



Legislative Assembly of Alberta

The 31st Legislature
First Session

Standing Committee
on
Alberta's Economic Future

Ministry of Executive Council
Consideration of Main Estimates

Tuesday, March 18, 2025
3:30 p.m.

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Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

Participant

Ministry of Executive Council
Hon. Danielle Smith, Premier and President of Executive Council

3:30 p.m.

Tuesday, March 18, 2025

[Mr. Getson in the chair]

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

The Chair: Well, thanks, everybody. I would like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates for Executive Council for the fiscal year ending March 31, 2026.

I'd like to ask that we go around the table and have members introduce themselves for the record. Premier, if you can introduce yourself and your officials who are joining you at the table. *Hansard* is controlling the mics, so we don't have to stumble for those. They'll be operated. To kick it off, I'll introduce myself. I'm Shane Getson, the MLA for Lac Ste. Anne-Parkland, also known as God's country, and I get a chance to chair the meeting today. Starting with introductions to my right.

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

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

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

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

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

Ms Smith: Thank you, Mr. Chair. For the record I'm Danielle Smith, President of Executive Council and Premier of Alberta. Shall I introduce my team here as well?

The Chair: Yes, please.

Ms Smith: I'm joined by Dale McFee, Deputy Minister of Executive Council; Mary MacDonald, acting deputy minister of intergovernmental relations; Chris Shandro, deputy secretary to cabinet; Mark Kleefeld, assistant deputy minister and senior financial officer for Executive Council. Also, in the gallery is Rick Christiaanse, chief executive officer of Invest Alberta.

Ms Gray: Good afternoon, everyone. Christina Gray, MLA for Edmonton-Mill Woods, joined at the table by Kyall Glennie, the executive director of communications and research for the NDP caucus.

Mr. Sabir: Irfan Sabir, MLA, Calgary-Bhullar-McCall.

Mr. Shepherd: David Shepherd, Edmonton-City Centre, where God comes to watch his favourite hockey team.

Ms Chapman: Amanda Chapman, Calgary-Beddington, no clever quip.

The Chair: Well, and that's why we do it, folks. We get a chance to brag up our constituencies. Appreciate that.

I'd like to read and to note the following substitutions for the record. Mr. Shepherd, from the home of the Oilers, for Member Loyola as deputy chair, Member Chapman for Member Hoyle, hon. Ms Gray for Member Boparai, and hon. Mr. Sabir for – I always mess up her name – Member Elmeligi and Mr. Wiebe in for Mr. van Dijken.

We don't have anybody online, so I can skip that part. I already talked to everybody about *Hansard* and the microphones, so you don't have to touch those. Members participating remotely, if you are online eventually, turn your cameras on, put your hands up remotely through the clerk if you need to get our attention or on screen there as well. And if you're not, then don't turn any of those on. Everyone else who's in the room, please set your cellphones to the least disturbing mode you have possible for the remainder of the meeting.

Speaking rotation and time limits. Members, the main estimates for Executive Council shall be considered for two hours. Standing order 59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(7) sets out the speaking rotation for this meeting. The speaking rotation chart is available on the committee's internal website. Hard copies have been made and provided to the ministry officials at the table. For each segment of the meeting blocks of speaking time will be combined only if both the Premier and the members speaking agree. If debate is exhausted prior to two hours, the ministry 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 the speaking time or the rotation, please e-mail or message the clerk about the process. If anyone's wondering, he's the gentleman to my left.

Ministry officials who are present may, at the direction of the Premier, address the committee. Ministry officials seated in the gallery, if called upon, have access to the microphone in the gallery area and are asked to please introduce themselves prior to the record of the meeting. Obviously, that would be the pulpit over there, sitting in the corner.

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, as we've seen, opposition caucus staff may have at their table their assistant members; however, members have priority to sit at the table at all times. And if there is anyone who floats in and out who is a member, we'll just stop and have them introduced at the appropriate time.

Points of order will be dealt with as they arise, and individual speaking times will be paused; however, the block and the speaking time for the overall two-hour meeting will continue to run.

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

Finally, the committee should have the opportunity to hear both the questions and the answers without interruption during the estimates debate. Debate flows through the chair at all times, including instances when speaking time is shared between the member and the Premier. The other housekeeping item that's worked really well, similar to last year, everyone who was here: we're going to refer to these books here, ministry business plans. It helps for the folks following along at home and the chair if you reference the book and a page number so we can talk about that. The strategic plan is fair game. We have government estimates – that's fair game – and we have the fiscal plan, that is all fair game in that regard.

And unlike the House, where we get a little spicy in debate, the chair likes to try to run this more like a business meeting. It seems to work out really well. Nothing worse than having a bunch of points of order and we waste time doing that; rather, we'll just keep the decorum if we can. The chair will nudge our group a little bit if required, and it seems to work out really well. My goal is to not have any points of order during the whole meeting and you get all your questions asked and hopefully all of them answered. Is

everyone comfortable with that? Seeing no one opposing, I'm going to take that as a yes.

I would now like to invite the Premier to begin with your opening remarks. Premier, you have 10 minutes.

Ms Smith: Thank you, Mr. Chair. Good afternoon, everyone. To begin, I'd like to formally introduce a new face, the new face of Alberta's public service, who is here at the table with me. I'm pleased to welcome Dale McFee as the new Deputy Minister of Executive Council and secretary to cabinet. As many of you know, he brings a wealth of experience from the local, provincial, and national levels. I've greatly enjoyed working with him closely over the last few weeks.

I'd like to start by providing an overview of the role and structure of Executive Council. Executive Council leads strategic planning, policy development, and policy co-ordination across government. It also supports cabinet decision-making. It's the central co-ordinating body of the government of Alberta, providing leadership to the public service and to ministries as they implement the government's agenda. Executive Council also plans and manages any state visits of foreign dignitaries that involve government of Alberta representatives. It leads intergovernmental relations, including relationships with other governments in Canada and countries around the world.

Executive Council's budget is allocated to two programs, which you'll find in the voted estimates. Program 1 includes the Premier's office at the Legislature and the southern office at McDougall Centre in Calgary as well as the office of the Deputy Minister of Executive Council, who serves as head of the public service and provides policy advice, operations support, and issues management. Executive Council also includes the Lieutenant Governor's office, which, of course, is critical to supporting Her Honour's responsibility to fulfill her duties as the King's representative.

The protocol office is essential to building partnerships and relationships both here and internationally, normally through state, official, working, and private visits. The offices of policy co-ordination and cabinet co-ordination support the development and implementation of government's legislative and policy agenda. Operations and machinery of government works with ministries to track crossgovernmental programs, projects, and issues and provides corporate support to Executive Council. Each of these offices serves an important function in ensuring that different parts of government work together and that our agenda is advancing efficiently and effectively.

Program 2 relates specifically to intergovernmental relations. It includes the Ministry of Intergovernmental Relations, or IGR, which has teams that focus on both domestic and international relations. My ministry advocates on issues that are important to Alberta while building and maintaining strong relations with other Canadian governments and international partners.

Our work on these files has never been more critical to the continued prosperity of our province. This is especially true in light of the unjustified tariffs imposed by President Donald Trump on Canadian goods and energy and additional tariff actions. My ministry has provided crucial support in navigating this fast-moving issue. This has included recommendations, research, and analysis to inform my government's response to these destructive policies as well as supporting senior and elected official engagement with U.S. partners. The U.S. is Alberta's and Canada's largest trading partner and ally. We fought shoulder to shoulder on battlefields together and have enjoyed decades' worth of friendship. It goes without saying that our relationship with the United States is currently strained, but it doesn't have to be this way. My government with the support of IGR will continue to meet with U.S.

government officials and other industry leaders to get these tariffs removed and to rebuild this important relationship.

At the same time, we recognize the importance of diversifying Alberta's markets and strengthening relationships beyond the U.S. to ensure long-term economic stability. IGR's international relations team is actively identifying new opportunities to engage with international partners to expand trade and build meaningful connections with key markets in Europe, Asia, and Latin America.

IGR also supports me as Premier for intergovernmental meetings like the Council of the Federation, Western Premiers' Conference, and the New West Partnership trade agreement. IGR co-ordinates provincial and international missions, which are critical to making sure that the world knows that Alberta will continue to be Canada's economic engine and ensure energy and food security while also reducing emissions through technology and multilateral co-operation. I was proud to be part of recent missions to the United States with my fellow Premiers to advocate for Alberta and for Canada. These meetings were critical in securing a carve-out for Canadian energy in the American tariff policies.

3:40

IGR also provides leadership to other government departments to ensure we're taking a co-ordinated and consistent approach to advancing Alberta's interests across Canada and internationally. The international relations functions include research and advice on international issues, facilitating visits from foreign governments, and negotiating memoranda of understanding with foreign jurisdictions. It also oversees the governance of the Invest Alberta Corporation, which has a mandate to secure global investment in our province.

The international relations team also manages the Alberta international office network, which helps us to tell Alberta's story in key centres around the world. Alberta has maintained offices abroad for more than 50 years and currently has 16 offices across four regions, including the United States, Latin America, Indo-Pacific, Europe, Middle East, and Africa. We also have an office in Ottawa to ensure Alberta's voice is heard and our interests are advanced.

As mentioned, a critical priority for Executive Council is to open more Canadian and international markets and to deliver prosperity and growth here at home. In addition, effective April 1, 2025, Intergovernmental Relations will be renamed to Intergovernmental and International Relations. This change signifies our renewed commitment and focus on international relations and recognizing its impacts on Alberta.

Alberta is a land of many opportunities both for Albertans and for those coming to our province. We continue to advocate for reducing trade barriers across the country and are a leader in recognizing credentials from other provinces. This has been a priority for the province for a long time. Since 2019 Alberta has removed the vast majority of our interprovincial trade exceptions. We will continue to push other provinces to match our ambition in providing full labour mobility and eliminating trade barriers through work like the mutual recognition of regulations. This will permit goods, services, and labour from other provinces to flow into and out of Alberta without having to undergo additional regulatory assessments. This benefits both businesses and workers, allowing Albertans to get to work faster with less red tape standing in their way.

Alberta is the fastest-growing province in the country, and as noted last fall, we were the only province to register substantial net inflows of interprovincial migrants. We expect this trend to continue, partially offsetting a reduction in international immigration.

In preparing for the upcoming fiscal year, I instructed the Minister of Finance and President of Treasury Board to take a thoughtful approach to our province's spending. There are significant challenges and uncertainty facing the economies of Alberta, Canada, and, frankly, many countries around the world. That's why we are taking a responsible approach that provides for record investments in core services while putting money back in the pockets of Albertans.

If passed, Budget 2025 will support not only Alberta's present but also its future to meet the needs of a population that has grown rapidly in the last few years. We are proposing another record investment in health care. A refocused health care system will strengthen services, empower local decision-making, enhance support for front-line workers, and improve outcomes. We're spending an additional \$1.4 billion across the health system. This represents a 5.4 per cent increase over 2024-25. This funding includes more money for primary care, with the goal of attaching every single Albertan to a primary care team.

As the health refocus continues, we're providing significant investments in mental health and addiction services through Recovery Alberta to ensure that Albertans have access to the treatment and recovery options they need to succeed on the recovery journey.

We are also investing \$3.8 billion in our new continuing care agency, assisted living Alberta. This funding will provide for wraparound medical and nonmedical supports, home care, community care, and social services.

We're also advancing on our commitment to build schools and classroom spaces faster. Budget 2025 proposes \$9.9 billion in primary and secondary education funding, which is a 4.5 per cent increase.

Against this backdrop of record investment we must also be cautious in what the future may hold. The recent increases to the cost of living impact all of us, which is why I'm proud that Budget 2025 proposes an early implementation of a new 8 per cent tax bracket on income up to \$60,000. We're taking action to cut personal taxes for 2 million hard-working Albertans so that they can keep more of what they earn and help support themselves and their families. These are prudent, responsible decisions that will leave Albertans and the Alberta Treasury in a better position to navigate the challenges ahead.

We've set aside about \$4 billion in contingency funds to help us deal with some of the many unknowns in the coming year, whether that be through natural disasters, intrusive federal policies, or unfair and illegal tariffs from our trading partners. We are living in volatile times where the ground seems to be shifting beneath us every day. More tough decisions are on the horizon but so is more opportunity.

The work and the choices that we make now are important. Our prudent fiscal management approach has given us strong capacity to weather the storms ahead, and I am confident that Budget 2025 will help us to meet the challenges ahead while we plan a great future for generations to come. Thank you, and I look forward to answering your questions.

Back to you, Mr. Chair.

The Chair: Yes. Thank you, Premier.

Now we'll begin the question-and-answer portion of the meeting. The first block is 15 minutes. Members of the Official Opposition may speak back and forth. You have to decide on whether it's block time or shared time. No one may speak longer than 10 minutes at a time, default 10-minute maximum per speaking time. The request to combine the time is from each member. In this section, you can cede time back and forth.

With that, I see MLA Gray has got my attention.

Ms Gray: Yes. Thank you, Mr. Chair. Happy to proceed with block time. A quick question, though. You mentioned 15 minutes. In the material provided . . .

The Chair: Oh, no. Sorry. It's 10 minutes.

Ms Gray: Thank you.

The Chair: Yeah.

Ms Gray: That's what I was expecting.

The Chair: Perfect. Thank you.

Ms Gray: Appreciate it.

I will just start by saying thank you to the Premier and all officials who are here. I know from experience that a lot of work goes into preparing for estimates like this. It is an important opportunity for Albertans to ask questions about things they might be curious about, and I hope that we ask all the questions you're hoping we're going to ask in your binders that you have prepared.

I'm going to start off with: in this year's budget, if we look at – and I will, Mr. Chair, endeavour to use references wherever possible – the ministry business plan statement of operations, there's a very clear increase in the costs to the office of the Premier and Executive Council, about 22 per cent, or \$5 million. On page 85 of the fiscal plan there's kind of a single sentence that describes that this increase is “to support growth of a new program for the promotion of responsibly-produced energy.”

I'm certainly hoping that the Premier and her officials can help provide some more insight on a significant 22 per cent increase when there's really only that single line that helps me to understand what that's being used for. Also, it's my understanding that the ministry of energy is mandated to support responsibly produced energy, so helping to understand the Premier's office's role and where that money is going would be kind of question 1. On schedule 22 of the fiscal plan Executive Council is hiring one additional FTE, so the cost for one FTE might contribute to some of that increase but certainly not all of it. If you can help us to understand what that is, how it might be connected to the previously run energy war room, or if this is replacing the energy war room, that would be excellent.

Have the Premier's office and staff and Executive Council issued contracts for professional services or projects? One of the things I'm curious about, especially with this \$5 million: how much is for contracting? Will there be contracts under this \$5 million or under the larger budget for the Premier's office? How often are those contracts sole-sourced or issued as competitive bid RFPs? Who in the office of the Premier or the office of Executive Council decides and approves on the issuance of contracts, and what measures are available for Albertans to be kind of aware when those are happening? Have any contracts been issued to Rubicon, for example, over the past year?

Now, again, sticking to kind of the general budget overview and FTEs and some of those changes. There have been staff changes at the Premier's office. As I understand it, Rob Anderson's new contract as chief of staff has still not been posted. Now, you may recall from when the previous Leader of the Official Opposition came to estimates that was often a question she would ask, because the posting of those contracts is an important measure of transparency for Albertans to be able to see. This being six months and it not being posted, I'm curious: when will that be posted? The previous chief of staff, Marshall Smith, was reimbursed for housing costs in his contract, and I'm curious if Mr. Anderson is receiving

the same reimbursement for housing costs in Edmonton. Is that at the same rate as for an MLA?

The previous chief of staff, Marshall Smith, has now moved on to other things. I'm curious: in this budget and in what we've got planned going forward, is severance at all included in the budget for Executive Council 2024-25? Sometimes severance is paid over multiple years. I'd be interested to know how that might be reflected in the budget going forward or even in the fourth quarter of the previous budget when it comes to the staffing piece.

3:50

So those are my initial questions on the budget as a whole. Certainly, the Premier in her opening remarks talked about some of the challenges that we've been seeing when it comes to tariffs and intergovernmental relations, the importance of our U.S. partners. We've seen, even just through the media, the Premier has travelled often to meet with Americans very recently, attempt to woo the U.S. administration. Certainly in the House, we have been debating the utility and whether there have been any gains made from those travels. Right now, tariffs are likely to still be coming in, have been applied in some places. There's been a lot of economic havoc that has been wreaked. That's certainly for sure.

This, obviously, is responding to some of the Premier's opening comments but also tied to business plan for this ministry, section 2.4, collaborating with ministries and jurisdictions to reduce barriers and regulatory measures as well as 2.5, planning and execution of international missions. My question is: of the \$5 million – that is an increase – are any of those \$5 million going towards addressing the impact of tariffs and the increasing global uncertainty on Albertans? What are the Premier's plans to address the impacts of tariffs on our Canadian industries, steel, aluminum? Certainly, we've heard a lot of concerns from the agriculture industry, et cetera.

Now, in the same vein of the Premier's office and travel, the business plan states, section 2.5, planning and execution of international missions and developing relationships with an intergovernmental approach, so 2.2. In early January 2025, so this year, the Premier travelled to meet then President-elect Trump at his Mar-a-Lago golf course with Kevin O'Leary. The Premier and her chief of staff and her principal secretary were in Punta Cana, Dominican Republic, before flying to Florida on a different date and through different airports to meet up with Kevin O'Leary and Donald Trump at Mar-a-Lago. The cost of the flights and their return trip to Canada were in some cases quite high. On January 10 the Premier and Ms Polak flew from Punta Cana to Florida for \$460 U.S., approximately, for both passengers. On January 11 Mr. Anderson travelled the same route for \$765 Canadian.

The return flights were booked on January 7 but were significantly different in price. Ms Polack returned to Edmonton on January 12 for \$1,472 Canadian. Mr. Anderson's return flight was to Calgary on the same day and cost the taxpayers almost double at \$2,848 Canadian for his ticket. The one thing I note from the information we were able to glean is there's no return flight for the Premier, so my first question in this section is, is there a receipt missing from the Premier's expenses? Did she receive a flight back as a gift from a private citizen to come back to Alberta? I'm curious why there was such a significant difference in cost in the return flights for Ms Polack and Mr. Anderson despite both being booked and departing from the same place on the same day. What does the Premier's office do as a policy to try to manage expenses such as these? Were both travel expenses approved in advance? I'm curious if you can describe some of that process.

The package of receipts for this expense does not include hotel reservations for the Premier and Ms Polack. Can the Premier explain

why only Mr. Anderson had a hotel booking? Were there additional hotel rooms gifted to the Premier and her principal secretary that Albertans should know about? We were surprised. In trying to just do due diligence and follow up on these expenses, because of missing documentation, it was hard to get a picture of it. It does feel sloppy, unfortunately, when we were looking through and trying to understand the value for dollar for Albertans and what was happening.

This next question is along the lines of – because there was no receipting with the hotels, my question is: were the hotels potentially gifts from Mr. Kevin O'Leary or the President-elect or any other individual that paid for hotel rooms for the Premier, Ms Polack, who were both travelling at some cost on the Alberta government business plan?

Then government officials completed a travel authorization only after the trip concluded, so I am definitely curious around the normal practice for the Premier and her staff when it comes to getting travel authorization after the fact, even though flights were purchased days in advance.

That's been a lot of questions around some trip travel but also some high-level questions about the overall budget. With that, I will cede the rest of my time to the Premier.

The Chair: Perfect.

With that, over to you, Premier, for a response.

Ms Smith: Well, maybe I'll answer the last one first. I was honoured with the opportunity to marry Rob Anderson and his wife, Stacey, in Punta Cana, so we all flew there on our own expense as a holiday. The opportunity to go to Florida emerged at that time. Because it was government business, there was a one-way flight from Punta Cana to Florida for each of us. I continued on my vacation. That's why I did not have a return ticket home.

I'll have to check into the hotel reservations. The normal practice when I'm on business is for my staff to book me a hotel. We tend to use Bonvoy because they've got the best government rates. I can double-check to see if there was something missing there. My expectation would be that those rooms would have been booked the normal way and expensed the normal way. If not, then perhaps they used my points, but there were no gifts associated with that. It may have been personal because I had been travelling personally. It could be that I covered it personally and did not submit it, but there were no gifts on that.

The difference between Mr. Anderson's and Ms Polack's travel is that Mr. Anderson has a blood condition that requires him to travel business class. I hope I'm not revealing anything that I shouldn't have about a person's private health information, but he has a doctor's note that requires him to be travelling business class whereas I and all of my staff travel the highest level, which is a premium economy. From time to time I'm able to use my points to get bumped into business class, but I can tell you, Mr. Chair, that it does not happen very often. But that would explain the difference between the two different costs you identified from Punta Cana to Florida as well as from Florida back home. I hope that answers all of those questions there.

Going to the first point about the increase in Executive Council, it's not an overall increase in the budget. We increased, but we had a proportionate decrease in energy. Ms Gray is right; the promotion of energy normally had been left to the Canadian Energy Centre under the purview of the minister of energy. But what I did discover is that I've been doing a lot of advocacy on energy. There were concerns raised by the Official Opposition and others about the Canadian Energy Centre being outside the purview of government. I listened to that, and we brought it into government, reporting to

me. There are a couple of staff members that came over in that process with a much reduced budget, and there was about \$12 million that the CEC had been spending on advertising. Last year \$7 million of that came over to me. This year the full \$12 million has come over to me. What we will be doing with those dollars would be the energy advocacy that the original energy centre had been doing.

There have been a couple of major campaigns we discovered that we needed to do – I'll mention that in just a minute – but that's part of the reason why the extra \$4.6 million, \$5.1 million for the remaining of that promotion for responsibly produced energy.

Then we also reduced it by \$0.5 million because we transferred three full-time equivalents over to Affordability and Utilities to work on the nuclear energy mandates. We've got three dedicated individuals who are going to be focusing on doing the consultation and policy work around creating a strategy for nuclear energy, as I mentioned, fully off-set by a reduction in the same amount in the Ministry of Energy and Minerals. After net-neutral transfers there are no changes to Executive Council's bottom line.

The issue around the FTEs, again, was just because of the movement around – some came from the Canadian Energy Centre and then some left, but that would be the reason for that.

4:00

The contracts that you'd mentioned in the Canadian Energy Centre: just let me find that. There are a couple of things that I would say. We always try to hire somebody on as a staff member employee, but some people for their own management of their own affairs do sometimes like to be hired on in a consulting contract. It gives them more freedom. It gives them limited terms. And that's part of the contract that we have with the three individuals that have been transferred on these two-year contracts. We've got Jaremko Energy Consulting, which is a two-year contract; Cody Ciona, who's also got a two-year contract; and Steve Rennick, who has a two-year contract. That, again, was just related to bringing them over from the Canadian Energy Centre.

The question about sole-source contracts: let me find the information on that. The biggest sole-source contract we have, actually, is the RCMP. It's one of the largest sole-source contracts. To give you some idea of why you might sole-source in certain occasions, there are certain types of services that cannot be easily put to an RFP and contracted out to other entities. They are a regular part of government procurement, and we choose them when we need to have specialized or expedited services. Of course, this has happened since the NDP were in government. They issued thousands of sole-source contracts, worth billions of dollars. All the rules were followed, and all sole-source contracts are posted online for the public to see.

These individuals, of course, have the expertise and skills that we need to get the job done for Albertans. They've done great work. As I mentioned, in the case of certain individuals, just because they want the flexibility of being hired on contract versus as a staff member, that explains why when we hire certain content matter experts, we've done it through the sole-source contracts. There's a very clearly defined process for how we go about doing that, and all of the rules have been followed.

As for Marshall Smith, he's following the one-year cooling-off period, and Rubicon has no contract with Executive Council.

The issue around PO staff salaries. A couple of things I'd say are that there is compensation that looks at the range for what is the upper limit and lower limit for salaries; a chief of staff range that's outlined is \$180,000 to \$260,400. My chief of staff, both former and current, fall well below the upper limit of that salary. The majority of the predecessors who held the role under the NDP

administration from 2015 to '19 received a higher salary. If they want to be able to narrow it down even further, in one case the highest salary was \$294,977 in 2016 and 2017, when Mr. John Heany held the role. So our senior staff: that is the highest rate paid, and then others fall below that. All of them fall within the recommended limits.

Those who have a base salary earning the threshold of \$130,042, that has to be posted, I have six staff members: Rob Anderson, Becca Polak, Patrick Malkin, Mitch Gray, Bruce McAllister, and Erin Allin are the current staff; Marshall Smith, who's now left; and then Tricia Velthuisen, who was with us as director of communications and planning. She now has a new role in caucus. All of those are posted. In June 2026 it's anticipated that we will close six of those current contracts, again, in the order that we normally do. Just to remind everyone of what that rule is, salary and severance disclosure is required of staff who earn above the annual established threshold amount. On June 30 salary and severance from January 1 to December 31 of the previous calendar year are posted, and then there's another posting period after that, so we will see in June 2025 that very shortly some of those will be posted. And, as I say, we're in compliance with the Public Sector Compensation Transparency Act disclosure requirements.

Mr. Anderson does not have a housing allowance. He stays in hotels when he's in Edmonton and has his own private home where he lives down south, so you would not anticipate seeing any housing costs for him other than a typical hotel. Expenditures for Marshall Smith: he left of his own accord, so there's no severance associated with his departure.

When it comes to the question of travel and my role as international and intergovernmental affairs, I can tell you that the number of meetings that we have had – the strategy that we're taking is that we are meeting with influencers on the U.S. President. What I would observe is that he makes a great deal of the decisions himself and signs a lot of executive orders, as we've seen, which is quite unusual from previous governments. So part of our strategy is to talk to influencers on the President.

We have had a great many opportunities to meet with influencers on the President. Between January 18 and 23 at the presidential inauguration I had 36 engagements with key U.S. decision-makers and influencers, state governors, members of Congress, and . . .

The Chair: We'll have to come back to that answer, Premier.

To the opposition.

Ms Gray: Thank you, and thank you very much, Madam Premier, for a lot of those answers. My only comment is – and I'm happy to be corrected – that I believe Rob Anderson has been your chief of staff for more than six months. And with twice yearly posting, I realize that we may not see his contract information until June 30, but I would also suggest that it could be a good thing to post these things proactively, increasing the transparency as well as adhering to the expectations. So thank you for that.

I am going to continue asking a little bit about the travel that's been happening. Under the ministry business plan 2.4, building and maintaining strong relationships with priority international partners, I note that the Premier has travelled on a mission to the U.A.E. in November of 2024. Through the public disclosure and reporting that the government engages in, the receipts show that she and her party stayed in Abu Dhabi. On a flight to Abu Dhabi the Premier submitted a request for a business-class ticket reimbursement for over \$6,000.

The reason I'm asking about this particular reimbursement is because it was without receipt. The total submitted for reimbursement was \$6,319, with the Premier's signature on the

document, which is also undated. The flight for the Premier's chief of staff is listed in Alberta's expense disclosure at \$10,925, also lacking a receipt, for a total of nearly \$18,000 of expenses for which receipts are lost. I believe that very often you can request reissued receipts from airlines, so I was very curious about this business-class ticket without receipt that has happened for the trip into the U.A.E. I will leave that question.

Can the minister confirm whether the travel to Abu Dhabi was budgeted in the Executive Council forecasted expenses, and are they included in the 2024-25 fall forecast update? Can the Premier explain why both substantive expenses for her business-class seat upgrade and for her chief of staff do not have receipts?

On November 9, so now talking about the trip itself, the Premier hosted a 90-minute round-table in Dubai. While the Premier's chief of staff was scheduled to participate in this round-table, records show he did not attend the round-table. The Premier's director of tour had to replace Mr. Anderson at the head table. We do see Mr. Anderson claiming per diems for this date as part of the travel expenses. I'm curious, as we were looking at the trip records, what might be happening there.

Now, we would be interested to know if there are records of other government of Alberta meetings in either Dubai or Abu Dhabi that day. It may be that Mr. Anderson attended other business on behalf of the Premier on the trip. There was reference in the news release to a tour of a different site, but no photos were taken of this or any other event. Was the round-table the extent of the Premier's trip to Abu Dhabi and Dubai? We'd certainly be interested in hearing more about that.

Last year at the estimates committee meeting the Premier itemized all the people that she had met with in a previous trip to Dubai, so I'd just like to repeat the same question as from last estimates. Can you provide a list of all the attendees at the November 9 business round-table that you hosted? One of the reasons I ask is because when our office did ask the same question through a freedom of information request, three or four names were redacted. Now, the reasons for redactions can vary quite greatly, and last estimates you were happy to list all the people you met with, so I thought I would just ask here, and you may be able to do that for us here today.

4:10

Other than the Premier's original news release, we didn't see a lot of social media on this trip. There was one set of photos from the trip tweeted. What other events, activities in the U.A.E. were you partaking in on this government of Alberta paid for trip? Oftentimes people in the region will go to safari. Were you able to do things like this? Who did you attend these events with? Was there taxpayer cost incurred for these other activities, and was the Premier's participation in any events like that expensed as part of her travel reimbursement? So a number of questions around this particular trip based on the information we've been able to request through freedom of information and other.

I am changing topics a little bit. I would like to talk a little bit more about the Invest Alberta Corporation. Under the ministry business plan section 2.8, support Invest Alberta Corporation governance in collaboration with other ministries, the Invest Alberta Corporation expenses increased \$49,000, so not a large change. Its purpose is to position Alberta as a premier global investment destination. It's mandated to expedite business operations, foster collaboration, and work directly with investors globally to start up or scale up in Alberta.

On October 1, 2023, Sam Jaber was appointed by the Premier to the board of directors of Invest Alberta, and in May 2024 Sam Jaber

invited the Premier to attend events with him. These events were in Vancouver. There were other invited guests, including Mr. Sam Mraiche, who owns MHCare, supplier of PPE and Tylenol and so on. We've had many conversations about this individual in the Legislature recently.

Attending with the Premier were her principal secretary, Becca Polak, and her former chief of staff Marshall Smith. There have been freedom of information requests around this trip. We understand that three rooms were authorized and booked at a Vancouver hotel for the Premier, Marshall Smith, and Rebecca Polak for two nights. The Premier's press secretary told the *Globe and Mail* on May 13 that the Premier and two staff travelled to Vancouver and paid their own expenses. The press secretary said the tickets were, quote, provided by a private citizen and all rules under the Alberta Conflicts of Interest Act were followed, yet a freedom of information request indicates the payment for the flights wasn't actually reimbursed or requested until two days later, on May 15.

On July 27, 2024, a news report says the Premier confirmed she was hosted in Vancouver by Invest Alberta, and Invest Alberta has since denied hosting the Premier or anyone at any events on behalf of the organization. My questions are: are there any expenses for this trip to Vancouver recorded in the Executive Council travel and accommodations budget in the 2024-25 fall update? Given that government staff planned and executed this trip for the Premier and, after the fact, two hotel rooms were repaid, but there's no record of flight repayments, was the province reimbursed for all travel expenses, including hotel accommodations incurred by the Premier and her staff during this trip to Vancouver? Has it become the norm in the Premier's office that government staff plan personal trips for the Premier and staff attending social events?

The Chair: Hon. member, just to try and catch this. It's just on the edge here. I'm just trying to see where you're going with this so it's relevant, obviously, to the expenditures. You're asking about policy?

Ms Gray: Yes.

The Chair: Okay. I'll just keep you going there. Sorry. I was just looking for clarity there because I wasn't sure where this was going.

Ms Gray: It's my understanding that the practice is not for chairs to interrupt, Mr. Chair, but to wait for points of order. That was part of the guidance provided.

The Chair: Yeah. My mistake. I was just looking for clarity of where you were going because I was trying to catch the relevance.

Ms Gray: Understood.

The Chair: Thank you.

Ms Gray: Thank you very much. I think I will repeat, because I'm not sure where I was interrupted. In this case we have seen the Premier's office executive staff make all the plans, make all the bookings, and then things will be reimbursed. The question is: has it become the norm for the Premier's office that government staff plan personal weekend trips for the Premier and her staff if they are attending social events with Invest Alberta or Sam Mraiche?

Were any of the Premier and her staff's expenses paid by Sam Jaber? As the Premier has said, he hosted them. Does Invest Alberta reimburse the board of directors for hosting government or other officials, and is this included in the Invest Alberta Corporation's budget for 2025-26?

With only 45 seconds left I won't start a new line of questioning. I'll just leave it there and turn it over to the Premier.

The Chair: Appreciate it.

Premier, back to you for a response.

Ms Smith: Thank you, Mr. Chair. Well, I'll start with – you may recall that the Edmonton Oilers had a pretty historic run during the playoffs, so I felt in my role as promoter in chief for Alberta that I would offer a number of different challenges to government officials of the teams that we were facing off with in those playoffs. I offered a challenge to David Eby that if he lost, he had to wear an Oilers jersey and say that the Edmonton Oilers were the very best team on the planet. You'll recall – he's a good sport – he did that. I actually delivered his Oilers jersey to him at that game. So Premier Eby was there; we had an opportunity to talk about a couple of issues that we collaborate on together. Also, the Vancouver mayor ended up popping in as well, and we had an opportunity to chat with him also.

Because it was largely a social trip, I paid for my own flight. The ticket itself, because it was in a suite, it's sort of the nature that it is hosted by the individual, Sam Jaber. I didn't say that I was hosted by Invest Alberta; I said that Sam Jaber was a board member of Invest Alberta and he hosted me at that event.

The reason for the trip was to celebrate the team in the first round of the playoffs. I went to a second game at the invitation of the Edmonton Oilers, where I also met with New Brunswick Premier Blaine Higgs, and then the third round was also at the invitation of Explore Edmonton to be able to celebrate. I think we actually won that night against the Panthers.

On each occasion I made a lot of effort to put challenges out there. The Governor of Texas accepted our challenge and ended up eating some of our beautiful Alberta beef and had to do a Twitter video saying that it was the best beef. He did say that it was the best beef in Canada, so I think he still managed to sneak away without challenging Texas beef. Then I also got Florida governor Ron DeSantis to accept our challenge as well. I looked at those as being very unusual circumstances. I hope not so unusual; we're all still hoping that both of our teams are able to make it through the playoffs.

Because of those unusual circumstances, those are the reasons why I accepted the initial ticket to the game in Vancouver and paid for most of my expenses myself. It isn't normally – I had been in a practice of taking personal trips and then getting them reimbursed, and part of the reason why is because there are several others who like to co-ordinate the trip with me, but I've since provided my personal credit card to my staff so that we're able to book on my personal credit card on the rare occasion that I have to get them to book that on my behalf. I hope that answers all those questions.

I should have mentioned the number of people, just to go and answer the question I didn't get to the first time around about the meetings that I believe are having a very big impact in the United States. We did meet with several influential U.S. industry and congressional leaders: Montana Senator Steve Daines; Oklahoma Senator Markwayne Mullin, an adviser to President Trump; West Virginia Senator Shelley Capito, chair of the Republican Policy Committee and the state Environment and Public Works Committee; Congressman Bruce Westerman, chair of the House Natural Resources Committee; Congressman Scott Peters, Democrat, member of the House Energy and Commerce Committee.

4:20

We also met with François Poirier, CEO of TC Energy, who's been quite a great advocate for the energy business in the United States. We met with the U.S. Chamber of Commerce, including

president of the Global Energy Institute Martin Durbin; Chet Thompson, CEO of American Fuel & Petrochemical Manufacturers; Robbie Diamond, CEO of SAFE; and Chris Doornbos, who's CEO of E3 Lithium; chief of staff to Congressman Tom Emmer, Republican House whip; Chris Halverson, leader of the National Prayer Breakfast in the U.S.; Frank McCourt, founder and executive chairman of Project Liberty.

Along with many other inauguration events we met Doug Burgum, Secretary of Interior and chair of the National Energy Dominance Council; Chris Wright, Secretary of Energy; Marco Rubio, Secretary of State; Pete Hegseth, Secretary of Defense; Devin Nunes, chair of the President's Intelligence Advisory Board; Texas Senator Ted Cruz; Florida Senator Rick Scott; Utah Senator John Curtis, founder of the Conservative climate caucus; Congressman Bob Latta, member of the House Energy and Commerce Committee, chair of the energy subcommittee; Mississippi Governor Jonathan Tate Reeves; North Dakota Governor Kelly Armstrong; Wyoming Governor Mark Gordon; Montana Governor Greg Gianforte; Louisiana Governor Jeff Landry, who is chair of the Governors Coalition for Energy Security, which we've been invited to be part of; Arkansas Governor Sarah Huckabee Sanders, member of the Governors Coalition for Energy Security; Louisiana state Senator Jeremy Stine; Ron Gusek, CEO of Liberty Energy; Chris Pavlovski, CEO of Rumble; Assaf Lev, cofounder and CEO at Locals; and Corey Lewandowski, a Republican political operative lobbyist and Fox News and CNN political commentator, who's now a special government employee at the Department of Homeland Security as well. At a previous meeting for the western governors conference I also had a chance to meet with the Homeland Security secretary as well, Kristi Noem.

I would say that all of those interactions are part of the reason why we were able to get a lower tariff rate. I think we were able to effectively make the case that Alberta energy resources do get sold to the Americans at a discount. They get upgraded by the Americans. That allows them to provide cheap energy to their citizens and then also create value-added products, which they can export. We calculate \$100 billion worth of value ends up turning into \$300 billion worth of value for the United States and also gives us the money to be able to buy American products, which we are able to do more than anyone else on the planet.

Those are the things that I think contributed to the fact that we initially, on February 4, got a 10 per cent carve-out, and I was pleased to see at Houston, after CeraWeek, on the Monday, before we ended up with our most recent skirmish, Energy secretary Chris Wright said that it is his view that we should have zero tariffs on energy, which I hope will be the case when we get to April 2. I would say that this advocacy absolutely is the case. I can assure you that the federal government is not making this case. No one else, no other province is making this case. The job of making this case falls to the Premier of this province, and I intend to continue making it.

As for the trip to Dubai and Invest Alberta, I should just say that to date Invest Alberta clients have announced 63 investments to the province, valued at \$24.9 billion; created 33,481 new jobs since 2020. The IAC's 2025-26 budget is \$17.5 million, a tiny increase of .3 per cent, which does not even account for inflation, so they are going to have to tighten their belt a little bit since they do not have a large increase year over year. I think the results that we're seeing demonstrate the work that they're doing. They're acting as a concierge service so that when someone wants to make a large investment in Alberta, they are able to navigate through on them.

The circumstances of the upgrade on the flight back from Dubai: we'd had a six-hour delay in our flight. We'd been up for 24 hours, and the mechanical failure finally got corrected. Knowing that I had

to get back for meetings the next day, we looked at the government policy. Government policy is that you normally will travel the highest class of economy if you can have a day rest before having to go to meetings. On the way out and the way back I had to go to meetings immediately afterwards. We checked on what the government policy was, and that was the occasion for the upgrade.

The reason for the receipt: it was put through on my credit card late at night at the actual service desk in the Dubai airport, and they just didn't provide a receipt for that. So I provided the screenshot of my American Express, not the usual practice, but that has been one of the ways in which we verify those in the past. So those were the circumstances surrounding that.

Let me just see if I've got everything else. Oh. As for the meetings in Dubai there are a couple of things I would say. We went to Abu Dhabi. I had an occasion to meet with members of the Royal Family. The Royal Family are large shareholders in Siemens, and Siemens is one of the biggest world providers of gas turbines, which are going to be necessary for us to be able to build out data centres. I also toured one of the data centres in Abu Dhabi. They have an integrated energy system where they provide turbines, batteries, and diesel backup as a potential model for the kind of thing that we want to attract here.

The business meeting was put together with the assistance of the Canadian representatives. That would be – I don't know why the . . . [Ms Smith's speaking time expired]

The Chair: That's MLA Gray again?

Ms Gray: Yes.

The Chair: Yep. Pease go ahead.

Ms Gray: Thank you very much. One of the questions that I asked that I am hoping the Premier will have an opportunity to answer is the list of people meeting in Dubai. I appreciate that the Premier has just spoken at length about the number of people she's met with in the United States. As I understand it, that would have been a mix of social events and business meetings. But, very specifically, the trip to Dubai, particularly the round-table, that information is not clear. For such a very long trip what we have been able to glean is a single kind of social media post tweet, that you may have spent a single hour at a conference. When a freedom of information act was submitted regarding the guests who were at your round-table, certain names were redacted, and the chief of staff missed the meeting. We really just want to understand what is happening there. As you did for your meetings in the U.S., a full list of who was at these meetings would be quite helpful to us.

On the same trip. The missing expense receipts for the \$6,000-plus flight says: lost receipts. What I heard the Premier saying was that she was not given the receipts; that wasn't an option. What is the standard government practice when it comes to a lost receipt or a missing receipt or a receipt that was never given? Is there no practice to request that information? Unfortunately, we couldn't determine that from the information that we requested around this trip.

So more information would certainly be appreciated when it comes to who the Premier and her staff met with.

The other part of that trip. There is certainly some interest in other activities in the U.A.E. that may have been done with other people in the U.A.E.: who they may have been, what those events were while you were in the Abu Dhabi and Dubai areas. Was there safari? Were there other things that the Premier participated in?

I'm just looking back over the questions that I've asked to try to make sure I haven't missed anything. Those are certainly things we're curious about. Thank you very much.

Secondly, around the trip to Vancouver. Just to be clear for the record, we did receive official correspondence from Invest Alberta that board member Sam Jaber was not conducting business or representing Invest Alberta but, rather, acting as a private citizen. These personal events are separate from his role and responsibilities on the board. Certainly, the level of confusion around what was government business, what was Invest Alberta, how these things were taking place caused a number of different versions of the story, a number of different articles to be written. That kind of clarity in understanding what's happening here is one of the reasons why we have executive estimates.

I would like to give the Premier the remainder of the time, hopefully to hear more about the trip to the U.A.E.

The Chair: Sure.

Premier, over to you.

Ms Smith: Thank you. I'll be going to the ADIPEC Conference next year and hopefully being able to spend some time there. There is a company that does the management of massive conferences like that around the world. My minister Matt Jones had been at the previous conference, and I got there at the tail end just to be able to tour around and make some plans for arriving next year. That was one of the reasons I was there.

4:30

Abu Dhabi: I mentioned the visit with the Royal Family as well as the tour of the AI data centre, which has actually given us a very good model for how to expand out AI data centres. The chair may know that we've got 12,000 megawatts of requests for AI data centres, but we only have about 12,000 megawatts of total power that Albertans use. The only way we'll be able to accommodate that is the kind of model from the tour that I went to, where they essentially build their own power and operate independently. So that was part of the reason there.

The round-table: Aziz Mulay-Shah was the moderator. He's managing director of a global communications agency and had formerly been with the Canadian consulate. We've got Harrison Lung, chief strategy officer of e&; Mazen Dalati, CEO of AI Rostmani Group; Jen Blandos, founder and CEO, Female Fusion network; Alon Alter, chief business officer of Cato; Lindsay Miller, Mena Moonshots. There may be others who attended.

It was really a business round-table of Canadians doing business in the United Arab Emirates as a way of me getting intel from them about some of the issues that they faced, because our next expansion that we're planning for our trade offices is to have an office in Abu Dhabi co-located with the embassy as well as an office in Mumbai to expand into India. So part of that was just trying to get a sense of whether we should locate in Abu Dhabi or in Dubai. The Saskatchewan delegation is located, as I understand it, in Abu Dhabi. I don't think there's room at the embassy. But that was the other part of the reason for us to be there. There were no personal visits, no safaris. Rob Anderson was sick on the day that we had the round-table. I guess a lot of the travel put him under the weather.

When it came to the receipts, my understanding is that if you don't have a receipt, you can take a screenshot of the transaction from your credit card to demonstrate, because that screenshot shows the person who is receiving the money. That's what I ended up doing. And then, because there were allegations that I was being hosted by other individuals, I have always said that I know Sam Jaber as one of the board members of Invest Alberta, and he was who hosted me at the Vancouver event.

I hope that answers all the questions. I don't have any others on the list here.

The Chair: Yeah. I guess we're at that point where we're in block, so we can go back if that works.

Ms Gray: Oh, fantastic. Thank you very much. I expected you to cut over.

In your listing of the people who were in the Dubai meetings, one of the things we noted when FOIPing this information was that there were a number of names listed that were redacted. Being very curious about this, that's one of the reasons why we've asked here at the table. The verbal list you've just given us essentially did the same redaction. I'm curious about why that may be and what would be the reason to not disclose everyone that the Premier was meeting with on this particular trip.

With that, I'll throw it back.

The Chair: Perfect.

Ms Smith: You know, sometimes I do round-tables with business leaders. We put it together with Aziz, and he put together the invitation list. I don't have any more information than what's been disclosed. It was just a round-table of business leaders who do business in the United Arab Emirates. It could be that they had more people on the list and some didn't show up, and that might have been the reason why it was redacted, that they were invited. I'm afraid I don't know why. As I mentioned, when I do these kind of large round-tables, I don't necessarily have all of the information about who was invited and who was not. I kind of rely on the organizers on that. That's the information that I have for you.

The Chair: One minute 17 if you wish to use it.

Ms Gray: Thank you. Just very quickly, the one photo that you tweeted out does show someone who's not on your list.

But I will just ask a new question. If the Premier does not have enough time, we will cover that in the next block. Your office and Executive Council, except IGR, took a \$200,000 cut in the fall forecast from the original 2024-25 budget, and for IGR they took a cut of 115 in the fall forecast. Invest Alberta stayed as is. Overall, the Executive Council dropped their budget by about \$315,000, and since that there's just been so much travel. So my quick question is: do you have enough in the budget after the drop in November to cover all of the travel that you've been doing and to cover all the anticipated travel coming forward required to address the tariff fight back?

The Chair: And with 15 seconds, Premier.

Ms Gray: I can be patient. An answer in a future block: that would be fine.

Ms Smith: All right. So . . .

The Chair: With that, the block has expired. We're all waiting for the cliffhanger for the next one.

It's back to the government caucus, and I see MLA Cyr. I'll just read it out quickly: no longer than 10 minutes, one person speaking back and forth; default time is set for that; ask permission whether it's block or back and forth. We'll know on the front end here for the clerk on how he sets up the board.

With that, the floor is yours, sir.

Mr. Cyr: Madam Premier, would you be able to do block?

Ms Smith: Sure. Happily.

Mr. Cyr: Okay. Thank you. Madam Premier, I have to say that my constituency is likely one of your strongest supporters as well when

it comes to the government mandate. When it comes to hearing some of the questions that the opposition is bringing forward, it seems like they're more focused on your itinerary and less focused on the actual budget that we're here for. Matter of fact, I think you could actually hire them as your schedulers. They seem to know more about what's going on in your calendar than many do.

What I will say is that one of the things I didn't hear from them was that we are running a deficit this year, and the reason I brought up my constituency is that some of my constituents are concerned with the size, the amount of the deficit contained in Budget 2025 here. I know you're committed to a responsible approach to the fiscal management through our fiscal framework. As it's stated on page 14 of the fiscal plan, we have three years to return to a balanced budget. Madam Premier, can you share with the committee and Albertans and my constituents that may be watching right now, as we speak, how our government plans to deal with this deficit in the next three years? How are we going to return to a balanced budget? As a fiscal conservative myself, seeing the amount that we have right now – clearly, it's distressing for any conservative to see the amounts that we've got here, but I recognize that we've got challenges, unprecedented challenges that we haven't seen in my lifetime.

I also see on page 8 of the strategic plan under objective 1, to maintain Alberta's advantage, that we want to maintain a responsible approach to fiscal management by finding efficiencies in government spending. Can you tell us about the initiatives that our government has undertaken to ensure our spending on core programs and services that benefit Albertans while preserving our fiscal position?

Now, Madam Premier, what I'd like to talk about next is the contingency. This was a pretty large jump. Sorry; I'll reference, through the chair. As explained on page 11 of the fiscal plan, the contingency fund is increasing to \$4 billion in 2025 to provide government with more flexibility to address unforeseen implications. The contingency amount has historically been intended to address unanticipated spending, disasters, emergencies, and emerging priorities that may arise during the year. Can the Premier share with this committee: why did the government decide to increase the contingency from \$2 billion to \$4 billion this year, and what types of programs or supports is this government ready to use to fund those contingency payments?

Thank you, Mr. Chair. I'd like to cede my time over to MLA Wright.

The Chair: Okay. MLA Wright, the floor is yours.

4:40

Mr. Wright: Thank you, Mr. Cyr, and through you, Chair, to the Premier. I'm going to be referencing key objective 2.4 on page 65 of the business plan, focusing on our international priorities with partners around the world. I want to thank you for being here with your team, Premier. It's always a great opportunity to ask some questions.

Now, I had an opportunity to head to Salem, Oregon, in February as part of Alberta's delegation to talk trade, talk Alberta's priorities and, most importantly, how Alberta can help with the energy security in North America. Now, a surprising revelation came in light of U.S. legislators understanding of foreign oil imports to the U.S. Now, when we take a look at this, I specifically want to highlight that this perception was around who their largest supplier of foreign oil was. Now, I read from the Canadian Energy Centre's document, which was sourced from Abacus Data, that shows that our American friends have the perception that 53 per cent of their foreign oil imports into the U.S. actually comes from Saudi Arabia.

However, this is not true, and in fact Canada provides more than 61 per cent of the foreign oil imports to the United States. All other countries don't even come to a sixth of our contributions. Could the Premier please provide additional information on how Executive Council is advocating for Albertans, particularly with regards to our oil and gas imports?

And then on the topic of tariffs, Premier, I look at the fiscal plan, and I'm hoping that we can discuss a little bit of this going forward. There's still a large amount of uncertainty over the trajectory and duration of what U.S. tariffs could and would look like. There seem to be new developments every day, and it seems like almost every hour at this point. This includes, you know, a bit of a spat between U.S. President Trump and Premier Doug Ford of Ontario that resulted in steel and aluminum tariffs jumping to 50 per cent and a few days later reduced back down to 25. Tariffs and retaliatory measures pose a significant challenge on Alberta and, really, the Canadian economy. We've seen a rather strong focus from the first ministers and a rather disastrous attempt from the federal government.

I'm hopeful that the Alberta advantage of low taxes, a favourable cost of living compared to other provinces, high wages on average, highest participation in the workforce – you know, I'm very hopeful, having grown up in Ontario over the recession of the '90s, to see we have a number of the precursors that show Alberta can really weather the storm. I'm wondering how the current tariff situations are accounted for in Budget 2025 on the broader fiscal strategy and what impacts you are anticipating these tariffs will have on our provincial industries and consumer pricing in the short and medium term.

And then if we take a look at how Budget 2025 will support Albertans and set up an environment for fiscal sustainability and – most importantly, I think many of us around the table can agree that, really, at large this is about Alberta's prosperity, the ability to keep that Alberta advantage alive, and making it the destination both for newcomers to Canada but also Canadians coming to set up for a better life, just as my parents did in the late '90s.

With that, Premier, I'll turn it over to yourself.

The Chair: Go ahead, Premier.

Ms Smith: Great. Thank you for that. I should just mention, because travel was raised in the previous round of questions, that the Premier's office travel increased by \$13,277 from April to December '24, compared to 2023. However, it's \$18,300 less than it was two years ago. We're still in keeping with the same general post-COVID trend. There was a certain amount of travel we could do pre COVID, and now it's kind of returned to more normal levels post COVID. And I just would remind everyone that I'm also international and Intergovernmental Relations minister, so someone would have to do this travel, and in some ways me being able to do it just allows us to actually save money on another minister having to do it.

Mr. Cyr is quite correct. I know how difficult it is to have to project a budget deficit. I would call it a possible deficit and hopefully not a probable one. We felt that going into all the uncertainty – you may recall, we had our budget on February 27, and we were still waiting to see what would happen with tariffs on March the 4th. So we had to go into the budget examining the worst possible case scenario.

The worst-case scenario that we could imagine was a \$68 WTI price, with a \$17 differential and the potential for tariffs that would last a good part of the year averaging 15 per cent, knowing that there was 25 per cent on all goods and 10 per cent on energy resources. We had to put that into effect, knowing that if you put those kinds

of tariffs on industry, you're going to see job losses. You're going to see an impact on profits. You're going to see a decrease in investment activity. All of those line items are lower as a result of that.

If it turns out that the oil average is \$70 and the differential stays where it is now, which is around \$11, and we don't end up with tariffs, then our revenue picture looks much, much better. For every dollar on WTI we get \$600 million in revenue, for every dollar that the differentials close, we get another \$600 million worth of revenue, and we've been able to see a trajectory of personal and corporate income taxes going up. We're doing well. I would say that we are hopeful that we'll still be able to run a balanced budget, but we had to prepare for the worst on that.

That being said, three years to balance the budget is part of how it works when you end up with an unexpected decline in revenues. We have to get back to a balanced budget over the next three years. We began a process last year; we call it our Productivity Review Cabinet Committee. It begins after we finish estimates, where we go through and look at existing program spending to see if there is a way for us to reprofile existing spending so that we can put it to higher priority areas so that it mitigates the need for increased costs.

We have maintained our spending on core programs, as you can see. There are three big areas of growth. One is health spending for a variety of reasons. We've got a new partnership with the federal government, so they're giving us more money to partner on several core programs. We've also started the nurse practitioner program. We are also doing surgical centre upgrades, \$331 million, so that we can do more surgeries in hospitals as well as doing charter surgical centres so that we can do additional surgeries outside of hospitals.

We also have a massive new spending that we have to do on education. We have 220,000 additional kids come into the province, so not only do we need to build more schools, but we also need to pay more on core spending. All of that has been preserved, plus we're also finding, because we do still have a relatively high unemployment rate, that we have a number of people who are on our various support programs. So those are the pressures that we're facing and part of the reason why we wanted to make sure, in this uncertain time, that we did not end up cutting into core program spending.

The contingency has gone up for a couple of reasons this year: \$2 billion is the number that we feel comfortable with planning for natural disasters, because indeed we have spent about that in money and sometimes more on fires and agriculture relief. We wanted to put an extra buffer in the remainder because we do have collective bargaining settlements that have to be potentially managed as well as the impact of tariffs. Those are all the reasons for some of that additional contingency. I think I've answered all of Mr. Cyr's questions.

Moving on. The way our fiscal framework works is that we have to balance the budget within three years. We will begin the Productivity Review Cabinet Committee process again in April, looking for those ways that we can reprofile money so that if we do end up with a long-term disruption in our revenues, that we're able to chart a pathway back to balance.

Going on to Mr. Wright's questions. I thought it was very interesting the work that the Canadian Energy Centre has done. That is part of the reason why I wanted to preserve them in our department. The research team was doing very good core work, but I did feel that we would be able to target our advertising in a way that would be more effective. As you know, we've had to do a couple of major advertising campaigns against the net-zero electricity grids as well as against the emissions cap. We also have a program in Washington called Alberta Is the Answer. You were

asking: how are we going to advocate in the United States so that they know that we are their number one source of imports as opposed to Saudi Arabia? We became their number one source of imports in as far back as 2012.

4:50

It's quite remarkable that we hadn't been able to break through, but I can tell you that I think that has changed. When I was at CeraWeek last year, I kept feeling like I had to introduce who Alberta was to the American audience. Well, this year we had taken over the prime spot called Alberta house right when you walked into CeraWeek. We had a dozen reporters who covered our opening of that, and it became the meeting point for people to be able to come. They'd say: hey, let's go meet at Alberta house. We managed to get on the screen and we also had all of the data about who Alberta is and what it is that we produce.

In addition to that, we were able to announce our new reserve study. Through an RFP we chose McDaniel as the company that was able to examine our reserve base, which hadn't been updated completely since 2001. They confirmed that we have 1.8 trillion barrels of oil, heavy oil, of which 165 billion are recoverable at current technology. They also found that we have 1.36 quadrillion cubic feet of gas, of which 144 trillion are recoverable at current technology, and we will be getting conventional upgrades.

I made sure that I was on a panel with Daniel Yergin as well as the Louisiana secretary of jobs as well as Jim Fitterling, who we have done a major investment with, and with Dow Chemical, talking about the opportunity for Canada and Alberta in particular to be able to develop those resources and the many, many uses we're going to see for natural gas, not just Dow Chemical and their net-zero petrochemical facility but air products and their net-zero hydrogen, Heidelberg as well, with their net-zero cement, as well as the incredible opportunity that we have for AI data centres.

I would say that Alberta is on the map. Part of the reason I found that we needed to do that kind of work is that over the course of the previous year I kept seeing Yahoo Finance, which is the place where I think regular people get a lot of their business news. Every time I saw a story about who are the countries that had the highest oil reserves, Canada wasn't on the list. When I looked at what the countries were that had the highest gas reserves, Canada was listed down somewhere around 15, with the note that most of it is located offshore in Nova Scotia. I just thought: we're right here. How is it that the business news that most people are going to doesn't have this core information?

That is part of the reason why I wanted to make sure that we were able to amplify the research that the Canadian Energy Centre does, work with our office in Washington that's been there since 2005, and then be able to use some of the targeted funding that we transferred over from the Canadian Energy Centre to be able to provide some targeted funds to the Alberta Is the Answer campaign, which was very successful, and we'll continue to do more of it.

When it comes to the approach that I've taken, I have tended to be more on the diplomatic side. No one wins a tariff war. When we put tariffs on their products, it costs our companies and our people higher costs when we're in an affordability and inflation crisis. When they put tariffs on ours, it just increases the cost to their people. Businesses and real people are hurt by tariff wars, so the sooner we can get to a tariff-free environment, the better. I would say that to give you an idea of the impact, my jobs and economy minister, Matt Jones, has created a number of industry tables for agriculture, for manufacturing, for energy. We're getting feedback.

I can give you just an anecdote from our riding. JBS is in Brooks. They're hit coming and going. They had three days of export tariffs that cost them \$330,000. They got a bill from the customs broker,

and now they're facing the potential of \$400,000 in tariffs for the equipment that they're bringing in to be able to expand their beef patty factory.

The other one that we found is that these tariffs were supposed to be applied . . .

The Chair: With two minutes in the block, it's back to the government caucus. MLA Wright.

Mr. Wright: Thank you, Mr. Chair, and through you to the Premier, I kind of want to take a look at page 7 of the strategic plan, maintaining the Alberta advantage, because I want to build off what we talked about in the previous block. For me, this is really about breaking down how we can make sure that Albertans and Alberta businesses continue to pay lower overall taxes when compared to other provinces. Can you elaborate on some of the factors contributing to Alberta's significant tax advantage compared to other provinces, and how does the government plan to maintain this advantage in the future?

The Chair: Back to you, Premier.

Ms Smith: Thank you. Happy to. I'll just say that the other story that we'd heard was that we were supposed to apply tariffs on products that you could get an easy replacement for. Frac sand was on Manitoba's list because it comes in via Manitoba. I think it's eight tons a year that we get, so that is a major disruption to our drilling industry.

We are actively seeking to have either exemptions or have the offset. Part of what we have to remember is that the federal government is the one who, when they levy tariffs, they get the money. There's a process that we have where we meet as first ministers to be able to explain the impact it's having on various companies. We have these different tables to be able to get that feedback. But I think we're all very hopeful that once we get to April 2, we will see the large, large number of our products being tariff free. So that's what we've all been working for.

When it comes to the Alberta advantage, we do have several things going for us. The 8 per cent corporate income tax rate is the lowest by a country mile of any of the other provinces, by 30 per cent. As you know, it was 12 per cent under the NDP government. We slashed it down to 8 per cent, and we ended up seeing an increase in corporate tax revenue because when you create a hospitable environment for business, businesses invest more and they hire more people and it creates more revenues.

The Chair: With that, we're back to the opposition. Now we're in what's also known as the lightning round. No one can speak longer than five minutes. It's also known as use it or lose it, so time cannot be ceded to any other caucus member. If the time is not combined, then the member and the minister may only speak once.

With that, I see MLA Gray. The floor is yours.

Ms Gray: Thank you very much. I'm going to just start by following up on a couple of items. Specifically, one of the aspects that I think I said as I was describing the situation – but I want to make it a more explicit question – was for the Vancouver trip. The Premier's spokesperson said that Marshall Smith and Becca Polak had paid their own expenses, and that statement was e-mailed out to *Globe and Mail* reporter Carrie Tait on May 13. But freedom of information records show that it wasn't until May 15 that a staffperson in the Premier's office asked the two staff to pay back those hotel expenses. The question to the Premier is: what kind of due diligence gets done by press secretaries before statements like that are made out to the press? The dates here call that into question.

On the same trip, the second question: were any of the Premier's and staff expenses, including flights, paid for by Sam Jaber, as the Premier has described him as hosting them? So those two follow-up questions there.

From the very first block – just going through my notes – I don't think I heard an answer from the Premier as to whether there are any contracts or business relationships that currently exist with Rubicon. Rubicon is a registered lobbyist that has registered with the lobbyist registry as far as I understand it. So I wanted to ask about that.

Secondly, Mr. David Yager has been representing himself as a special adviser to the Premier and Executive Council. Could you confirm how much he's being paid? Is it appropriate for him to be paid by Executive Council and by the arm's-length AER?

Thank you.

Another quick follow-up question would be that the Premier gave us a very long list of people that you've run into and/or took selfies with while you were down in the United States. We've already talked about how it was a mix of business and social activities. From the list that you've given us, can you just specify exactly which of those people you had a formal meeting with or sat down with versus just chatted briefly with at a social event? Related to, again, U.S. travel, Mr. Kevin O'Leary has been credited with getting the Premier an invitation to Mar-a-Lago. He did tweet that she made him a number of promises presumably in return for the ticket. Could the Premier talk about any business Executive Council – she is Premier – has planned or promised to Mr. O'Leary, particularly when it comes to data centres and how that might be related to the trip that was taken there?

5:00

I am going to jump to a new section of questions under outcome 1, key objectives 1.1 and 1.2. Essentially, the outcome is about making sure the government's agenda is implemented effectively in co-ordination with ministries. When it comes to health care, the reorganization and what's happening, the role of the Premier's office has certainly created a lot of interest. So some of my questions under this section include the role of the Premier's chief of staff, then Marshall Smith. When it came to achieving the objectives of this government, some of his involvement has been characterized as political pressure onto AHS.

My question would be: how often was Marshall Smith contacting Athana Mentzelopoulos and demanding she approve contracts for new chartered surgical facilities? What does the Premier make of the allegation that Marshall Smith would be, quote, taken care of for the rest of his life, end quote, around some of these chartered surgical facility deals? His contract was extremely generous for what he did for Alberta; does she have any insight as to what he may have meant by that?

Finally, the Premier knows that the former CEO was a 30-year civil servant, someone that this Premier's government specifically recruited for the job of AHS CEO. What is the nature of the alleged relationship between Marshall Smith, Jitendra Prasad regarding government contracting? As we know through the conversations in the House and in other places, he's been referenced as, quote, unquote, his guy. This is all touching in on the Premier's office.

The Chair: Okay. Thanks for that.

Over to you, Premier. Trying to weave that into the government estimates, there's lots of space and gaps there, but, Premier, it's over to you to respond.

Ms Smith: Thank you. I have a head of – my director of communications manages the press secretaries to determine the

statements that go out publicly. There sometimes is a delay if an expense has been made on a company credit card. Reimbursement has happened in a routine way, and if there are any issues, I can tell you that they are very diligent in following up on them. But the practice is that we – our default is that we are paying for personal expenses on personal credit cards. There were no flights, no hotels; staff paid their personal way.

The query that the member had about Vancouver: Rubicon, I gather, registered with the lobbyist registry on March 3, and if the members consult that, they'll see that Marshall Smith is not registered as a lobbyist. I believe they're registered on energy issues. There is a one-year cooling-off period, so there is no ability for Marshall Smith to lobby our government. There are no contracts to Rubicon.

Dave Yager's contract has been renewed as of February 28, 2025, and it's \$156,000 for a one-year contract. Dave Yager has more than 50 years' experience in the upstream oil and gas industry. There are very, very few individuals who know the industry as well as he does. That's what I've discovered as I've been learning the industry myself. I made a joke to him one time, asking him what percentage of energy knowledge I now have after studying under him for some 16 years, and he said: about 10 per cent of what he knows. So that's not bad. I expected it actually to be a little bit less.

He was the founder, executive officer, director of three publicly traded oil field service companies specializing in well bore construction, completion, remediation, abandonment, production, optimization, regulatory compliance, and the physical protection of workers' assets in the community. He did safety training when it came to H₂S, which, as we know, is one of the dangers on job sites, and he's been contracted to work with the government of Alberta based on the unique skills and experience he brings from a long career in the oil and gas sector as well as the valuable perspective he brings to significant issues related to the energy sector.

When the NDP are in power, I know that they like to hire people like Tzeporah Berman; when we on this side are in office, we like to hire people who actually want to keep our industry alive rather than shut it down because they think it looks like Mordor. So there is a bit of a different ideological difference in the type of people they hire into positions and the type of people we hire into positions. But I think most people will understand why it is I have had him do a number of different successive reports. The next one will be released in April, and then there will be more activity that comes from that.

I think the members opposite may or may not know that in the United States they have something called the Logan Act, which prohibits incoming secretaries and those who need to be confirmed by the Senate from having formal meetings with foreign governments until they are confirmed. So by definition all of the meetings and conversations I had were of a social nature, where I indicated that I would love to have sit-down meetings with those individuals as soon as we were able.

I've had opportunities to meet with representatives from the White House administration and a sit-down meeting with Doug Burgum where we discussed having a tariff-free relationship on energy and what that would look like in trying to get more egress built to the United States if we are able to get to that point. But I did make it clear that in the context of trying to talk about building more pipelines, because the President seems to have expressed some interest in trying to restart Keystone XL, it can only be done in the context of having a tariff-free relationship. You can't have tariffs on energy and then try to figure out a way to build more pipelines. So we are keeping the diplomatic ties open but knowing that there are other opportunities for us. We could also build pipelines west, we could build them north, we can build them east, and maybe we

should build all of the above. I'm pleased to see that the threat from the United States has started some very constructive conversations.

I know that, unfortunately, the NDP, when they were in, did take an approach of being very punitive on business. That was part of the reason why we didn't have an attractive business climate. With the high corporate income tax rate it didn't make us competitive. So I know it may be unusual for them to imagine that we might want to attract billions of dollars of investment into our province, but we do. We have been out there with Nate Glubish leading the effort on our AI data centre initiative, trying to attract billions of dollars' worth of investment, of which Kevin O'Leary would be one. He's been promised nothing.

The Chair: Thanks for that, Premier.

It's back to MLA de Jonge. I see you.

Ms de Jonge: Thank you, Chair, and thank you, Premier. Well spoken. I particularly enjoyed the last comments you were just making. We appreciate your hard work and sacrifices that you make every single day on behalf of Albertans, and I particularly appreciate your approach to . . .

The Chair: Member, I hesitate to interrupt; I really do. Is it back and forth, or is it block? I just need to know at the front here.

Ms de Jonge: Block time, Premier?

The Chair: Thank you.

Ms de Jonge: I appreciate your approach to tariffs. Like I said in question period today, diplomacy backed by firm resolve is the Alberta way, and I think that's what is going to ultimately win the day.

This afternoon I want to talk about trade. In my conversations with my constituents this is coming up all the time. It's dominating every single conversation I have with my neighbours and my stakeholders, and no doubt it's a topic that's paramount for all of us. In your ministry business plan outcome 2, it says that "Alberta's priorities are [to be] advanced across Canada and internationally." This includes a key objective 2.1, to advance Alberta's interests and effectively advocate on the issues that are important to Albertans while building and maintaining strong relationships with federal, provincial, and territorial governments. I also see that key objective 2.6 is to promote the free flow of goods, services, and labour mobility across Canada. This is relevant now more than ever.

I think these last several months have been such a powerful reminder to all of us about the importance of breaking down interprovincial trade barriers. In fact, it was brought to my attention that it's easier to trade with some European countries than with some of the provinces within our own country. You mentioned in your opening remarks, Premier, that Alberta is leading the way on this, and this is just really a time for us to unite as a province and as a country to tear down those interprovincial trade barriers and fast-track the construction of resource projects, including pipelines, LNG facilities, and critical mineral projects. I think we've got cross-country support for this now more than ever. Through the chair, Premier, can you please share with the committee some of the work that our government has and will undertake to continue to build relationships within Confederation and work with other provinces to break down interprovincial trade barriers, and can you please provide some examples of the changes that our government would like to see through this work?

I'll continue on with trade sort of in a broader context. Key objective 2.4 in your business plan is to build and maintain strong relationships with priority international markets, and it mentions in

particular national and state-level officials in the U.S. and key markets in Latin America, the Indo-Pacific region, the Middle East, and Europe.

5:10

Even though some of the tariffs have been paused again by the U.S. President, you know, this is an unjustifiable economic attack on Canadians and Albertans. This is just not the way it should be between two of the world's strongest allies and partners. This is the message that we've been carrying forward in our transboundary organizations such as the U.S. Energy Council and PNWER, that I sit on as well, and I think this is one that I hear echoed in those spaces by the American delegates there as well. Premier, you were clear that Alberta's government would love to facilitate and to partner with U.S. companies and even the U.S. government to achieve their energy goals but that we can't and we won't until our American friends come back to reality.

Through the chair, what types of trade opportunities do you believe our government can continue to work on with key markets, particularly, as the business plan mentions, in Latin America, the Indo-Pacific region, the Middle East, and in Europe, that would be beneficial to Albertans? Additionally, what initiatives will you and the government undertake this new fiscal year to strengthen Alberta's relationships with those key markets and to find new opportunities as well?

Just in the remaining minute I'm going to switch gears a bit and talk about Alberta's economy in general. You know, we talk a lot about diversifying the economy. This has been a topic for many years now because Albertans know the importance of diversifying our economy and attracting investment to the province to ensure it's in a strong and resilient position and ensures the success of our economy in the future. Through the chair, Premier, can you please expand on some of our diversification efforts? And please share with the committee more about what industries and sectors we hope to advance in Alberta in the years ahead.

I believe right before you were cut off in the last block, you were talking about data centres and emerging AI industry here in Alberta. We actually are really leading the way in AI here in Alberta, which I think is fantastic, so maybe if you could speak to that a bit and how we can leverage our talents here in Alberta and diversify our economy.

The Chair: With that, over to you, Premier, for your response.

Ms Smith: Thank you. I may as well just wrap up the last question from the opposition. In my understanding, Marshall Smith has said publicly that he has had one meeting with JP in a public context. He has a 30-year relationship or longer with the former CEO. They were in government together in British Columbia. I have no idea how many times he would have texted her. Probably thousands, for all kinds of reasons. That is part of the reason why I think the members opposite need to read the statement of defence and the statement of claim and put that into context.

What I would say is that one of the things we found out afterward is that the person in question in British Columbia made false allegations against staff. Eight of them got fired, one of them committed suicide, and then the public interest commissioner chastised the individual for overstating certain problems. That's why I think it's important for us to wait and see how this court process plays out. There are two sides to every story. None of the allegations have been tested in court. I think we should wait and see what the court determines when it ultimately gets to that point.

When it comes to our interprovincial trade, I can tell you that we have been a leader on taking down interprovincial trade barriers.

Alberta has always been a leader on internal trade. It started with the trade investment and labour mobility agreement, which morphed into the New West Partnership, and then the Canadian free trade agreement is the latest that all the Premiers have been working on. Our representative at the internal trade meetings is Matt Jones.

Through the Committee on Internal Trade there are a number of issues that are being worked on. The first is reviewing party-specific exceptions to the Canadian free trade agreement with an eye to reducing them, undertaking mutual recognition initiatives to reduce barriers to trucking services in particular, implementing a direct-to-consumer sales system for made-in-Canada alcohol products, concluding the CFTA financial services chapter negotiations, and further facilitating labour mobility. Alberta currently has eight exceptions under the Canada free trade agreement, but in 2019 we removed 21 of – sorry. I think we've got six exceptions. We removed 21 of 27 exemptions under the agreement, becoming the province with the fewest internal trade barriers.

We've got a couple of new exceptions that were added and expanded to nonmedical cannabis. There are also some other issues around hazardous material management.

We also have a few different professions that require a little bit more training because we allow for a greater scope of practice for a number of professions, particularly in health for paramedics, for dental hygienists, and a few others. Those are areas where we're going to have to figure out how we can recognize an equivalency but then also have a higher level of training so that they can be brought up to do all of the same services that we allow here.

In terms of direct-to-consumer alcohol sales we made a move which we think others are going to be able to follow of creating a virtual warehouse with British Columbia so that the appropriate level of markup can be paid, and we hope to be able to expand that across the country. We also have a pilot project with Lloydminster to allow for provincial abattoirs to be able to have meat travel crossborder, and we hope that we can do some direct-to-consumer beef delivery as well in the in the near future.

Those are the kind of conversations that we're having on internal trade. Alberta has taken an active role including the Canadian free trade agreement financial services sector. I mentioned as well the issues that we might have with the labour mobility issue. There actually are nine occupations where Alberta has taken a claim against full labour mobility just based on a legitimate objective.

And then the New West Partnership agreement: I'm very excited to see what we might end up doing on trucking. They're working right now on a pilot project to start addressing things like steering axle weight limits for highway tractors, establishing a national guideline for tractors with extended length semi trailers and signing, and marking and lighting requirements for oversized vehicles and loads. The notion should be that if you load up in Vancouver, you should be able to drive all the way across the country without facing compliance charges by the time you get to Toronto or further east. That's what everybody is working towards to eliminate barriers.

The issues, as well, around the expansion of trade into other markets: let's be frank. We've had it good being right next to the Americans, and because of proximity and because they're so wealthy, most of our trade has become north-south. We have had to look for new markets, but we have a huge opportunity to do so with all of the different trade agreements that have been signed internationally, and we intend to. When we look at the potential that we have for Alberta energy, agriculture, agrifood, forestry, manufactured products, we think that these are the areas that are going to find new markets in different jurisdictions.

The Chair: I appreciate it. Just a word of caution, members, like, we've given lots of latitude here. I did say at the front that everyone's agreeing to keep the decorum as best as possible in the context of a business meeting here, too. Again, all members, I appreciate what you're doing so far. Let's keep it to the points in there.

With that, MLA Gray, it's over to you.

Ms Gray: Thank you, Mr. Chair. Well, the adage remains true. Time flies when you're having fun.

Lots of questions that we've gotten through. I'm going to do a couple of quick follow-ups. At the end of the Premier's comments she was talking about Mr. O'Leary and said, although I think your mic cut out, that Mr. O'Leary was promised nothing. You did, however, imply that Minister Glubish was in the business of potentially doling out government investments in a way of attracting business. When you were measuring these opportunities, did you have a rule of thumb, subsidy per job, something that you are considering? The AI data centres by definition have very few jobs related to them. I'm curious about the process for that.

Thank you to the Premier for the answer on Mr. Yager. Certainly it sounds like they've had a very long relationship where she has learned a lot, but the question is: is it appropriate for an arm's length regulator, someone who is on the board of the AER, to also receive these \$150,000-per-year contracts from the Premier? That's certainly a question that I've had a constituent actually talk to me about for a little while. I would be curious as to the Premier's thoughts on that.

The final comments that the Premier made just recently: some shocking allegations, it appears, that the Premier is talking about under parliamentary privilege here at committee for a former employee, but isn't this former employee someone that the government personally sought to recruit to rehire? Because it was someone who worked for government under the UCP over the past six years. I'm now curious, given the shocking allegations that the Premier has thrown around, whether one . . .

5:20

The Chair: Member, just for clarity to the chair here.

Ms Gray: Yes.

The Chair: We've kind of gone around on this one a bit. I'm not sure where it's pointing out in the estimates, so if you can help me out with that, I would really appreciate it.

The other context is that if we're going back and forth on a statement of claim and a statement of defence – is that the position you're going with here? I'm just trying to clarify.

Ms Gray: Mr. Chair, I'm speaking to outcome 1, government's agenda is implemented effectively in coordination with ministries, specifically the government's health care agenda . . .

The Chair: Okay. Thank you.

Ms Gray: . . . and specifically responding to some shocking allegations that the Premier chose to put on public record here at this meeting.

The Chair: Okay. Thank you.

Ms Gray: And my question, I think, is a responsible one. What due diligence, prior to hiring someone to the highest paid civil service position in our province, did the government of Alberta do, did her office do? Because that was certainly out of left field and quite a surprise.

Within the Premier's office as well, again, outcome 1, key objective 1.1 and key objective 1.2, one of the things we have learned is that the Premier's chief of staff, Marshall Smith, was reportedly making comments or calls to the CEO of AHS at the time regarding AHS employees' social media activity. I'm very curious about how the Premier's office spends its resources monitoring these types of people using free speech and commentary on the government. Within the budget and the resource allocation have any resources been allocated from these estimates to pay for private detectives, lawyers, hackers, or any other researchers to identify people that seem to disagree with the government and/or a Twitter account called *Hansard the Cat*? The Premier's office using its expenses to do that type of witch hunt is concerning. So under the estimates I'm curious: how much money has been spent on those types of activities? Certainly, there have been allegations that the Premier's office cares deeply about who these people are and tracking them down.

Again under outcome 1, key objectives 1.1 and 1.2, did the Premier receive any briefings about Marshall Smith contacting Sam Mraiche or anyone related to MHCare during a time that the government was procuring Turkish Tylenol, procuring PPE, and now with the Alberta Surgical Group?

My final question. One of the claims, again under outcome 1, making sure the government's agenda is being implemented, is that capping of surgical contracts with ASG was considered to be a large problem for the chief of staff, who reached out to the CEO of AHS. Why would having a cap on contracts be problematic for this government?

With that, I will cede the remainder of my time.

The Chair: Excellent, with four seconds.

Premier, over to you for a response, please.

Ms Smith: Four seconds?

The Chair: Oh, no. You've got five minutes now.

Ms Smith: All right.

The Chair: She ceded you four extra seconds.

Ms Smith: You know, the nice part about our AI data centres is that they don't require any incentives from government. They just require a clear pathway to approval, unlike our Alberta petroleum incentive program or our Alberta agrifood investment or our Alberta carbon capture ITC. Those are things we put on the table to encourage business attraction. What we found with the AI data centres is that they want to come; they just need to know what the pathway is. So whether it's Mr. O'Leary or whether it's a data centre announced in Rocky View county or another one announced in Foothills – they're kind of popping up like mushrooms all over the place – our job is to let them know what the pathway is to approval.

There are issues around being able to purchase land. There are issues around how it's going to be taxed. There are issues around how it's going to be serviced with electricity, how they're going to get approvals for electricity, how it's going to be serviced for gas, what kind of cooling they're going to use because there are cooling technologies now that don't require water, and then how they're going to have broadband Internet access and how to go through multiple levels of decision-making. Most of that decision-making, especially if they do behind-the-fence power, is going to be all under provincial purview. That's part of the reason why we have a concierge service, to attract those kinds of data centres and give them a pathway so that they can go through and get approvals. It's

going to be fair for everybody who wants to apply. As I mentioned, there's 12,000 megawatts of requests that have already come in, and we hope that they will partner very soon with gas producers and electricity producers.

David Yager is my representative. He's working out of my office because he's giving me advice on a number of things that we need to remedy. As we were looking at our energy and electricity picture – that was his first report that he did – he discovered problems at the AER, and that resulted in the second report.

The third report he's done, which is going to be released in the next couple of weeks, is on how we can address the \$30 billion dollars of unfunded liability that we have for our various inactive and suspended and orphan wells. I'm looking forward to that report. That's part of the reason why he's operating out of Executive Council. There's a lot of co-ordination that has to happen between multiple different ministries, and that is an issue that I have wanted to solve since I started into property rights advocacy back in 1997.

I'm pleased with the work that he has done, and I hope that even the Official Opposition will be once that report is out in the next couple of weeks. That's the reason why he is temporarily on the Alberta Energy Regulator, as we had to bring in new board members, hire a new CEO in the wake of the retirement of the old CEO, and make sure that we are establishing it as an independent technical regulator while we figure out a new strategy for how we're going to deal with the unfunded liabilities associated with previous drilling.

You know, I can't answer any questions about the relationship between Mr. Smith and the former CEO. As I said, they've been friends for 30 years. I have no idea how often they contacted each other, how often they went for lunch, whether they had wine together, and whether he was talking to her in his position as chief of staff or as a longtime friend. Those are all things that will come out in court, no doubt. A statement of defence has been filed; I encourage the members opposite to read it. I just would caution that sometimes allegations get made, and in the court of law they have been shown that certain allegations are not proven. That's part of what I'm cautioning the members opposite. Just because something has been alleged in the context of a demand letter for \$1.7 million, it doesn't mean that it has been tested in court. I would hope that we would be able to see it tested in court before we jump to any conclusions.

I'm not sure I understood the issue around the cap on contracts. You know, I'd be happy to get a clarifying restatement of that question from the member so that I can answer it appropriately.

The Chair: Okay.

With that, the time is expired. Now it's back to – and I see MLA Stephan.

Mr. Stephan: Yes. We've got two minutes. I'm going to be really quick because I'd like to cede the rest of the time for the Premier to give her closing remarks to Albertans.

I'll just make one comment, and that is: great job on the tax cut. That is super duper. Since I became an MLA, many Albertans have been waiting for relief on their personal taxes, and that is the best way to support affordability, to provide more money in the pockets of working Albertans. Great job, Premier, for benefiting and blessing all Albertans with that. That's a very good thing.

Premier, I'll just turn the time over to you to share your feelings on how Alberta is the best place to live, work, and seek happiness as we all individually see fit.

Ms Smith: Well, thank you. I hope we can remain the best place to live and work. I know that there is going to be some challenge with

the U.S. administration not only on the tariff front, but part of the reason why they have proposed tariffs is as a new revenue source so that they can cut taxes further.

We already enjoy, as I'd mentioned, a 30 per cent advantage over our provincial counterparts, but also we've got the best tax rate for corporate, better than 44 combined U.S. state rates. We also have no sales tax. We have no health care premiums. We have no capital taxes, no payroll taxes. With the 8 per cent personal income tax rate starting at the low end plus a very high basic personal exemption we really do have an enviable position that we find ourselves in. We want to be able to maintain that.

Part of the way that we're going to maintain that in the long run

is by investing and reinvesting dollars in the heritage savings trust fund. The greatest concern I have is the variation . . .

The Chair: I hesitate to interrupt. That is time. I apologize for the interruption.

The committee has had the time allotted for consideration. This one is closed and concluded. I'd like to remind committee members that we are scheduled to meet tomorrow, March 19, 2025, at 10:15 a.m. to consider the estimates of the Ministry of Arts, Culture and Status of Women.

Thank you, everyone. The meeting is adjourned.

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

