. The northern regional economic development program gives Alberta municipalities, Indigenous communities, and nonprofit organizations with an economic development mandate the opportunity to receive funding for projects that promote regional economic growth and diversification. The NRED, as I call it, has a dedicated application stream to support the unique economic priorities of northern and Indigenous communities, including First Nations and Métis settlements, in addition to the broader regional development stream accessible to other regions like the south of the province. Approved applicants are eligible to receive between \$20,000 and \$200,000 per project. The project will provide up to 50 per cent of total eligible project costs, while Indigenous

applicants can receive up to 75 per cent of total eligible project costs.

**8:30**

To build Alberta's economic momentum, Alberta's government has committed up to \$3 million annually for the NRED program in 2024 to 2027 to help deliver business supports, support labour force attraction and retention, enhance Alberta's tourism, and build capacity for economic growth. The number of projects that can be supported will vary based on the amount of funding requested by applicants for their projects. The maximum grant amount is \$200,000, so a minimum of 15 projects will be supported with this funding. Examples of eligible projects include revitalizing central business districts, supporting new resources within a municipality or organization, creating way-finding signage to direct shoppers or tourists, developing strategies to address local labour force gaps, and improving Internet connectivity in commercial areas.

I should have touched on something in my previous answer. When we're going around and consulting, I also have a parliamentary secretary for small business and northern development, parliamentary secretary Tany Yao. He's doing the same thing, just very much from a northern lens and from a small-business lens. We also have the Northern Alberta Development Council, NADC, which is also collecting that feedback. I believe in the north, and I believe in regional economic development, and it is my aspiration to very much enhance the tools, supports, resources, and incentives available to them. I also want to give them clear conduits to government, and I think parliamentary secretary Yao and the NADC could be positioned to do that in conjunction with strong local representatives like those at this table.

Thank you.

**Mr. Cyr:** Thank you for that, Minister, through the chair. I will say that your parliamentary secretary has already reached out to my office and was requesting meetings throughout the summer coming up here. I'm very thankful that – you know what? – he's taking his position as your parliamentary secretary seriously, and he's really wanting to make sure that he's reaching out to the northern communities because, sir, while I have faith in you, I don't believe you can get everywhere. That's where you really do need to lean on some of your colleagues, and this is where your parliamentary secretary Tany Yao is doing a great job. I can tell you that he's been getting in front of it. This is something that we can all take credit for when we're seeing these successes.

As for the NADC, I look forward to seeing what that can do for the north. I know that it's being reviewed right now, and I'm hopeful that we can see that council up and going again here soon.

One of the next questions here: what are the success stories of the NRED, and how has it made an impact on the north?

**Mr. Jones:** Yeah. An example of the impact of past funding: the county of Grande Prairie recently completed their investment attraction implementation project. This project received NRED funding support in the program's first intake in 2022-23. For this project the county of Grande Prairie retained a consultant that worked with key land development stakeholders and created a targeted strategy to offer investment-ready sites aimed at attracting new investment in the region. The county is positioned to sell over 100 investment-ready sites.

As another example, Community Futures Lakeland hosted the Power Up North 2023 Conference in October of 2023. Attendance exceeded projections at over 180 delegates. At this event stakeholders had networking opportunities and received training at targeted workshops that included: budget management and future-



proofing finances, leadership, workforce retention, and tourism. In partnership with the Cold Lake First Nation the event was hosted at the Hotel Dene & Conference Centre, showcasing the First Nations venue as a prime tourist facility. Those are just two examples; I expect to see more because I think I found a little extra money for the NRED program. Again, I see tremendous value in what our partners are doing across the regions and northern Alberta, and we certainly want to provide them with as much support as possible.

**Mr. Cyr:** Thank you for that.

**The Chair:** With that, it ends our block.

We can start the five-minute clock for the comfort break if that works for everyone. We'll see you back in five. We will start without you. For that last segment I was definitely feeling the love in the room, so well done, everybody. Let's keep it up.

[The committee adjourned from 8:35 p.m. to 8:40 p.m.]

**The Chair:** Welcome back, everybody. If you could just grab your seats, we are on to what we've deemed as the rapid-fire round as far as debates go. It's back to 10-minute blocks. Again, you can combine time or block time depending on what you want, but you cannot cede your time.

With that, we're back to the loyal opposition. MLA Ip, go ahead.

**Mr. Ip:** Thank you, Mr. Chair. I want to actually go back to, I think, a really important topic. As all of us in this room will certainly appreciate, Alberta is growing in population, but our public services remain under stress, particularly in health care. This is relevant to this specific ministry because it was a promised part of the original Alberta Is Calling tax credit proposal. Since 2023 20,000 health care workers have left Alberta, according to Statistics Canada, and we're losing more health care workers than we're attracting.

Certainly, that should be a concern for all of us in this room, so my question, again, to the minister is: what is the government doing to attract and retain much-needed health care workers if not through the Alberta Is Calling tax credit? And does the ministry, specifically within Jobs, Economy and Trade, have any estimates or data on how many years it's going to take to perhaps reverse the trend of losing more health care workers than we gain? Furthermore, when should we expect to see job growth in the health care sector match Alberta's population growth as well as need?

**Ms Wright:** You still have three minutes.

**Mr. Ip:** I still have three minutes. Perfect. I won't cede that time.

I will move, in fact, to . . .

**The Chair:** The chair would have helped you there for the first bit, but I'm glad your colleague jumped in.

**Mr. Ip:** I'll move to a slightly different topic. I was actually surprised to learn that minimum wage was not addressed in any of the budget documents, either in the key objectives, and certainly was not in the mandate letter. Certainly, the minister is aware that Alberta will soon be tied for the lowest minimum wage in Canada. Alberta's minimum wage remains at \$15 an hour while New Brunswick will increase to \$15.30 on April 1.

As we all know, Alberta is facing an affordability crisis. We're also currently dead last in wage growth, and unemployment has been up since this current government has been in office this year. There is a global freeze on the middle class, and Albertans are feeling it. According to Food Banks Canada's report from 2022 Albertans are accessing the food bank at an increased rate, more than double the national average, and 115,000 Calgarians and

40,000 households could be on the brink of houselessness, yet funding for jobs programs and supports is not keeping pace with job losses as well as if you consider the number of new Albertans who have come into this province.

I just want to draw your attention to line item 2.3 on page 148 of the government estimates. Essentially, under this line item, which I would imagine would encompass the bulk of the job programs and supports, it remains stagnant despite the population growth. So what is the government's plan to address stagnant wages? And will the minister commit to increasing the minimum wage to ensure that there is a living wage for Albertans? As well, since this government took office, a lower minimum wage for youth was introduced at \$13 an hour. Can the ministry perhaps provide information on how many young people, many of whom do actually live on \$13 an hour, are earning this wage?

Mr. Chair, we want to make sure that the recovery that we're seeing now is evenly distributed. The reality is that not everybody, not every Albertan is sharing in the prosperity. This month unemployment rose from 5.9 to 6.2 per cent. Alberta has among some of the worst employment rates in Canada for women aged 25 to 54, lagging behind the national average. What is this government doing to ensure that all Albertans are able to find meaningful employment, be able to obtain a livable wage, and ensure that the recovery that we're seeing is in fact equitable for all?

Thank you, Mr. Chair.

**The Chair:** It was six seconds on the shot clock.

Minister, back to you for the remainder of the block.

**Mr. Jones:** While I did not hear particular estimates lines, I'm happy to comment on all the matters. Alberta continues to boast the highest weekly earnings in the country. It's reasonable to expect that our growth rate may at times not be the fastest, but as of today Alberta remains the highest in terms of weekly earnings.

In terms of our unemployment rate creeping up, that's the result of us being very popular. Alberta, as you know, has been attracting record numbers of Canadians: 200,000 people moved here over a 12-month period last year. While we have the fastest growing and strongest economy in Canada, we also have the fastest growing population. Those two things, sometimes the interplay results in a slight uptick in unemployment. What are we doing about it? Well, we're obviously maintaining the best place in North America to invest or grow business, i.e. create jobs. We're investing in training so people can upgrade their skills and achieve meaningful employment.

You talked a lot about minimum wage. We definitely recognize that cost increases, inflation over the last few years have put pressure on Albertans, including those earning minimum wage. When comparing us to other jurisdictions, which was done in the questioning, there are additional factors that must be considered. Alberta has by far the highest basic personal amounts. Those basic personal amounts are indexed. We have relative cost-of-living advantages over other jurisdictions, which is why you see Canadians coming to Alberta, because it has arguably the best mix of employability earnings versus cost of living. We also don't have a sales tax, which means that Albertans, unlike other Canadians, keep more of what they earn. When you factor in the other relevant factors, Alberta is more middle of the pack. But with that being said, Alberta is constantly evaluating the minimum wage in terms of its appropriateness. That work is ongoing right now.

I believe you started off with a question around the challenges with population growth and maintaining strong public services. That is how our Premier and our government spend most of their time. We are growing rapidly, and we have also demographic

changes in terms of an aging population that must be addressed in our health care delivery. We have seen so many young families come here. Our education system is certainly seeing really record enrolment growth, which is going to require more students and more staff.

I'll take the question back to jobs, economy, and trade and say that this is why we are being very intentional with who we are looking to attract to Alberta. We are looking to attract the people with the skills that are necessary to address the challenges. If you're growing so rapidly, you should probably address housing, you should address health care, you should build some schools, and if you want to maintain your ability to provide high-paying jobs for Albertans, you need to continue to attract job creators. That means you need to be able to build the facilities that they have chosen for Alberta.

This all goes back to the Alberta Is Calling skilled trades attraction bonus. We are being very intentional with who we are calling because we need those people to address the challenges that Alberta and Albertans are facing, including in health care.

I hope that answers most of your questions.

**The Chair:** Thank you.

Over to the government caucus now for 10 minutes. MLA Stephan.

8:50

**Mr. Stephan:** Thank you, Chair, and through the chair to the minister, would he be okay with back-and-forth discussion to the questions and the answers?

**Mr. Jones:** Sorry, Member. I was being provided advice. Can you repeat your question?

**The Chair:** Minister, the member was asking if you wanted combined or block?

**Mr. Jones:** Oh. Easy. Let's go back and forth.

**Mr. Stephan:** Great. I'm going to be focusing my questions on outcome 1 of the business plan which states, "The ministry creates the conditions where business, investment and trade can thrive, creating jobs and economic opportunity for Albertans."

Minister, I'm sure you're aware of the Statistics Canada February 2024 labour force survey, where it reported that Alberta added 17,000 jobs, and those were 43 per cent of the total jobs added in the entire country despite Alberta only comprising 12 per cent of the population. That certainly is a very encouraging statistic. I'm just wondering, and maybe to ask the first question, which is: what specific work is your ministry undertaking to create conditions favourable to investment, trade, and job growth?

**Mr. Jones:** Great question. The February numbers, which were I think 17,400 – what was more impressive to me about them was that about 16,000 of those were full-time jobs, which is something I always look for, and it represented about 100,000 net jobs over the last 12 months. Alberta, as you pointed out, continues to outperform.

Jobs, Economy and Trade works with the government of Alberta ministries and our partners across the province, such as economic development organizations, and the federal government to foster economic growth, support the success of Alberta entrepreneurs and job creators, and promote the development of Alberta's industries so that more Albertans can prosper. The ministry serves as the government's driver of economic strategy, working in close collaboration with multiple partner ministries to deliver programs

and create policies that improve Alberta's investment competitiveness and encourage economic growth.

The ministry also helps Alberta communities realize their diverse economic potential through regional economic development programs and policies such as the northern and regional economic development program we discussed earlier. It works closely with small businesses and entrepreneurs to help them navigate programming and the business ecosystem, and it provides large companies with concierge services to help them make positive investment decisions, which include sharing information on how they can access grants through the investment and growth fund.

The ministry also leads initiatives like Alberta at work, which provides a framework to address current and long-term labour market challenges by attracting talent, delivering responsive programming, and ensuring businesses have access to the skilled workforce required to grow and diversify Alberta's economy.

The ministry is actively engaged in promoting trade and expanding market access for Alberta businesses through trade missions and is committed to working with national and international partners to advance shared interests that can lead to new opportunities for people and businesses in Alberta and around the world.

The ministry incentivizes trade through the Alberta export expansion program, which promotes outbound international business travel and incoming buying expeditions. Our government's actions have helped to turn and keep Alberta as Canada's economic engine, and in turn our strong economy is helping make life more affordable and enjoyable for all Albertans.

**Mr. Stephan:** Thank you for that, Minister, and through the chair, you know, I appreciate those specific strategies. When I look at the federal government strategy of paying billions of dollars in bribes to companies costing about \$4 million per job, I think our strategy is much better. I really appreciate that.

Minister, I note as well that Alberta and Saskatchewan are the only provinces with a top marginal tax rate of less than 50 per cent. I'd be interested in how the Alberta tax advantage of having low tax rates, not only the top marginal rates but in terms of our lowest corporate rate, which we reduced a few years ago under the Conservative government, has contributed as well to the competitive advantage that Alberta enjoys.

**Mr. Jones:** Yeah. Our tax competitiveness comes up in most conversations with investors because it's relevant to their businesses, it's relevant to their staff, and it's one piece of the Alberta advantage. As I touched on earlier, the other piece is our probusiness efforts as a government, which include our red tape reduction efforts. You know, we can't always offer the strongest incentives, particularly with the United States and the IRA, but where we can compete is on speed and certainty. In addition to maintaining very low and attractive tax rates for businesses and professionals, we are actively streamlining our regulation and reducing red tape.

Another piece of the Alberta advantage that we're working on really solidifying again is the cost of doing business, including insurance and utilities. As you know, our government is looking at both of these. I think long term it's very important that we ensure that we have reliable and affordable electricity for Albertans but also our businesses and that businesses of all types can access insurance.

High level, I consider our low combined tax rate to be a massive competitive advantage, and I think it may explain some of the interprovincial migration that we're seeing. People are obviously facing affordability challenges in other areas of Canada, and the

biggest thing they're paying is taxes. When you really look at it, one of their largest costs is taxes. In Alberta I say that they can earn more and they can save more and they can live more. That's the message that we deliver across Canada but also to investors around the world.

**Mr. Stephan:** Thank you, Minister. I know that we're running close on time. I do want to just raise one other question, and I appreciate the Member for Edmonton-South raising the concern about per capita GDP because I think, honestly, every member in this room is concerned about Canada's per capita GDP and how it's falling behind the United States. Now, fortunately, Alberta is, certainly, the most prosperous jurisdiction and province. I was looking it up, and Statistics Canada had 2022 statistics, and Alberta did enjoy the highest per capita GDP of any of the provinces. As you mentioned, I mean, because Alberta is a land of opportunity and we do have record migration, sometimes there's a bit of a disconnect. Of course, there's a dilutive effect when people are moving to Alberta because it is such a land of freedom and opportunity. In terms of getting up and getting to work and producing more GDP, sometimes there is some dilution there.

I'm just wondering in terms of the ministry, what strategies are you putting into place with these new Albertans coming to Alberta to help them have jobs and contribute to Alberta's top of Canada, real per capita GDP?

**Mr. Jones:** Yeah. Good question. So one thing we're doing is that we're trying to reduce barriers to labour mobility across Canada. I think it's in Canada's interest for people to be able to work in the field of their skills and education as quickly as possible. As you know, another part of our government is looking at foreign credential recognition so that, again, we can get people working in their highest and most productive capacity as opposed to, really, producing less than they could. Part of that ties into our international trade efforts because when we go on trade missions, one of the things that we discuss with leaders of other countries is: how can we find greater alignment in our educational institutions so that when people come to Alberta from, say, the Philippines or India, they are able to work in engineering or nursing more quickly? To your point, we do have a lot of people coming here, and to maintain that productivity, we have to ensure that they're working in their highest and best field and as quickly as possible so that there are limited delays. That's why you see, at times, the unemployment tip up as a result of population growth despite our incredible economic activity.

9:00

**The Chair:** Perfect. That ends the first 10 minutes.

Just a reminder for all members that it makes it really easy for the chair to understand debate when you reference the estimates documents themselves. It saves on points of order. Quite frankly, the other side here has been doing it really well all evening. I would encourage all members to follow that example.

Over to the loyal opposition, please. Go ahead, sir.

**Member Brar:** Thank you, Mr. Chair.

Minister, would you like block time, or do you want to go back and forth?

**Mr. Jones:** I would like block time. Thank you.

**Member Brar:** Mr. Chair, I will start with the background of the issue and will link it with the budget so that members in the room don't feel that I'm trying to talk about something other than the budget.

In the annual report from 2022 to 2023 it was mentioned that there were 278 inquiries regarding small-business issues in the Biz Connect program. Those inquiries were related to capital funding, resources, et cetera. It seems like, based on the number of small businesses and the number of people who have immigrated to Alberta and people who are coming here and based on the people who want to start their own business, 278 is a very low number. What is the ministry doing to increase the funding for promoting this program so that small businesses can know more about this program, and where is that located in Budget 2024? Also, is there an increase for the funding for this program in this year? This program provides the critical information that small businesses really need to be successful.

The second thing is about the small and medium enterprise relaunch grant program. We all know that the COVID pandemic adversely impacted small businesses in Alberta. I understand that the provincial government started a small and medium enterprise relaunch grant program. Two postpayment audits were launched to demonstrate the effectiveness of the program. Mr. Chair, through you, I would like to ask the minister: what were the results of those audits, and will those be made public? It is also mentioned that more audit analysis will continue in this year. I would like to know the results of the previous year.

On page 148 of the government estimates it is mentioned that the economic analytics and industry growth funding will significantly decrease this year, by more than \$5 million. Mr. Chair, through you to the minister, why is stimulating the economy and industry growth not a priority for the government?

On page 96 of the business plan it is mentioned that economic development and trade had a budget of \$188 million, which will be \$160 million this year and then \$136 million in '26-27. Alberta has seen the highest interprovincial migration in these years. These people coming to Alberta have dreams, skills, and abilities to grow the economy. They will support the growth of the economy. Mr. Chair, through you to the minister, why is the government spending less on economic development? Which government programs will be impacted by this decrease in funding, and by how much?

Small-business profiles are important tools that governments can publish to provide a clear picture of the state of small businesses. It also connects the small businesses to the resources that the government of Alberta can provide to them. The government of Alberta used to publish that until 2013. The government of British Columbia still publishes those reports. Is this government considering publishing the reports or something similar that can provide information regarding the small businesses?

A Canadian Federation of Independent Business survey shows that the long-term optimism index now sits at 49.5 points, which is a 10-point decline since spring. The short-term optimism index also sits at 49.5 points, which is a 14-point drop since summer. This shows that optimism among small business is declining rapidly in Alberta, and overwhelmingly the majority of them, 71 per cent of the surveyed small businesses, are worried about the insurance costs. My question is: how will this budget address the rising cost of insurance on small businesses? Is there a specific line item in the budget dedicated specifically to support small businesses dealing with the rising costs of doing business?

Aviation sector funding is another important thing. It employs more than 25,000 Albertans, and \$5 million was provided last year. I would like to know if that funding will continue, if there is any rationale if that funding will not be continued. Where is that located in the budget line item?

Thank you, Mr. Chair.

**The Chair:** With 12 seconds, Minister, back to you.

**Mr. Jones:** Thank you. Jobs, Economy and Trade serves as the government's driver of economic policy and strategy to support business competitiveness and growth. Small and medium enterprises, or SMEs, are a significant contributor to Alberta's economy and key to supporting the province's economic growth and diversification. SMEs, which are defined as a business with fewer than 500 employees, make up 99.8 per cent of Alberta's businesses, and they employed 54 per cent of workers in Q3 of 2023. The ministry's business plan focuses on delivering client-centred programs and tools to support Alberta's economic growth and diversification, including support for small businesses to be resilient and competitive.

Businesses in Alberta continue to identify concerns with ongoing inflation, rising interest rates and debt costs, input costs, and labour supply challenges. Small businesses often face these pressures more acutely. Our government is taking quick and effective action to cut costs and deliver relief to Alberta businesses. Alberta's general corporate income tax rate is currently 8 per cent, which is the lowest among Canadian provinces and among the lowest in North America. Alberta's small-business tax rate is 2 per cent, and Alberta businesses also benefit from no provincial sales tax, no payroll tax, and no health care premiums. In 2023 our government also suspended the provincial fuel tax, providing much-needed relief at the pumps.

Our government also supports small businesses to grow and thrive through information and coaching as well as programs to address labour shortages and immediate pressures. The ministry is considering ways to support programs addressing gaps in succession planning and business resiliency, which have been identified as key areas of concern for small and medium businesses.

I will now highlight some of the initiatives in the suite of supports for small businesses that are offered through my ministry. Biz Connect. Pathfinding supports are provided through the ministry's Biz Connect services, helping small businesses to start, grow, and succeed. Biz Connect helps small businesses access advice and coaching, financing, training, and information about market expansion and grant funding. Small businesses that contact the department are provided with help accessing and applying for available supports and are connected to local resources, associations, and organizations for additional coaching, mentoring, and relevant information. Biz Connect received 369 inquiries from April 2023 to January '24, of which 169 were around entrepreneur supports, 168 were around funding or grant inquiries, 23 were general inquiries, and nine were related to Indigenous businesses.

Through Budget 2024 my ministry continues to provide multiyear funding to Business Link. Business Link provides free one-on-one advice and coaching and information, including financial resources, to Albertans who operate a small business. Business Link offers its core services to about 1,000 clients per fiscal quarter and served 4,700 clients in 2022-23. Additionally, the organization delivers tailored support to approximately 100 Indigenous entrepreneurs and 250 immigrant entrepreneurs every quarter through dedicated services. The digital economy program is funded through a multiyear grant at Business Link from my ministry and provides free services open to home-based businesses or commercial businesses to take their businesses online. As of January 2024 almost 7,000 businesses have gone through this program.

My ministry also provides grant funding to Futurpreneur, which helps entrepreneurs start and grow through advice and information. Futurpreneur also offers loans of up to \$60,000 to entrepreneurs aged 18 to 39 as part of the program. Entrepreneurs are paired with a business mentor to support them through the process.

In addition, my ministry offers supports that help businesses address labour shortages. The Canada-Alberta jobs grant provides employer-driven training where government and employers share in the cost of training new and existing employees. Alberta's government has committed over \$600 million over three years through Alberta at work to help Albertans develop new skills and grow their careers.

In terms of stimulating the economy, we do this in a number of ways. We have, obviously, different grant streams that are stimulating the economy. I'll highlight some recent successes: the Alberta petrochemical incentive program, which has attracted the likes of Dow, a project that at peak construction will employ around 7,000 people, with hundreds of permanent jobs afterwards. We've recently set up the agriprocessing investment tax credit to, obviously, incentivize agriprocessing.

9:10

Capital investments: that, too, has seen significant interest, and I am anticipating some announcements in the near future. We do this through the investment and growth fund, again, a deal-closing fund that awards companies deal-closing grants based on their strategic fit with Alberta's diversification and economic growth priorities. It's also based on the amount of capital investment and jobs they are going to create.

We have things like the film and television tax credit, which, again, is stimulating the economy . . .

**The Chair:** I hesitate to interrupt.

It is now back to members of the government caucus. MLA de Jonge.

**Ms de Jonge:** Thank you, Chair and through you to the minister for being here tonight.

Minister, did you want to proceed with block time or shared time?

**Mr. Jones:** Back and forth.

**Ms de Jonge:** Sounds good.

Well, as you know, I have a strong background in economics and public policy, so I've been following with great interest the work of yourself and your team. I can say that I'm so proud to call the Alberta that we live in today home, and that is in no small part due to the good work of yourself.

As you know, I represent the constituency of Chestermere-Strathmore, which has seen incredible levels of investment. I had the opportunity to see one of our municipal partners earlier today. Under the conditions created by the provincial government, they have been able to attract so much investment and bring job and wealth creators to the province. You spoke about this in your opening statement, about the role of the provincial government to create conditions for success and that attracting investment is a top priority for the ministry. It's noted, as one of the first things in the business plan, key objective 1.1, that we rely on global investment as a foundation of our economy. Minister, I'm wondering: how is international trade changing or evolving for Alberta? What are some of the global investments we have seen in Alberta, and what are the impacts that we are seeing of these investments?

**Mr. Jones:** Okay. A lot there. Alberta is, in relative terms, a small global economic player. We have an abundance of resources and products to export, and we rely on trade of these. For this reason, Alberta has traditionally been a strong supporter of free trade and of free trade agreements. We benefit from a global system of rules that applies equally to all countries, big and small, encourages

transparency and consistency, which benefits companies, and offers a systematic way to manage disputes.

Alberta is globally connected through 15 international free trade agreements, through which we have preferred market access to 51 foreign countries and more than 1.5 billion potential customers. These trade agreements provide a broad range of benefits to Alberta companies, and these include a number of specific chapters that address the broad range of trade issues.

The trading goods chapter deals with importing and exporting physical products. These chapters address issues with tariffs and nontariff barriers such as regulatory barriers that block the trade of specific goods. The services and investment chapters relate to the supply of services across borders, including things like professional services like engineering or legal, business establishment and investment, and the movement of people. These chapters can involve significant provincial jurisdiction and require active provincial engagement and consent.

The government procurement chapter is about rules related to open government procurement. Our interest here is in managing procurement costs and ensuring that Alberta companies have access to procurement markets in other countries. Other chapters in the agreements address the relationships of trade agreements to other social issues as well as matters such as intellectual property, competition, and the behaviour of state-owned enterprises. Alberta has jurisdictional interests in all of these chapters.

Of course, trade agreements offer a formal mechanism to manage disputes. Alberta takes these commitments seriously as they offer traders and investors the comfort of knowing that countries have committed to respect the provisions of trade agreements and can be held accountable if they do not. We want to build on these agreements and expand on markets in Asia, Europe, and globally. My department leads Alberta's engagement in Canada's international free trade negotiations, working with other departments and stakeholders to identify and promote provincial interests. This is outlined in the 2024-27 business plan, outcome 1, key objective 1.3:

Promote Alberta's trade interests on the global stage and support Alberta businesses to diversify into new international markets and advance and defend Alberta's interests in negotiation of international agreements to enhance trade and investment.

We advocate for Alberta to ensure that as trade agreements develop, they reflect our market access priorities and investment goals. We seek outcomes that will reduce tariff and nontariff barriers for exports, particularly our meat and egg products, and provide certainty for investors and facilitate the movement of business professionals. Our goal is to give Alberta companies greater confidence that there will be transparent and predictable rules in other countries that govern goods, services, investment, and labour mobility.

We also work to protect and defend our jurisdictional interests to ensure the federal government does not make commitments in areas of provincial jurisdiction without full provincial engagement and consent. When needed, we push back against negotiating proposals that could undermine our energy and natural resource development. My department will continue to pursue Alberta's interests in Canada's trade negotiations, including in active negotiations with Indonesia, the Association of Southeast Asian Nations and Ecuador. Our work doesn't stop once trade agreements are in force. We promote the benefits of existing trade agreements to Alberta exporters and industry such as the benefits of our agreements with the European Union and trans-Pacific partnership countries, where we have preferential access to some of the largest economies in the world, with a collective gross domestic product of around \$30 trillion.

That's kind of what we do.

**Ms de Jonge:** Thank you, through the chair to the minister, for your answer.

We know that trade is critical to the economic success of Alberta. You've spoken about key objective 1.3, which is listed on page 93 of the business plan, of the importance of trade. I see on line 4.3 of the estimates that the province has budgeted \$27.416 million for trade this year. In addition to what you've already mentioned, can you speak to what specific supports and guidance your ministry offers businesses trying to expand internationally or even interprovincially?

**Mr. Jones:** Yeah. Before I do that, I just want to highlight some of our recent investments because I think you asked about that in your previous question. Apologies. In November 2023 Dow Chemical announced its \$11.6 billion Path2Zero project located in Alberta's Industrial Heartland. The Path2Zero project will expand and renovate Dow's existing manufacturing site in Fort Saskatchewan to create the world's first net-zero carbon emissions integrated ethylene cracker and derivative site. This investment represents an important expansion of Alberta's natural gas industry. It will diversify our economy, position our province as a global hub for petrochemicals, all while maintaining reliability and affordability in the energy sector. Construction is expected to start later this spring and at its peak will create between 6,000 and 7,000 Alberta jobs. Once fully operational the project will create 400 to 500 high-quality full-time jobs in the province, plus contractors. Alberta's business-friendly policy, skilled workforce, and programs like APIP, which I referenced earlier, help make Alberta the clear choice for investments like this. I should note that my department led a crossministry concierge team to help ensure that Dow made the correct final investment decision.

I'm also excited to highlight investments announced by De Havilland Canada. In September of 2022 De Havilland Canada announced its new aircraft manufacturing facility, De Havilland field, in Wheatland county. This facility represents \$250 million to \$300 million in capital investment and is expected to break ground in mid 2024. This is only the beginning. De Havilland is planning a 10 to 15 year construction schedule for a larger campus in Wheatland county, which will include educational and training space as well as general office buildings. This project is expected to generate upwards of 3,000 Alberta jobs, with an estimated capital investment approaching \$1 billion. My ministry worked with De Havilland and our federal counterparts to support the European Union's purchase of De Havilland water bomber aircraft in November 2023, and that was a substantial transaction.

International trade missions help Alberta companies get a foot in the door in potential markets. They allow companies to assess market viability, meet potential buyers, and explore global partnerships and value chains. Missions to international markets also allow an opportunity to build relations at the highest levels of government. They create awareness and recognition for Alberta internationally. Alberta continues to be at the forefront in many areas of our traditional oil and gas and agricultural sectors, and we want to bring those new and emerging opportunities in clean tech, innovation and technology, and life sciences also. Countries and businesses all over the world want Alberta's expertise, technology, products, and services. By increasing exports for these businesses we are also supporting job creation, revenue growth, and a more resilient consumer base for Alberta companies. We work with our partners in the trade ecosystem to support Alberta companies in developing and growing their international exports. This year my ministry will be leading 24 trade missions around the world, including in the regions of the Middle East and Africa, north Asia, Indo-Pacific, the Americas, and, of course, Europe. As economies

around the world become more intertwined, international trade becomes even more important to the Alberta economy.

**9:20**

I want to pause there and just highlight two recent trips that we made to Japan and the Middle East, to the U.A.E. In both cases countries were blown away at how advanced Alberta was in terms of hydrogen, carbon capture, utilization, and storage, and even our transition off coal-fired electricity – many countries are still coal dominant – and they were very interested in our ability to supply them with democratic and reliable energy and food. So I see international trade as an area that this ministry needs to double-down on, needs to focus more resources on, and that's what we're going to try to do.

**The Chair:** Perfect and right to the wire.

Over to the loyal opposition. MLA Sweet.

**Ms Sweet:** Thank you, Mr. Chair. Minister, just before I ask you to go back and forth, I just want to let you know that the next five minutes or 10 minutes, if you'll go back and forth with me, is going to be specifically about OH and S, first responders, and the first responders and support psychology piece in relation to the upcoming wildfire season and how we're going to keep our wildland firefighters safe.

I would ideally like to go back and forth, and if your deputy ministers could maybe answer some questions if you're not comfortable, I think that would be best because the questions that are coming up are obviously related to the pilot that passed away as well as how we're going to protect them moving forward. Will you go back and forth with me?

**Mr. Jones:** Let's do block time.

**Ms Sweet:** Okay. That's disappointing. I will refer to page 146 when we look at occupational health and safety, specifically the Alberta heroes fund for first responders and supporting psychological health and first responders program. Also, on page 94, 3.1, working with stakeholders, employers, and workers to implement changes to the occupational health and safety code to protect health and welfare of Alberta workers, as well as 3(a) on page 94, OH supports health and safe workplaces by completing field activities 2023 moving into the 2024 period.

Going back to what I was saying, we had a very, very extreme wildfire season last year. We deployed many front-line workers. Many of those workers were contracted. Because they were contracted, the supports that are provided on behalf of the government through those contracts vary than if they were to be considered full-time public servant employees. Now, because of that many wildland firefighters work short contracted periods that are only contracted at 7.25 hours, yet they're expected to work longer than 7.25 hours in a day. Their wage is one of the lowest wages across the country, and they also don't receive any additional health or mental health supports once their contract is up.

For example, for the wildland firefighters that responded to the death of the pilot, they responded with basic first aid because that is the minimal requirement of the wildland firefighters and, unfortunately, have not received any mental health supports since that incident because their contract had ended. I think that is a failure on behalf of the government in general, non party specific, just in how we are looking at supporting wildland firefighters and, really, contracted support, whether it be first responders in relation to wildfire or whether it be contracted workers in other areas of the government, people who are putting up pivots or using equipment to help clear fire lines or whatever it is.

Ultimately, people are putting their lives at risk while they're responding to this, yet we do not have a clear occupational health and safety standard to ensure the safety of those contracted workers. So my question was: what are we doing, and what have we learned since last year? I don't want to see another worker not go home at the end of the day.

**The Chair:** Just remember: just give me a glance once in a while through the chair. That would be awesome.

**Ms Sweet:** Page 94, 3(a): the reason for that is that I believe that every worker should go home, and I believe that we should have some learnings from last year in regard to what happened. My other question, through the chair, would be: what have we learned? The second question would be: how are we protecting these workers as they go out this season? What is the base minimum for first aid requirements for our wildland firefighters and their teams, whether it be dispatchers or any of those other members? The equipment standards: have they been met, and have they been certified to ensure that all the workers that are going out have the safety equipment that they need? Has the warehouse been cleared out and all of that equipment been certified?

Are we ensuring that the training is up to standard and that we are not – as we have heard from last year, through the chair, wildland firefighters were being sent out without appropriate training because the hiring wasn't happening at the rate of the fires. How are we protecting the workers to ensure that their training is appropriate and that they're being kept safe? That includes chainsaw training, among other things, because ultimately as the employer and as the signer of those contracts, it falls on the government to make sure that those workers are safe. Whether they're contract or not, I would like to hear from the government what we're doing to keep the workers safe, because they don't feel like they are right now, and they're really stressed about the amount of people that are going to be able to be deployed when the season starts.

Then in addition I would like the government to please also answer what they're doing for mental health supports past the end of the contract. Many of these workers need support year-round, and they don't seem to have access to it. Whether that's a communication factor, whether that's a piece of that, but normally they have WCB, and normally they have health benefits up until the contract ends. If that's the case, we need to look at some kind of bridging system to ensure that there are supports available.

**The Chair:** Minister, your time to respond. Five minutes.

**Mr. Jones:** Thank you for the important questions. I'll touch on a few things, and I'll probably get my ADM to comment on WCB-specific items. Actually, I think the bulk of your questions may be appropriate for Forestry and Parks as well.

In terms of the Ministry of Jobs, Economy and Trade, the government recognizes the importance of workers being able to access support when they are injured at work, and this includes getting help in relation to occupational diseases. Alberta also places importance on work done to better understand and prevent occupational diseases in the first place. Presumptions for certain workplace-related illnesses help eligible workers and their families receive the benefits and support they need with fewer delays and hurdles as they do not need to prove their illness or injury was caused due to work. Without a presumption a worker can still submit a workers' compensation claim to access benefits through the regular claim process. The WCB helps all workers diagnosed with work-related illnesses or injuries, including psychological, to get the treatment and supports they need.

The presumptions that certain cancers, for example, are work-related, recognize the great risks that firefighters take to protect Albertans' lives and property. Through expanding presumptive coverage for the firefighters who fought, for example, in the 2016 Fort McMurray wildfire, Alberta's government improved cancer coverage for all firefighters. Alberta was one of the first provinces to provide presumptions to firefighters for work-related cancers, and Alberta's government continues to regularly review evidence and hear input from firefighters and other emergency workers regarding workers' compensation benefits.

There are currently 20 cancers and associated exposure periods included in the firefighters' primary site cancer regulation. I won't list those, but I can get those to you. Firefighters exposed to fire scene hazards in Fort McMurray between May 1 and June 1, 2016 are exempt from the exposure period requirements for the firefighter cancer presumptions. That's because the Fort McMurray fires were exceptional, and those who fought it faced abnormal risks, which is why we provided a special exemption to the exposure period. The large number of structural fires burning at the same time and the number of firefighters involved made this single event really unprecedented.

The exemption introduced to the Workers' Compensation Act in 2023 recognizes their sacrifices and efforts and helps firefighters and their families access the benefits they need with fewer delays and hurdles. Those came into effect March 28, 2023.

The other thing I wanted to chat about was the SPHIFR program, which you had referenced. In August 2020 the government announced a commitment of \$1.05 million annually for the supporting psychological health and first responders grant program. The Ministry of Jobs, Economy and Trade administers the grant, and the program provides grants to improve services for first responders who are living with or are at risk of developing posttraumatic stress injuries. The program has two streams, services, focusing on supporting not-for-profit organizations in delivering services for first responders including supporting early intervention and resilience building; and applied research, supporting applied research to develop and evaluate effective programs and services for first responders living with or at risk for posttraumatic stress injuries. In '23-24 31 applications were received, and 19 projects were approved for funding, totalling \$1.5 million. Thirteen were service providers, and six were researchers.

9:30

We also have a heroes fund which we've established. There is no higher form of public service than risking one's life to maintain public safety. Alberta's government is honouring that, and that's why we established the first responders heroes fund grant. What this is: it provides additional benefits to families of first responders who die as a result of performing their duties. This was really done in conjunction with the SPHIFR, supporting psychological health in first responders, grant to provide funding for nonprofit organizations that provide services to first responders.

Then my ADM Myles.

**Mr. Morris:** Thank you, Minister. Myles Morris, ADM of safe, fair, and healthy workplaces. Briefly, in the time we have left, I'll touch on portions of the member's question that deal with matters that are within our ministry's purview. I would note that occupational health and safety requirements apply to both direct employees and to contracted workforces and would also note that if a worker had suffered a mental injury at work, even if the contract had ended, would be eligible.

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

Over to the government caucus. MLA Wright, go ahead.

**Mr. Wright:** Thank you, Mr. Chair and through you to the minister. Minister, you've touched on a lot of really important . . .

**The Chair:** Are we going back and forth or block time?

**Mr. Wright:** Sorry. Yes.

**The Chair:** No, no problem. Just clarification.

**Mr. Wright:** If you'd be so kind, I'd love to have a conversation, so if we could go back and forth, that would be splendid.

**Mr. Jones:** Okay.

**Mr. Wright:** Apologies again, Chair. Just too ambitious today, I see.

You touched on a lot of different pieces that are very important to my constituency. You know, you talked about the future of hydrogen, helium, ammonia, which are all really great industries that can expand for my areas, because we're seeing big expansion in those. Aerospace, aviation, and defences: they'll need new access to international markets.

You also touched on K to 12 and bringing trades into that education stream. We've got a great school division down in the constituency of Cypress-Medicine Hat, Prairie Rose school division. They've got collegiate programs that can graduate fully trained students into their trade within about two years of graduating from high school. So really great things to hear that have been brought up this evening.

Now, I'm aware child care has recently moved into Jobs, Economy and Trade, and I see that the budget for this file is outlined under 5.1 and 5.2 of the estimates. As you may know, Mr. Chair, Alberta's government is currently in the third year of the Canada-Alberta Canada-wide early childhood learning agreement with the federal government. Something that was a bit concerning and brought up was that the Prime Minister recently accused the province of sitting on hundreds of millions of dollars from the feds as part of this agreement. Can you tell us how this has been misunderstood, and could you also answer: how many additional dollars has the province put forward? And is it on pace to spend all that's required in this agreement?

**Mr. Jones:** Yeah. Good question, and I'm happy to clarify. This goes back to an answer I provided earlier around the timing of the signing of the agreement. The agreement was signed between Alberta and the federal government in November of 2021, and implementation started shortly afterwards. Of course, that meant that effectively Alberta had only one quarter in the first fiscal year of the agreement to implement the agreement, and what this has created is the necessity for carry-forward of funds. Effectively, funds that were not spent in the other three quarters of that first year have been carried forward to the subsequent fiscal years in the agreement. We do anticipate spending all of those carry-forwards in the next year. The agreement does allow for up to 10 per cent of carry-forward funds. We don't anticipate exceeding that anymore. In other words, this should be the last excess carry-forward.

Alberta is leaving no money on the table. We're going to obviously take every dollar we're eligible for. We're investing \$1.7 billion alongside the agreement, and again that does not include all of the investments we're making in child care because, of course, there's child care provided in this province that is not covered under the CAELCC. So no; Alberta is not sitting on hundreds of millions of dollars. It will be utilized for affordability and access and inclusion. It will be used to satisfy the commitments of the agreement, and we are currently doing just that.

**Mr. Wright:** Well, thank you, Minister, through the chair.

If I can transition away from child care to attraction and retention strategies. One of Jobs, Economy and Trade's biggest mandates is creating and supporting attraction and retention strategies to promote Alberta as Canada's destination of choice for skilled talent, looking at strategies and programs like Alberta Is Calling, training for work programs, the Canada-Alberta jobs grant, the aviation skills grant program, additional bonuses like our reservist leaves that protect reservists. Can you speak to the strategies, programs, and supports that your ministry offers and how many are receiving funding in this budget and how much of that funding? What impact will the funding provide on these programs and strategies?

**Mr. Jones:** Yeah. Good question. Jobs, Economy and Trade will direct funding for skills development and training programs in '24-25 by continuing to make additional investments in the Canada-Alberta jobs grant to help workers access training for skills needed for businesses to grow and diversify. The '24-25 program budget is \$24 million, which will help meet program demand and assist with preparing Alberta's workers to best contribute to economic recovery. Over 10,000 employees were supported by approximately 4,000 employers. That's the number that will be able to access training through the Canada-Alberta jobs grant.

Training for work: our suite of short-term training programs support unemployed Albertans to get back to work. These programs are available in over 50 communities and provide skills training and employment services to over 4,000 Albertans.

We will be providing \$5 million to the aviation skills grant to help employers in communities throughout Alberta to obtain the workers and skills required to maintain and grow their businesses. We also make strategic investments through partnership grants in organizations that provide workforce development and training solutions for the province's priority sectors.

Budget 2024 includes \$45 million over the next two years through Alberta at work to support skills attraction and development training programs and to ensure robust data and analytics are available to support operational and policy improvements. I should note that we are one of many ministries that are participating in Alberta at work. We've got Seniors, Community and Social Services; Advanced Education; Indigenous Relations; even transportation. There's training and workforce development occurring in virtually every government of Alberta ministry. It's a major pillar of our government's efforts over the next few years. That's why it was included in so many mandate letters.

**Mr. Wright:** Well, thank you. Thank you for that really great information.

If I can tie it back and transition again. You know, you mentioned earlier in some of the answers around some of the changes to OH and S, and ensuring workers get home safely is important to everyone. As a part of our efforts in this government in recent years I know we had begun to look at occupational health and safety code updates; specifically, objective 3.1 states that your ministry is working with stakeholders, employers, and workers to implement changes to the OH and S code to protect health and safety and welfare of Albertans.

Now, in my background – I spent 20-plus years in business – partners in injury-reduction audits and inspections were a regular occurrence as we had a health and safety team in nearly every single employer that reviewed, inspected, whether it would be racking equipment, you name it, right? Then we'd have third-party auditors that came in as part of the injury-reduction inspections. We found a great diminishing number of OH and S claims and issues because we were being proactive in addressing situations. Now, what could

never really be adjusted for were the freak accidents, where something happens. So, I guess, tying it into the question: how do you ensure compliance and enforcement of new changes that will continue to supplement with these kind of business practices that are out in the open market with regard to inspections and reductions efforts to reduce accidents and injuries?

9:40

**Mr. Jones:** Thank you. Our OHS officers conduct inspections of work sites in Alberta every day. These inspections are done proactively based on evidence around higher risk industries and occupations as well as in response to complaints. The goal of these inspections is to determine whether the work-site parties are meeting their legal requirements, and officers use a range of tools to achieve compliance. It starts with education as some contraventions can be easily corrected on-site by clarifying requirements, and further compliance actions are not needed. Officers also issue compliance orders for corrective actions if a contravention cannot be corrected immediately. In situations where work activity or equipment presents an immediate danger, officers will issue stop-work and stop-use orders to address the hazard. Finally, our officers can issue tickets and administrative penalties for certain violations of the legislation.

I enjoyed your commentary before your question. That is how the system is supposed to work. Safety is everybody's responsibility, and through education and proactive prevention initiatives and just ensuring that everybody is taking responsibility for safety, we can get ahead of most workplace incidents. Of course, it's hard to prevent everything, but that's why we certainly prioritize industries and types of work that are higher risk where we foresee the potential for greater injury so that we can again try to mitigate those issues before they happen. Thank you for doing that work in your previous life.

**Mr. Wright:** Thank you, sir.

**The Chair:** There we go.

MLA, go ahead.

**Member Batten:** Okay. Thank you, Mr. Chair. Through the chair, I'd like to just ask the ministry again. These were a couple of questions that weren't answered completely. One is: what is the plan for 2026, when the federal-provincial agreement is scheduled to expire? The other is looking for a definition of quality, and I'm also looking for what changes have been made to licensing and inspection practices since all the kerfuffle going on in Calgary.

I would like to move on to workforce. The most recent annual report, '22-23, page 19: "having qualified ECEs is a key predictor of quality in early learning and child care programs." Okay. There's that word "quality" again. Again, if we could get that defined, that would be great.

Did you know, Mr. Chair, that a level 1 early childhood educator makes about \$4 less an hour than is needed just to have a living wage? Oh, and that's including our wage top-up – yeah – which I believe is captured in budget line 5.2. That would be a question to the ministry as well. Another question to the ministry, through the chair, is: why do we pay our level 1 ECEs so poorly that they have to pick up a second job just to have a living wage?

The government has designed its own free online training for folks who wish to enter into the ECE level 1. My understanding is that it covers some of the basic materials that a babysitting course would without any hands-on experience.

If the minister, through the chair, can provide more insight into that online training, that would be great. I would love to hear how it was developed, which experts were consulted, how the program has



been validated to ensure that our children are being protected and well cared for.

Page 18 of the annual report '22-23 shows an enrolment increase in capacity spaces, moving it from 4,000 to 10,000 spaces. Can the ministry, through the chair, share the current enrolment and graduate numbers for this program? Line 5.2 in the budget, same line, has the program to becoming level 1, also is where you find the funding for supports for ECEs wanting to move to the next level. This requires postsecondary certification, which, I believe, is also in line 5.2. Can the ministry, through the chair, provide further detail as to the allocations of funds to the different programs? Has funding increased sufficiently for the demand we are seeing in our care centres?

Of course, stability and consistency are two highly sought after qualities when choosing a workplace or a new career. What actions has the ministry taken to stabilize the child care system? Would the ministry consider what has been successful in other provinces? Nova Scotia introduced group benefits and pension package for ECEs. British Columbia, where they have an opt-in program, which is, of course, different than Alberta, which is an all or nothing. Manitoba: they created an early childhood educator's wage grid, which, of course, presents stability for workers and a clear path.

Mr. Chair, would the minister work with the Education minister and explore expanding high school dual credit to include and encourage entry into the ECE field or even present a focus the same way, as earlier was described, for skilled workers or even proactively cospacing child care centres with grade schools? Through the chair to the minister, what initiatives are being considered and planned to stabilize these workers for the child care industry?

I want to circle back to safety. You'll recall earlier that when discussing quality and safety, I mentioned some of the slumlike conditions that we're seeing in some of our care centres. Further, when, specifically, the staff for the care centre with the mice and the cockroaches were interviewed, they had little to no basic food-handling knowledge. So, Mr. Chair, to the ministry: what concrete actions are being done, what is being planned, and where are they seeking expert advice to make child care safe?

In this last bit I want to talk about the Alberta Is Calling attraction bonus. We've talked a little bit about the \$5,000 tax credit. It sounds like a fantastic opportunity to bring vital workers. ECEs are vital workers. I understand the ministry has spoken about different incentives they have; however, this one would make a huge difference in these folks' lives. So can the minister, through the chair, confirm that ECEs are not eligible? And if not, why?

Let's see. There was a mention of the ratios of E1, E2, E3. Can the ministry confirm what their goals are, what we're going to see in the next year relative to what's going on right now? There is an increase of almost \$75 million to support the child care workforce, so my question is: what does that get us, Mr. Chair, through you to the minister? Yes. I would like those answers.

Thank you.

**The Chair:** Perfect. Well, I called it the rapid-fire round, and now you can see why. Well done, MLA.

Minister, over to you.

**Mr. Jones:** Thank you. The first question was: what is the plan post-2026 for the agreement? The indication from the federal government – the only indication that I've seen is that they will continue funding at the final level of the agreement, but certainly those are discussions that we are engaged in with the federal government. It's a good question. We need to know so that we can plan our side of the partnership. We also need to factor it into the

long-term cost-control framework for operators, but Alberta is committed to high-quality, accessible, safe, and inclusive child care. Since the federal government is also committed to that, I'm optimistic that we can find a long-term partnership that will continue to provide that for Alberta families.

As to a definition of quality a lot of this flows from the quality of our early childhood educators. They are professionals. As I touched on earlier, we have added 47 per cent to our ECE workforce, about 8,500 ECEs, and they are more educated than ever. In other words, more are level 2 and level 3; a higher proportion are level 2 or level 3 than three years ago. To support ECEs to reach high levels of certification and advance their careers, Alberta's government provides up to \$4,300 in professional development and release time funding per ECE per fiscal year.

Funding assists with approved postsecondary tuition and textbooks and approved conferences or workshops for eligible ECEs. It also includes release time funding to allow certified ECEs to be paid while studying, completing postsecondary coursework, and attending workshops or conferences that have been approved for professional development funding; \$839 million is allocated over the next three years to support quality initiatives and the licensed child care workforce.

A number of longer term workforce strategies are under way to help ECEs reach higher levels of certification and advance their careers, including increased wage top-ups based on certification level effective January 2023. This is in addition to changes in October 2022 to expanded hours eligible for wage top-ups to include indirect and paid vacation time. In December of 2022 certified ECEs employed in October and November received a bonus based on their hours of work. Expanded eligibility for the child care orientation course was put in place to allow any Canadian citizen to take the course, and enrolment capacity was expanded from 4,000 to 10,000 spaces. We've been working with Advanced Education to improve access to and successful completion of postsecondary programs, and we've modernized level 1 of the ECE orientation course content to include new modules for out of school care and family day homes.

**9:50**

We're exploring a new competency-based approach to certification which would assess and factor in ECE's experience, knowledge, and skills as well as their educational background, and we're launching pilot programs with diverse communities to promote their entry into the child care field, and we're conducting recruitment campaigns for certified ECEs. We've also invested \$22 million to support all licensed child care operators, with increased costs for mandatory employer contributions as a result of increases to wage top-ups for ECEs implemented in January 2023. Educated and experienced ECEs are the foundation of a high-quality child care system and have a crucial role in ensuring the safety and well-being of children in their care.

I wanted to touch on the – we have a panel reviewing the E coli outbreak. It's headed by former police chief Rick Hanson. They're working directly with Alberta Health and AHS to ensure that food safety is stronger across the board but also as it relates to child care facilities. I'm looking forward to the recommendations that come out of that work. They are consulting with, again, medical experts, our health care system, the affected families, and they're going to come to the government with recommendations for the Health Act and also as it relates to the licensing and regulation of child care facilities. I think there are also going to be learnings for municipalities in there. We're going to do everything that we can to improve the safety for everybody in the province as it relates to food safety but, in particular, for children in our child care facilities.

You'd asked: how many people are taking the level 1 ECE course? Tanis, can you shoot that number?

**Ms Liebreich:** Yes. In the level 1 ECE course there was some increased . . .

**The Chair:** Oh, that could be submitted later or perhaps in a different block.

Over to the government caucus now.

**Ms de Jonge:** Thank you.

**The Chair:** MLA de Jonge, you caught my attention.

**Ms de Jonge:** Thank you, Chair, and thank you, through the chair to the minister. Minister, I'd like to continue the dialogue from last time if that's okay with you.

**Mr. Jones:** Yes.

**Ms de Jonge:** Excellent. Thank you. Just to comment on something you mentioned during our last discussion, I just want to reiterate my support for the good work you've been doing, and I'm particularly excited about the investment of De Havilland Canada in Wheatland county as that is in my constituency, so thank you to yourself and the team for helping that come to fruition.

I wanted to discuss now the export expansion program. During your opening statement and again during our last dialogue you spoke about the trade missions that you've been able to go on, both to Japan and to the Middle East, recently. It's exciting to hear that you have about 24 trade missions planned for the upcoming year – that's incredible – and the purpose is, then, to sell other countries on Alberta and what we produce. The Alberta export expansion program is another tool in bringing Alberta-made products to the world, and it's noted in the business plan in the initiatives supporting key objectives under outcome 1, with a budget of \$1 million. Minister, why is this program necessary? Should businesses not be able to support themselves in their operations, including selling their products globally? And perhaps in answering that, you can address a bit: how does this program work, and how has this program changed to meet the needs of Alberta businesses?

**Mr. Jones:** Good questions. My ministry provides support to small and medium-sized businesses through the Alberta export expansion program, or AEEP, as we call it. With a \$1 million annual budget AEEP provides funding to export-ready small and medium-sized businesses to travel to global markets to promote their products, make business connections, and explore partnership opportunities. It allows companies the boost they need to get their products out to the world. When you travel to these other jurisdictions, the successful Alberta companies who have established business relationships and are exporting or doing business in the region: they'll tell you that you need to have a presence, and it needs to be a sustained presence. Programs like AEEP really take the edge off and enable good Alberta manufacturers and other companies to explore whether they can build a business, an export business, with that region.

The AEEP program provides funding to help support costs for Alberta businesses and nonprofits targeting foreign markets. This includes support for international travel to trade missions for export-ready businesses, industry associations, Indigenous communities, and economic development organizations. A similar program, CanExport, exists at the national level. However, it features higher minimum expense thresholds to qualify for support, and its intake has been very limited for '23-24. Additionally, over

80 per cent of AEEP applicants are not eligible for CanExport because they do not meet the minimum expense threshold. The AEEP program was fully subscribed in '23-24, so much so that we had to close intake. This is actually great news. To me, this means that after a couple of years of decreased travel and limited in-person engagements, there are Alberta exporters who are seeing a resurgence in demand for their products and services.

We've been working hard behind the scenes to review the program based on the feedback we've received, and we plan to relaunch the program in April with a few changes. These changes will reduce red tape, clarify application guidelines and streamline administration, and bring about more predictability and consistency, all while making sure the appropriate checks and balances are in place. To streamline the program and add predictability to companies, we will be leveraging per diems rather than requiring receipts. Per diem allowances will help off-set flight costs, accommodations, inner-city travel, and translation costs. It will also create consistency in grant amounts and how the program is used.

We will also be removing the pretravel grant agreement step and replacing it with applying to the program posttravel. This reduces administration and paperwork for companies, so they have more time to focus on growing their business. The one-stage posttravel process will speed up approvals and reimbursement of payments.

We are also supporting attendance at formal events such as conferences and trade shows that will be supported at 50 per cent of the receipted entry fee.

We will include a budget tracker on the AEEP landing web page to increase predictability of funding available for companies. We will also be allowing organizations up to an average of three or four funded missions per year at about \$3,500 per mission for a total of a maximum of \$15,000 per organization per year.

By making these changes, we're ensuring companies can use their time to build businesses and focus on exporting to new markets instead of filling in paperwork. This will also mean companies receive their reimbursements faster, so they can redeploy those resources sooner.

We will continue to monitor the program and see how things are working, so we can continue to make any needed adjustments to ensure it is providing good value for Albertans. Further details about the revamped program, including how to apply, will be released when the program reopens in April. I look forward to seeing which leading-edge companies we will get to work with over the coming year, and I look forward to continuing to enhance Alberta's trade and export ecosystem.

**Ms de Jonge:** Thank you, through the chair to the minister for your answer.

Now changing the tune a bit here to the film and television tax credit, it's been difficult to turn on the TV or go into a movie theatre in the past year without seeing Alberta on display for the world to see. In fact, Calgary has won the location of the year award at the 2023 Cannes Film Festival in France. *The Last of Us*, which I'm a big fan of, has been filmed at 180 locations across Alberta.

Page 93 of the business plan identifies delivering "client-centred programs and tools to support Alberta's economic growth and diversification, including the Film and Television Tax Credit" as a key objective. That's 1.2, "to support Alberta's economic growth and diversification." The business plan also identifies \$105 million in funding to be allocated to that tax credit. Can you explain how this tax credit works and the benefits that it brings to the film and television industry in Alberta? And perhaps as a supplemental that you might be able to speak to as well, how has your ministry grown Alberta's film and television industry over the recent years?

**Mr. Jones:** Thank you for the question. To provide a bit of background, the FTTC offers a refundable Alberta tax credit of 22 or 30 per cent on eligible Alberta production and labour costs to corporations that produce films, television series, and other eligible screen-based productions such as documentaries in the province.

Productions applying for a 30 per cent tax credit must meet additional eligibility requirements related to copyright ownership, producer residency, and ownership, among other things. To be eligible, total estimated production costs, the sum of Alberta and non-Alberta costs, must be greater than \$499,000. Since the launch of the FTTC . . .

**The Chair:** I hesitate to interrupt, Minister. We have come to the conclusion of the time of the meeting, so I apologize for the interruption.

I just want to thank everybody, honestly, for keeping their sticks on the ice. Such a good, calm demeanour in getting your questions out there and answered.

I'd like to remind committee members that we're on schedule to meet tomorrow afternoon, March 19, 2024, at 3 to consider the estimates of the Ministry of Ag and Irrigation.

Again, thank you, everyone, for this. Meeting adjourned.

[The committee adjourned at 10 p.m.]









