



Province of Alberta

The 30th Legislature  
Second Session

# Alberta Hansard

Monday evening, November 16, 2020

Day 65

The Honourable Nathan M. Cooper, Speaker

# Legislative Assembly of Alberta The 30th Legislature

Second Session

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New Democrat: 24

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## Legislative Assembly of Alberta

7:30 p.m.

Monday, November 16, 2020

[Mr. Milliken in the chair]

**The Acting Speaker:** Thank you, hon. members. Please be seated.

### Government Bills and Orders Second Reading

**The Acting Speaker:** I see the hon. Member for Edmonton-Beverly-Clareview has risen.

**Mr. Bilous:** Thank you very much, Mr. Speaker. Before we begin debate on Bill 44, I am notifying the House that I will be recusing myself for a perceived or potential conflict of interest.  
Thank you, Mr. Speaker.

**The Acting Speaker:** Thank you.

### Bill 44 Financial Statutes Amendment Act, 2020

**The Acting Speaker:** I believe the hon. Minister of Finance has risen.

**Mr. Toews:** Well, thank you, Mr. Speaker. It gives me great pleasure to move second reading of Bill 44, the Financial Statutes Amendment Act, 2020.

Mr. Speaker, our government was elected on a platform to create the most competitive business environment possible for the province of Alberta. We were elected on a platform to create an environment that would attract investment, create jobs and opportunities, and create wealth for all Albertans. Bill 44 is part of that effort. Bill 44 has a number of key initiatives that will reduce red tape from the financial services sector. Bill 44 also positions our financial institutions to access liquidity and capital at a time of great global uncertainty and at a time when they may need to do so in the future.

Again, I look forward to the debate on this bill. I encourage all members to participate in that debate. Again, I'm pleased to move second reading of Bill 44.

**The Acting Speaker:** Thank you, hon. minister.

Are there any members looking to join debate on Bill 44? I see the hon. Member for Edmonton-Glenora has risen.

**Ms Hoffman:** Thank you very much, Mr. Speaker and to members for the opportunity we have here this evening to discuss Bill 44, the Financial Statutes Amendment Act, 2020. Like some bills we've seen in the past, this one touches a substantial number of pieces of legislation and has substantial impact. I'm going to do my best to go through a few of them.

I'm going to start with generally, I guess, framing where we're at today in terms of the financial situation. While I wish we were in here talking about the government keeping its commitments around jobs and the economy, we seem to be in a situation of the opposite. The government campaigned on 55,000 new full-time jobs. Core to that campaign promise was the pillar that they had of recycling policies from the 1980s and '90s, primarily in areas where, when I think specifically – sorry, I've been watching *The Crown* a little bit lately. I don't know if anyone's seen the new season. It's out on Netflix. Watching some of the impacts of Thatcher economics on the United Kingdom – of course, this isn't a show that tries to frame

itself as being left-leaning or socialist in any way. It's a show that really celebrates the history of the monarchy and thus our current queen, Elizabeth II, who I'm looking at right now.

When I think about some of the dynamics that played out even through this dramatization of impacts of significant – not to give away any spoilers. I think we all know what happened in history. There was significant hardship put on ordinary families in the U.K. and in the United States and in turn in Canada as well through some of the regressive policies that focused more on balance sheets than on people, more on spreadsheets than on people, more on what was perceived to be the bottom line than on the services that people who were impacted directly by those decisions were experiencing.

So when I think about this rush to give \$4.7 billion away and how that's been expedited through this sitting of the Legislature in hopes that it will create new jobs, I can't help but reflect on some of the things that happened in the first six months, even longer. I guess it was almost a year that this government had before COVID really hit western Canada, and when I think about the impacts on our economy, there was supposed to be a net increase of 55,000 full-time jobs. There was actually a net decrease of 50,000 full-time jobs, and that was already by enacting policies that were quick to give away \$4.7 billion to profitable large corporations. I'm not talking about small and medium-sized businesses; I'm talking specifically about businesses that reached that threshold of more than \$500,000 a year in profits.

I'm also reflecting on the most recent Auditor General's report that highlighted a \$1.6 billion accounting error and hearing earlier today remarks around: well, the Auditor General works for the government, so we're of course doing this back and forth. Actually, let me be very clear in saying that the Auditor General works for the people. The Auditor General is appointed by a committee of the Legislative Assembly, and we all work for all of the people, so I want to make that crystal clear. It's not about: did the audit for the government need some adjustments? It's about whether or not the audit for the people of this province was done clearly, according to fair accounting principles, and arguably, not even arguably, the Auditor General has been very clear in the release of the report that there was a massive \$1.6 billion at best error.

And this is also on the heels of last year – and it will be coming up again soon this year, I'm sure, in the new year – this government being recognized as being the most secretive government in Canada by journalists who, you know, measure that every year. I know that that's continuing to be a struggle for the government, to meet its obligations to the people in terms of transparency and accountability.

So all of this is happening, and at the same time we're being asked to move forward on some amendments here that I think will lead to further opportunities for accounting errors or things not being totally above board when it comes to reporting and accountability to the people of Alberta. For example, there is a big portion here about loans to airports, and I definitely believe that a strong tourism industry and a strong travel industry in general are good for our economy. That's one of the reasons why we pushed for economic diversification in the four years prior to this government's mandate, to make sure that we continue to have strong base economies but that we also leveraged our opportunities in other areas of the economy.

We already know that there are \$4 billion in outstanding loans that have been made to regional airport authorities. I would like some more clarity on where those stand today. What's the current performance on those loans? What amounts are outstanding? Is it still the total \$4 billion? What is the balance that's owed on those, and how are we measuring return for investment on that specific loan but also regional benefits, of course, for those regional airport

authorities? One, thinking in a past hat, is around the ability to use airports for emergency evacuation or emergency health care on-site. How are we measuring our effectiveness on that?

I know that in southeastern Alberta one contractor that we were able to have a good relationship with and provide enhanced services for the people in southeastern Alberta was HALO. I know that there has been a lot of – this government has chosen not to continue in that direction, and I think that that has the potential to negatively impact the health and well-being of many people in southeastern Alberta, particularly those who spend time in the wilderness. I think, having spent time in rural Alberta myself, when you hear the sound of a helicopter up above, you knew it was somebody going to fight a fire or somebody going to help somebody who was in harm, and I worry that it will be far too quiet when people are in need of those types of services.

So how is this specific bill and the specific provisions around money for airport authorities going to impact regional airports? How has it already? I think it's critical that before we approve this legislation, we answer a few questions about what's happened in the past and where things stand today.

7:40

Another one is: have any of the airport authorities missed any payments on their capital loans? I imagine it's been a really tough time for airport authorities over this last year. I imagine it's been very difficult, and I'm not saying that they shouldn't have. I'm saying that we as the lender, we as the people of Alberta should have a right to know where those loans stand as well as any new operating loans, so in terms of: have they only been borrowing from the people of Alberta, or have they been borrowing more broadly? In terms of if they've had to borrow from private-sector lenders, how has that impacted our standing in terms of the rank of creditors and where we get repaid in terms of being able to recover that money on behalf of the people of Alberta?

Another one I have, of course, is around jobs. Again, this was a pillar that the government ran on. They were going to run on all these good jobs. I have talked to more people who've been laid off from the airports and from their respective airlines in the last year than I ever recall, people saying that they used to work for the airports or that they used to work in aviation. How is this specific measure in this bill going to prevent any further job loss? Will it? What kind of accountability measures do we have, both for the lending of the cash but also for the lending of the cash in turn to benefit ordinary families who rely on the jobs in these industries and through these airports?

I do also want to say that this is on the heels of this government doubling the deficit in just about six months from \$6 billion to \$12 billion; \$1.6 billion in accounting errors. We've definitely seen some concerns around disclosure and balance sheets in a number of areas, and to continue to ask us to take on more debt and more loans specifically in this sector – again, I feel very strongly that this is an important sector for economic diversification. But if we are going to leverage this significantly – and I think it is significant what we're being asked to do here tonight – I think it's fair for us to have answers to those questions specifically about that specific piece.

Another one is with respect to the Local Authorities Capital Financing Act. The government is asking for legal authority to give operational loans for the first time ever. This would create loans on top of loans, as we are well aware. The government, I think, having any of the airport authorities – yeah. I mentioned that piece around: have any of the airport authorities missed any of their payments to date? We all know that the two international airports, the large international airports, as well as regional airports play an important role in keeping Albertans connected to one another and able to

connect with the rest of the world. I know that this sector has been very hard hit locally but also nationally and internationally through the COVID-19 pandemic.

Then there are also some changes to the Credit Union Amendment Act, which the government is seeking to repeal in legislation. That one is a head-scratcher for me, so getting more clarity from this government around what they feel is too onerous about the current definition or what will be achieved upon removing the current unproclaimed provisions that we have would be useful to me because I think that, like many pieces of legislation, they were passed at a point in time and waiting to be proclaimed until some questions were answered, but instead it's being totally repealed. I'd like some clarity about why the government feels that that's in the best interest of Albertans, why they believe that's in the best interest of partners of the credit union, and how that's going to help the economy. It definitely doesn't seem evident from what I've heard to date.

So, yeah, I'd say that some of the main concerns I have, I've already outlined around the airport piece. I know that my colleagues will have additional measures, probably, that they want to highlight as well, but I do specifically want to highlight those. Actually, I'll do one more area just because I'm thinking about my experiences in banking. I actually worked for Scotiabank for three different summers when I was a summer student, and that was a great experience. To date myself on this, it was around the Y2K testing period, and that was really interesting. I know that it's gone down as a little bit of a blip, but that's because of all the work that the industry did to make sure that it was ready for the changeover. A lot of losses were remediated and errors were addressed prior to them coming to fruition through work of people in the financial industry.

There is also the ATB Financial Act. I have heard of some folks in northeastern Alberta who've lost their jobs because of impacts to ATB and interim closures, and I'm concerned about that. ATB is something that we've had in this province for a very long time, and it's been a backbone for many rural communities.

I know banking has evolved considerably since I was a kid, but I remember going to the bank on Fridays to get out some money for the weekend. That was your routine. You know, mom or dad picked you up from school, you walked to the bank, you got out some cash, maybe you'd deposit a cheque, and that would be your automatic budgeting that you had in place. I liked having that balance book. I liked having that connection to somebody in my community who was there and who was supporting all of the local families.

I know that banking is done very differently now. I know that through – I don't often go into the branch, to be completely honest, but it gives me great peace to know that it's there, and I do know that it is very busy still. Sometimes I'll be near the branch at lunchtime, and it is definitely lined up. I think I've even seen some MLAs of the government caucus near the CIBC at Oliver Square, for example. Having access to good local branches in walking distance to where you live and work, I think, is important, and I don't think that that should be a luxury just for people who live in the largest urban centres. I think that that's something that should be a priority for us, to make sure that people have an opportunity to engage in financial literacy and financial products from a young age, including those folks who grow up in rural Alberta. Those are some of my earliest concerns, and specifically around ATB I would love to hear the minister talk about making a commitment to rural communities and to folks who rely on those products.

I know that many in the agricultural sector deal with ATB almost exclusively, and for good reason. They've had a really good relationship over many, many years. I would like us to make sure that we have an opportunity for all Albertans to continue to have

relationships with their local bankers and to feel like they're contributing to good jobs in their local community as well, because I know that in some other areas related to the economy, the government is choosing not to protect services being operated, for example, facilities, hospitals that provide services and jobs locally and in non-Edmonton and Calgary hospitals, including things like laundry and housekeeping.

I know a number of those jobs are being pushed to the private sector. And what that typically means, for everyone's awareness, is that the local jobs in your local hospital are gone, right? It's not gone to the laundromat down the street; it's gone to a large industrial laundry service provider that's in probably Edmonton or Calgary. So you might be actually moving jobs out of your ridings and into our ridings. That is typically the way that works around regional consolidation and privatization.

And it won't just be jobs. It will also be the amount of money that's disposable income for workers in your local communities. There are a lot of folks who rely on those jobs that they have in the local bank or the local airport or the local hospital to support their families, and if they don't have that revenue, and if they don't have the ability to do that, they're probably going to look for it elsewhere. Is this, again, a continued attempt to move more services away from rural, regional communities and small urban communities towards larger centres? I sure hope not. While I absolutely love living in Edmonton and representing Edmonton-Glenora and all that comes with it, I want people to be able to choose to live in communities in addition to Edmonton and Calgary as well.

Making sure that we have opportunities for the financial sector, specifically ATB, something that I think we should be quite proud of – and I think about the connection between ATB and the airports, too. I know their campaign has changed a little bit, but I absolutely love the campaigns when you got off the airplanes in Edmonton or Calgary, that the hallway that connects you from the airplane to the terminal – it has a specific name that I can't remember. But they were often plastered in facts about Alberta, right? Facts about how many bees we had or how we were in terms of honey production; facts about local attractions that we had in our region, things to make people excited that they were getting off the airplane in Alberta and what that meant for them in the time that they were spending there. Even as an Albertan I would get excited when I'd see some of those facts as I'd walk through the hallway on the way to retrieve my bags.

There is an intrinsic relationship between things that have been under Crown ownership in our province, including things like ATB, as a pillar of providing services and support to the people of this province. I know that there seems to be a very strong ideological bent towards removing Crown relationships and moving forward on further privatization and outsourcing, but I do hope that the government pauses for a moment and considers some of the impacts of those decisions because I think that they – it's hard to unscramble an egg, right? Once you've scrambled the egg, it's hard to put it back to the way it was before. Actually, it's near impossible. So let's not rush into decisions that could have lasting negative impacts on communities, on job creators, and on industries throughout our province.

7:50

Let's make sure that we're doing our due diligence and taking proper consideration, because I know that many members of this place, when they sat over here before – some are still members of this Assembly; some aren't – would talk about unintended consequences. Let's make sure that we've processed the unintended consequences of decisions that might be made in this bill, and by doing that, reflecting on what I hope were the unintended

consequences of things like changing AISH payment dates. I fear that they weren't unintended. I fear that they were absolutely planned and intentional, but I think, as the Auditor General has highlighted but also as countless Albertans have highlighted, the hardships that these accounting decisions have made or balance sheet decisions have made, that the people who are really having it balanced on are folks who are in need of additional services and supports. Let's think through how the impacts of the decisions we make here tonight and every day impact our communities and the folks that we were elected to serve here.

With that, I will cede the last few minutes of my time, Mr. Speaker, and look forward to hearing other members engage in debate.

**The Acting Speaker:** As the second speaker, there is no 29(2)(a) available. Are there any hon. members looking to join debate on Bill 44? I believe that I see the hon. Member for Calgary-Falconridge first, and then we'll jump over to you.

**Mr. Toor:** Thank you, Mr. Speaker. It's an honour to rise in support of Bill 44, the Financial Statutes Amendment Act, 2020. This bill is essential, especially when it comes to reducing red tape in the public financial sector. We tried, on the other side, just to reduce the red tape. With this bill I think we're trying to reduce the red tape in Alberta's financial sector. By correcting legislative shortcomings revealed during the pandemic, this will ensure a better business environment is created that supports Alberta's financial institutions. Our government understands the importance of establishing a strong economy, and it is legislation like this that fosters an environment where that is possible.

Much of this bill is focused on making common-sense changes to the legislation that was outdated and irrelevant to the current financial positions. One of those common-sense changes is permitting provincial financial institutions to hold virtual general meetings. If individuals and organizations were unable to interact with one another because of restrictions on virtual meetings, our collective response to COVID-19 would look a lot different. With the use of technology, business, schools, and other entities have been able to adapt to the restrictions imposed due to COVID-19 and respond with great success. This success would not be possible without important technological devices and applications that many rely on to continue running their business operations. It only makes sense to allow financial institutions in the province to do the same, and I'm thrilled to see the minister bring this timely change.

This bill makes an entire suite of changes to ensure Alberta's financial market can remain competitive in the present and beyond. The first major changes are several key amendments to Alberta's Credit Union Act. The first change streamlines the size of the Credit Union Deposit Guarantee Corporation board by removing two positions to not only lower costs but to also ensure that the board members are contributing equally to essential board operations. This move will not impact any key responsibilities of board members, and the overall mandate of the board will remain unaffected by these changes.

Moreover, changes to this act will transfer some operational authorities from the Lieutenant Governor to the President of Treasury Board and the Minister of Finance. This shift will empower government to more quickly and rapidly respond to requests made by credit unions, who occasionally require assistance.

Finally, with the proposed changes in place credit unions will be able to share information amongst themselves in a collaborative manner. Our government understands that government involvement only slows things down. By incorporating these

changes, credit unions across the province will be able to work more efficiently. Unlike other financial institutions, like banks, a credit union's primary goal is to serve its members. Every member of a credit union is a part owner, and that fact alone makes these institutions more responsive to their customers' needs. Credit unions are important business entities that provide valuable services for Albertans, and these amendments will ensure that continues to be the case.

As I mentioned, this bill has a number of amendments that touch a number of different acts. Other more significant changes would be the proposed changes concerning Alberta's Loan and Trust Corporations Act. If passed, these amendments will decrease costs and cut unnecessary red tape by allowing the minister to dissolve unregistered loan and trust corporations that do not comply with legislative requirements or are simply not in the public interest. Furthermore, by shifting some operational authorities from the Lieutenant Governor to the Minister of Finance, the time taken for loan and trust corporations to incorporate in Alberta will be significantly reduced.

I understand that Albertans may have questions about the accountability measures in place to ensure that the minister's power remains checked. That is an understandable, reasonable, and logical question to ask, and I'm happy to say that these changes are solely meant to improve administrative efficiencies. In fact, any time the minister decides to utilize these powers, several levels of oversight and government approvals are activated. Our government is committed to making decisions that are in the best interest of Albertans and are based on the most relevant and up-to-date factual information.

By enshrining the minister with this ability, our government will be able to provide these decisions in a timelier manner that benefits Albertans sooner rather than later. For example, with the proposed changes in place to the Loan and Trust Corporations Act, applications from the prospective loan or trust corporations can be approved quicker, allowing corporations to begin operations much sooner, saving a large sum of money at the same time. It is changes like these that cut unfounded and unnecessary red tape, providing more options to Albertans sooner.

Frankly, that is the underlying goal of these changes: providing flexibility not only to fund, insure operators but, more importantly, everyday Albertans who want more choice in the financial service options available. Our government will always be committed to providing more choice for Albertans in every way we can. These changes to these particular acts will do that and illustrate to Albertans that our words translate into action, action that will benefit Albertans who desperately need support now.

Thank you.

8:00

**The Acting Speaker:** Thank you, hon. member.

Standing Order 29(2)(a) is available should there be any questions or comments.

Seeing none, are there any hon. members looking to join debate? I see the hon. Member for Edmonton-Decore.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I appreciate you recognizing me this evening for the opportunity to participate in debate here on Bill 44, the Financial Statutes Amendment Act, 2020. I, of course, listened intently to the last few speakers here, and I have to admit that one of the first things I do want to comment about is how Bill 44 is put together in omnibus fashion. While I know the previous speaker was talking about all of the great housekeeping items that I think will probably benefit Albertans, like I've said before, back in the 29th Legislature, members of the

government bench and members of the government caucus were very much against omnibus legislation. We have one here; we saw one introduced here this afternoon with the red tape reduction act. I still question, even now, whether they actually believed that omnibus legislation was not a good thing. Or were they just simply saying that for the fact of finding something to disagree with the previous government on?

While I may agree with some of the aspects of that, I think there are some other things that do cause me some concern. I do have some questions, and I do realize that the Finance minister probably wouldn't really have a thorough opportunity to be able to rise under Standing Order 29(2)(a) and answer those. My hope is that as this bill moves through debate and we get into Committee of the Whole, we'll get a chance to have maybe a little bit of a back and forth with regard to some of those questions that I will pose here shortly.

I think that, you know, while we find ourselves in some very, very difficult times, I must say that it's more important than ever that a government be honest and straightforward with Albertans and with the public. Some folks might not necessarily like the truth, but they at least appreciate hearing it rather than spinning a tale or going off in some other direction or trying to say: "Well, look at that. What's going on over here?" Let's just focus on what's going on. I'm struggling with some of the things with regard to that. I mean, my gosh, we have seen this government be accused of being one of the most secretive governments in the country, not a very good badge of honour to have earned.

Like I said in the past, having served in the 29th Legislature, I remember members of the government were berated constantly about how they were handling the economy, that they weren't being forthright with information, all kinds of things. Then we start to see the Auditor General report come out. Like the hon. Member for Edmonton-Glenora had mentioned, with \$1.6 billion, \$1.7 billion just: whoops; we kind of missed out on that somehow. Maybe I could swallow a million dollars and then going, "Whoops," which is still a lot of money, but \$1.6 billion, \$1.7 billion? You need to explain that. Why did that happen? When the government does not come clean with that – I guess it's easier to give a pass on something when it's just a simple, honest mistake: "Yeah. Here it was. This was a mistake. We've now corrected it. Our apologies." We haven't seen any of that, especially the apology part. I mean, we see decisions where AISH payments, Mr. Speaker, get moved from just before the end of the month to the first of the month. Well, that's supposed to reduce red tape. It's supposed to create more certainty. Anything but that was created.

Again, the Auditor General said: "Well, you know what? This was a way to make our books a little bit more appealing." I guess that when you find yourself in a situation where – I think the Finance minister said in his opening remarks here on Bill 44 around how they were elected on a platform to create jobs and grow the economy. In the entire first year of this government's tenure they lost 50,000 jobs, and the economy shrank by over half a per cent.

Then we see all these other blunders that keep coming up, and it really, really undermines, in the public's eye, the government's ability to make proper financial decisions. So when I look at Bill 44, the Financial Statutes Amendment Act, 2020, you know, it's my job as a member of the opposition to question these things, to scrutinize these things, and to be able to go back to my constituents or other Albertans with a reasonable answer, yet I'm still waiting for some of the reasonable answers that I see here.

I wouldn't mind jumping into, you know, some of my questions around Bill 44. Hopefully, the answers that we'll see – Committee of the Whole is where I suspect those will happen. I will be able to legitimately take those back to my constituents and say: "Look, this is what's going on. This is why. These were the decisions we made.

Here is the evidence for why we made those decisions.” Something else that we seem to be always, constantly lacking is the evidence, yet I always heard back in the 29th Legislature: well, show us the evidence of why you made that decision. You see, you can’t criticize those kinds of things and then turn around and do them yourself. That’s a little bit of hypocrisy there.

I guess I’ll start to jump in around the Local Authorities Capital Financing Act. Of course, the government, through this bill, is asking for legal authority to give operational loans. Now, you know, we have to understand that this is a first, so hopefully there are some good arguments, there’s some good reasoning why we’re heading in this direction. But why hasn’t the government just been direct with the public? It’s like I said: yeah, maybe some of the decisions you’ll make won’t be popular, but I’m willing to bet that Albertans would rather hear the real reason than some political spin that we always seem to have or, of course, the finger pointing that we always seem to get, something we were criticized as always doing when the NDP had formed government. That started after about six months that we were there.

It’s time to stop blaming the previous government, and it’s time to start explaining the decisions that you’re making now that we’re seeing maybe aren’t necessarily working in your favour. The job-creation tax cut that was supposed to, you know, make it so that companies would be irresponsible to not come here and set up shop: my gosh, we saw companies leave, with 50,000 jobs lost. Why?

I’m kind of wondering. We have airport authorities that have missed payments on their current loans, and for any of these loans that might be impaired, what is the thinking going forward? I mean, essentially, what we’re talking about here is potentially providing loans yet on top of another loan. Are we necessarily going to find some of these authorities that could find themselves in a tough situation, especially if this pandemic keeps worsening the way it is?

**8:10**

The inaction around trying to control it or just simply leaving it up to somebody else to handle, whether it be leaving it to Albertans to handle, whether it be leaving it to the federal government to handle or to the municipal government to handle: what is the plan should those folks find themselves in trouble? You know, if they couldn’t pay the one, now are they going to be able to pay the other? Where are we seeing that?

Exactly how much in current capital loans does the government of Alberta have with each airport authority? Of course, more importantly, if these loans were called or maybe called by other creditors, where does Alberta stand in terms of when it would get paid? Are we last in line? Are we first in line? Are we in the middle of the line? It would be helpful to know where we sort of are standing there.

Now, of course, Mr. Speaker, I would never ever presuppose the decision of this Assembly, but should this Assembly decide in the future to approve this legislation, I’m wondering what limits Finance will put on these new operational loans? What kind of conditions should airport authorities, for instance, be looking to be taking on? I think that rather than, you know, necessarily just enabling this legislation going forward, it might be a good idea to let them know what they’re possibly getting themselves into ahead of time. Again, just simply be straight-up and forward with people about what it is you’re trying to do.

Another question I have. I mean, certainly, this could be of benefit to the really large authorities, but what about all the other regional airports? Do they have the same access to these new credit facilities? I think it would be of benefit to know who’s allowed at this or who’s not allowed at this. Again, let’s be straight-up from the beginning. We certainly don’t want an authority that looks at

this and goes, “Well, this is exciting; this potentially opens up an opportunity for us,” and then as soon as it’s passed: “Oh. Yeah. Sorry. You’re not allowed.” Let’s maybe try and get ahead of this a little bit.

The reason I’m asking is, of course, you know, that we do know that the Calgary Airport Authority, or, for some of the acronym buffs that are watching us here this evening, YYC, is experiencing some challenges. Of course, with the Alberta government having dismantled the Alberta Capital Finance Authority, bringing it into Treasury Board and Finance, the result is that we just simply have less public reporting.

You know, I’ve always heard over and over again: “We’re being transparent with people. We’re being up front with them.” Actually, no, you’re not. Maybe the Finance minister will table some detail to that level, that used to be available in the ACFA, on outstanding loan performance, and it really would be helpful, Mr. Speaker, if we did see that type of information before we get to the point where we’re passing it out of Committee of the Whole. If there are some challenges, if there are some deficiencies, when that data is available, that would be the time to be able to potentially make amendments to Bill 44, the Financial Statutes Amendment Act. That would be the opportunity to make those.

I mean, at the end of the day, you know, what was the wording that I used to always hear back then? “We’re here to help. We’re here to make legislation better, make it stronger.” This is not about, necessarily, who’s right or wrong. It’s: will this legislation work best for Albertans? That’s always what we try to keep in mind.

As I mentioned, there were several other pieces of this that, you know, even the previous speaker before me went over a little bit which maybe don’t necessarily pose a problem. I know one of the comments that I think was said here – I made a note about it, Mr. Speaker – was about the reducing of red tape and providing Albertans with more choice. I mean, certainly, reducing red tape, providing them more choice is always a good thing, until you put Albertans in the position where it’s great to have that choice but maybe they can’t have it.

**The Acting Speaker:** Thank you, hon. member.

Standing Order 29(2)(a) is available should there be any takers for questions or comments.

Seeing none, are there any members looking to join debate? I see the hon. Member for Sherwood Park has risen.

**Mr. Walker:** Well, thank you so much, Mr. Speaker. I want to thank all previous speakers, and especially the Minister of Finance for tabling this bill.

This is a very important debate we are having this evening on Bill 44, the Financial Statutes Amendment Act, 2020, and I’ve greatly enjoyed the comments from my colleagues on the government side, and I recognize the comments from my colleagues on the opposition side, Mr. Speaker. This bill, Bill 44, is cutting red tape for the financial sector and for the job creators in that sector. It is also making it easier for us to eliminate red tape, which, of course, really reduces economic growth and people’s ability to get stuff done. We’re updating, as well, some old legislation and responding to challenges that we’ve identified during the pandemic.

This is a timely bill, Mr. Speaker. It is needed at this time. Let me put it into a broader context of why we need this bill, why it’s so important, why I hope everyone in this House will support this bill. I’m optimistic. We’ll see. The broader context, besides everything I’ve just previously outlined, is that Alberta is experiencing the greatest economic contraction since the 1930s. Layer upon that the oil price crash of February, from which we are still recovering. The price of oil needs to go higher for all Albertans.

As well, there's this little thing called COVID-19, the first global pandemic in a century. Unbelievable headwinds for Alberta, but on top of that, from 2015 to 2019 we had an NDP government that made a total mess of Alberta's finances. That is creating an enormous headwind as well. When we should have had proper governance, we had a previous government that taxed and spent Albertans into a weakened economic state, and then you layer on all these other things that were out of our control. I mean, Albertans did the right thing. They elected the blue team to sweep up the mess that the orange team left.

Again, Mr. Speaker, I am hopeful tonight, this evening, that through a robust debate on both sides of the House, we will have unanimity here around Bill 44, the Financial Statutes Amendment Act, 2020. Okay. I'm pleased to speak to Bill 44 today.

In 2019 this government was given the largest voter mandate in Alberta's history – the largest voter mandate in history, Mr. Speaker. Albertans elected this government on a platform of jobs, the economy, and pipelines, and we are committed to following that through. Bill 44 builds on that as it does with our Alberta recovery plan. Albertans saw the former NDP government that drove away investment in just unbelievable, disastrous numbers we've covered in this House, increased taxes on families and job creators, quadrupled red tape – they never saw red tape they didn't like – and made it harder for companies to do business here. As I've said again and again in this hallowed House, the business of Alberta is business. It is not socialist, top-down governance. They created a terrible situation in Alberta, where thousands of Albertans were without a job and businesses left the province. It is clear that the former NDP government's policies and party – they don't understand the importance of investment in our province. They don't get it. Again, we're cleaning up the disastrous mess they left here through Bill 44.

8:20

We know the former NDP government's track record. Under them we saw the largest tax hike in Alberta's history. The largest tax hike, a hundred billion dollars in new debt, and investment driven right out of this province at a time where, in the age of globalization, there are such great investment opportunities, including in the Asia Pacific. There are these dynamic, fantastic economies, but they were all scared off in 2015 to 2019 due to the NDP's poor record of governance.

Alberta's government has already taken significant strides in restoring investor confidence. Repealing the NDP's job-killing carbon tax, cutting red tape: we want to unleash the Albertan entrepreneurs, the doers and deciders who have driven our economy forward since before we became a province, Mr. Speaker, on September 1, 1905. And implementing the job-creation tax cut – we had a wonderful debate on that – so proud we accelerated that. These are just a few of the steps Alberta's government has taken to get us back on track and clean up the former NDP government's huge mess that they left.

Bill 44 is another step towards restoring investor confidence and reducing red tape. This piece of legislation makes a number of amendments to cut red tape, fix legislative shortcomings, and create a better business environment for our job creators. The foundation of Albertans' prosperity is our entrepreneurial culture. It's what makes us distinct, it's what has made us the most prosperous province in Canada since the 1970s.

The pandemic has created shortcomings for many businesses around the world, Mr. Speaker. It is important during these times that we bring clarity for these businesses. The changes presented in this bill, Bill 44, will eliminate red tape, update old legislation, and, again, respond to challenges identified during the pandemic,

challenges like allowing provincial financial institutions to be able to hold virtual meetings, which were previously prohibited.

Just anecdotally, I would say, I have heard a lot from my constituents in the great riding and community of Sherwood Park on the need to now be holding more and more virtual meetings. I know, as much as I can, as well, to lead by example, I'm holding as many virtual meetings as possible. I'm happy to report that in my community, in my riding of Sherwood Park so many organizations and entities are holding virtual AGMs, and I think it's just absolutely fantastic that in Bill 44 we are allowing for that as well for the financial institution sector.

Now, the amendments in Bill 44 also facilitate access for Alberta's financial institutions to central bank liquidity and make information-sharing easier during the pandemic. This bill supports Alberta's commitment to job creators in the financial sector. They know we have their back. They know we're listening and we're delivering. After extensive work and collaboration with financial institutions, Mr. Speaker, Bill 44, Financial Statutes Amendment Act, 2020, was brought forward. Alberta's financial institutions asked for these changes. We heard them, worked collectively to deliver what they asked for. Again, we heard, we consulted, and we are delivering for Albertans, in this case, in the financial sector.

Other bill highlights include, Mr. Speaker – and I know I have everyone's ears here in the House, all members, as well as the thousands watching at home – amending the Credit Union Act by reducing the size of the Credit Union Deposit Guarantee Corporation board by two members, thus lowering costs without impacting operations or responsibilities; amending the Loan and Trust Corporations Act, decreasing costs and cutting red tape again, a major theme of this bill, by allowing the minister to dissolve unregistered loan and trust corporations that do not comply with legislative requirements or are not in the public interest. These technical matters are very important for the financial sector, and I'm so glad they're covered in this bill.

Finally, another point I'd like to highlight: reducing red tape again, a major theme, by transferring some operational authorities from the Lieutenant Governor in Council to the President of Treasury Board and Minister of Finance. This will reduce the time it takes for loan and trust corporations to incorporate in Alberta. We want to streamline that. That's what we're doing. It's incredibly important, Mr. Speaker.

Now, during the last election I personally knocked on thousands of doors, thousands and thousands. I door-knocked my entire riding twice. Most importantly, Mr. Speaker, I won. I'm here. I'm so glad to be here. It's an honour to be in this amazing House. One thing was clear when I knocked on doors: Albertans wanted a strong economy. They understood that Alberta is only as strong as its entrepreneurs and job creators and businesses are. They were frustrated by the job losses, the high taxes, the driving out of investment due to the former socialist government – never saw a tax they didn't want to slap on at all. They saw all this leaving our province. Albertans didn't like how the previous NDP government raised taxes and, once again, absolutely drove capital investment away in record numbers. It was devastating. Again, we're cleaning up their mess in part through Bill 44.

This is why our government is committed, laser focused, to bringing jobs and businesses back to Alberta because the business of Alberta is business. The members of the government side know that. We're still trying our best to edify the members of the opposition. We will not give up on that initiative. No. I shall not, I can certainly say.

Now, by cutting red tape by a third, Mr. Speaker, creating the most attractive jurisdiction in North America – because, of course, we're in an integrated economy. We had this discussion in the

House during the job-acceleration tax cut debate. We talked about that, everyone knows. It's in *Hansard*. I know not everyone has the benefit of the Blues here today, but we know it's on record. By getting our spending under control and being as efficient as other large comparator provinces, Alberta's government is committed to ensuring we have a competitive business environment. We are competing with so many jurisdictions within North America and beyond for capital that is very fluid, including in my region, where we have the petrochemical facilities.

We have three refineries, Mr. Speaker. Access to and attraction of big capital is very important to the local economy in Sherwood Park and for the Albertan economy. Since we struck black gold in February 1947, major industrial projects have driven Alberta's economy at the macro level, and it all goes down to the local economy as well.

Now, these changes presented in this bill, Mr. Speaker, will make it easier for the financial services job creators to do business in Alberta. These changes were built in consultation with financial sector experts. This bill supports our commitment to Albertans. We promised to cut red tape by one-third. Bill 44 will allow financial institutions to be more flexible and collaborative while reducing, again, redundant paperwork that they don't need. We need to free up as much time as possible for our job creators to create wealth, take risk, employ Albertans, and get the economy rolling again. This bill is aligned with what we promised Albertans: a commitment to attract investment, create jobs, and reduce redundant red tape.

Mr. Speaker, I am so glad to see this piece of legislation being introduced in this House. I would like to commend the Minister of Finance for bringing forward Bill 44. This bill is part of our platform commitment and a key piece of bringing investment back to this province. I know that many Albertans are glad to hear that we are staying the course with our election mandate, a historic mandate, a historic number of votes for the Conservative government and our free-enterprise message, vision, and mandate. Alberta's government is focused on creating jobs, attracting investment, and cutting red tape, and this Bill 44 is another example of promises made, promises kept.

Again, I know, for example, Mr. Speaker, how important credit unions are to the financial lifeblood of Alberta. We have a credit union in Sherwood Park as well. I got to meet with the representatives there, and we have some great community leaders who serve on their board in Sherwood Park.

Now, just some points on how this bill helps credit unions, Mr. Speaker. It will reduce the size of the Credit Union Deposit Guarantee Corporation board by two members, lowering costs without impacting operations or responsibilities, make it easier, again, for credit unions to hold virtual meetings, and I know in this pandemic climate, unfortunately, that is really needed. I think the importance of allowing for virtual meetings can't be stressed enough on how this will help support the credit unions.

8:30

Just quickly to – maybe I'll finish on this. The ATB Financial Act: here are the amendments there. This will establish in legislation a superintendent's office as a regulator for the ATB, Mr. Speaker, and provide the superintendent with appropriate powers.

It has been an absolute honour to speak to Bill 44. I am so happy to be supporting it. Thank you, Mr. Speaker.

**The Acting Speaker:** Thank you.

Standing Order 29(2)(a) is available, and I don't see any takers.

Are there any hon. members looking to join debate? I see the hon. Associate Minister of Natural Gas and Electricity.

**Mr. Nally:** Thank you, Mr. Speaker. I'd like to thank the hon. Member for Sherwood Park. I always enjoy listening to him speak.

Mr. Speaker, I move that we adjourn debate on Bill 44.

[Motion to adjourn debate carried]

### Bill 36

#### Geothermal Resource Development Act

[Debate adjourned November 3: Ms Pancholi speaking]

**The Acting Speaker:** Are there any hon. members looking to join debate? I see the hon. Member for Edmonton-North West.

**Mr. Eggen:** Well, thank you, Mr. Speaker. I appreciate a chance to make a couple of comments in regard to this geothermal bill. I find it either serendipitous or sometimes an idea that's time has come in regard to geothermal. The Official Opposition has put forward several practical plans for building geothermal energy here as an alternative industry, an emerging industry in the province, and we see that the UCP government is laying some groundwork for that as well. We can find common ground in the practical issues that help to work with some of our best assets, which is, of course, the energy industry.

Of course, geothermal gives us a unique way by which we can use wells that had been drilled originally for oil and gas, and then we convert those into a geothermal capacity. It's not an easy task. It's highly technical, but we have some of the very best technology in regard to achieving this, I would suggest, in the world. I want to make sure that every step of the way – and I know the minister is thinking about this. I'll reiterate it. The importance of making sure that the liability around those wells – because, remember, you're revisiting an oil well that maybe has been left by a company previously.

Of course, we have thousands of these wells that have been orphaned in the province. I want to and we want to make sure that the wells and the new industry and the liability are working together so it's a viable business for a new company to come to work in geothermal energy here in the province of Alberta with enhancements that the Official Opposition, us, have put together in regard to our [albertasfuture.ca](http://albertasfuture.ca) proposals, the suite of proposals that are very practical. Geothermal can be part of that, and we'd be happy to work with the government to make sure that comes to fruition because, of course, they're not necessarily going to be the government forever, so then we will – they'll set up the groundwork for us to move on to something better in the future.

Again, you know, Mr. Speaker, I'll just take a very brief moment to reiterate that you do not have economic recovery in this province or anywhere in the world until you have a coherent COVID plan as well. We see today, again, that all of us are preoccupied with the thoughts and prayers to the 20 Albertans who have passed away in the last 24 hours due to COVID-19 complications. We know that the infection rate is expanding exponentially across the province, across the country to some degree as well. Now more than ever whenever we talk about economics, we want to make sure that we're talking about jobs, but we also want to make sure we're talking about a coherent COVID plan that is going to protect Albertans in this time of greatest need.

I was very disturbed to see just this afternoon that the Alberta COVID alert app that the government has been touting for so long, putting it in front of the national COVID alert app that has been developed and is being used by most jurisdictions around the country – this government has insisted that the Alberta COVID app is doing the job. We just learned that approximately 20 people have actually used the COVID alert app from the Alberta government

since its inception, and considering that it cost \$650,000 to develop or something more than that, we would calculate that that's at least 30-some thousand dollars per use of that app. Again, when we're looking for efficiencies, we don't have to look any further than some of these incredible – you know, I wouldn't even use the word “boondoggle” because these are people's lives that are on the line, Mr. Speaker, and when we have lives on the line, talking about ways by which we can mitigate this COVID crisis that we're in, we all need to work together to look for the best practices to make sure that we can get ahead of this terrible virus that is afflicting so many thousands of Albertans.

With that, certainly, I'm looking forward to more geothermal information, more economic information, and more ways by which this government will get serious about fighting this COVID crisis that we're in here right now.

Thank you.

**The Acting Speaker:** Standing Order 29(2)(a) is available for questions and comments.

Seeing none, are there any honourable members looking to join debate? I see the hon. Member for Edmonton-Beverly-Clareview has risen.

**Mr. Bilous:** Thank you, Mr. Speaker. My pleasure to rise and speak to Bill 36. I have a few comments that I would like to make. I again needed the help of my friend here to get back in the House to make some comments. I appreciate the Assembly giving me the opportunity to speak to this bill.

Now, I'll say at the onset that, personally, I am in favour of geothermal. I can speak on behalf of the NDP Official Opposition to say that we are in favour of geothermal. In fact, Mr. Speaker, you know, I'll even say to the Assembly that you don't have to take my word for it; you can look at our actions that we took when we were in government. I can tell you that as minister of economic development and trade there were a number of grants, in fact, millions of dollars, that we approved that went to municipalities and others in order to explore the opportunity for geothermal. In fact, Hinton was one of the communities that received money through the CARES grant, the community and regional economic support program, that was designed under the NDP government, and I have to tell you that I'm sure that Albertans and rural MLAs of the UCP caucus can go out and talk to community members about how much impact, how effective the CARES program was.

[The Speaker in the chair]

It wasn't a huge sum of money dollars-wise, Mr. Speaker, but what it did was contribute 50 per cent of funds toward economic diversification initiatives that were brought forward by the very communities. And, you know, what's so exciting about this is that under the NDP government we believed that local leaders know best on how to diversify their economies. They know their strengths. They know the opportunities that exist before them, not some elected officials sitting in the Legislature somewhere, not a bureaucrat sitting in Edmonton but people who are on the ground. What we did was make available funding to especially rural communities to pursue economic development projects.

There was funding that we gave toward broadband and for communities to explore the opportunity to have access to high-speed Internet. In fact, Mr. Speaker, I often spoke of one of the communities you represent, Olds, and the fact that Olds was one of the first communities in Alberta to come up with O-Net, where the community decided: we're not going to wait for the then previous government, not the NDP government from 2015 to '19 but the previous PC government, that promised and talked about

Internet for Alberta communities but failed to act on it. We issued a number of grants and different program supports for communities to explore the opportunity because we recognize how critical access to high-speed Internet is. It's not just an economic driver although it is a very, very strong economic driver, especially for rural and remote communities; it's also a way for our students across this province to have access to postsecondary. Those that live in rural and remote communities can still be granted and pursue degrees and higher learning, and that is something that we are proud of.

**8:40**

Bringing it back to this bill, in the space of geothermal I think that there are significant opportunities. What I will say, Mr. Speaker, is that the bill that this government has presented is disappointing, and I use that term because, really, what this bill is is a plan to make a plan, and it sounds to me that the current UCP government is desperate for a win.

Let's just take a quick trip down memory lane, just going back from 2019 till today. In 2019 this UCP government ran the largest deficit the province of Alberta has seen in decades, \$12.5 billion. But do you know what they promised Albertans, Mr. Speaker? Do you know what this Legislature voted on? A deficit of half of that, about \$6 billion. And this government ran a \$12 billion deficit.

Now, for Albertans at home that are paying attention and thinking, “Well, but – you know what? – there were supports that were needed for COVID,” I agree with you, but this \$12.5 billion deficit was pre-COVID. This was in 2019. How many jobs were created from this \$12.5 billion deficit, you ask, Mr. Speaker? Great question. Zero. In fact, even with this record deficit the UCP government lost 50,000 jobs in this province. They promised Albertans that they'd create 50,000 jobs. What they did was spend \$4.7 billion and didn't get a single job for it.

Now, when it comes to geothermal, I do think, Mr. Speaker, that there are significant opportunities. When I say I'm disappointed in this bill, it's because Albertans are looking for concrete action. They're looking for tangible ways for the government to support and promote this industry. Now, I've talked about this in the past. If you talk to the current CEO of Suncor or the inaugural CEO of Suncor, they will tell you that the reason Alberta has a booming oil and gas sector and has had a booming energy sector is because the government made significant investments in order to derisk the oil sands. That's exactly what the Alberta NDP opposition has proposed through our geothermal plan.

Now, I know the minister of natural gas will get up and talk a really good game. The reality is that this bill doesn't actually provide any concrete ideas on how they will support geothermal. But I will encourage Albertans to visit the website [albertasfuture.ca](http://albertasfuture.ca), where they will see a specific plan, outlined by the Alberta NDP opposition, on how to support geothermal. Now, I'll go through that in a minute, but I just want to ensure, Mr. Speaker, that the House is clear that under our government there were a number of grants that were given to different regions, different EDAs, economic development authorities, including municipalities, in order to explore the opportunities for geothermal. Even four years ago, three years ago we were taking concrete action. The fact that this government has not put forward a tangible, concrete plan is disappointing.

Now, what we've suggested, Mr. Speaker – again, you know, an exploration incentive is something that could derisk geothermal exploration in Alberta. This is very similar to what the government of Alberta did back in the '50s in order to help support our oil and gas sector. It could provide support for communities interested in exploring geothermal energy. I think that Alberta has a natural strength in this area. We know we have many different wells that

have already been drilled. We know we have the technology. We know we have the expertise. I mean, this one, I think, really is an opportunity, and I think that at the end of the day most Albertans would say that it's a no-brainer for Alberta to explore it.

Again, what we'd like to see is some teeth behind what this government has proposed. Let's look at what kinds of supports for geothermal innovation are being provided here: the opportunity to partner with our world-class postsecondaries in order to look at how we can take this expertise, take our postsecondaries, take support from the private sector, the public sector and really leverage dollars, Mr. Speaker. We proposed that the government use up to \$100 million from the site rehabilitation program to help with diversification. I can tell you that I'm positive, Mr. Speaker, that we could leverage dollars from the federal government if this current UCP government was serious about taking action.

You see, Mr. Speaker, what I think is that – and we've seen this a few times in the past year – legislation has come forward with a really fancy, flashy title but really has very little behind it. To me, it speaks that this government has seen and is experiencing the reality that their silver bullet corporate tax giveaway is not producing the jobs that were promised. I've said this time and time again. I am perfectly okay with companies deciding to take their tax savings and invest them where they want. They are beholden to their shareholders. They're going to make decisions in their best interests, absolutely. Where the responsibility is laid is on the Premier's shoulders, who came to Albertans and promised that there would be jobs if he and his government were elected. They've failed to deliver on that. That's where there are significant opportunities.

Again, we don't have to go that far back in time. In fact, it was about a year ago that the Finance minister stood up and said that diversification is a luxury that Albertans can't afford. I mean, not only a ridiculous comment, Mr. Speaker, but, really, Albertans shook their heads and said: wow, that's the opinion of this government. Now, I appreciate the fact that they've since done a one-eighty and now suddenly are not just talking about diversification; in fact, they've taken out billboards all along highway 2 that say "diversification." Now, I think Albertans want to actually see some action and not just the word written. You know, Albertans are thinking: "Great. Okay. It's part of their vocabulary now. That's step one, but what are they doing to bring it forward?"

Although, like I'd said, I support initiatives and programs that will help encourage the use and exploration of geothermal energies, this bill as it's currently written does not provide enough detail or a concrete plan on how the government is going to do that. Now, maybe the government enjoys using regulations as a way to bring forward, you know, put some meat on the bones, but I can tell you, Mr. Speaker, that the way this is written, there aren't a lot of bones – in fact, I think this is more like an amoeba – that we don't really have much to work with here.

But I can tell you, Mr. Speaker, that at least the government is now looking at some initiatives that will extend beyond our traditional sectors. I think, obviously, we are supportive of Alberta's number one sector, our energy sector, but there has been a call for looking at ways that we can diversify our revenue streams, that we can support industries that also support our energy sector but support many of the other strengths that Alberta has, because Alberta is an expert in a myriad of sectors, from agriculture and smart agriculture to forestry, to health sciences and life sciences and medical devices, to our technology sector, our interactive digital games, to tourism. We have – you know, other places may talk about it, but I would argue that Alberta really is God's country. There are so many opportunities that need some support from the government.

It's nice to see the government has finally recognized that there is a role for them to play, but quite frankly, Mr. Speaker, before I decide if I'm going to support this bill, the government really needs to step it up. Thank you.

8:50

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available if anyone has a brief question or comment for the hon. Member for Edmonton-Beverly-Clareview.

Seeing none, the hon. Member for Athabasca-Barrhead-Westlock.

**Mr. van Dijken:** Good. Thank you, Mr. Speaker. I'm honoured to stand here today and speak to Bill 36, the Geothermal Resource Development Act, 2020. This bill has a significant impact on my riding, and my riding has played an important role in getting this bill here today. The resource development act will help advance responsible development of geothermal technology. Advancing this technology will help to diversify our energy sector and promote Alberta's advantages in energy as a key part of our economic recovery. As a global leader in developing oil and gas with a strong track record for innovation, Alberta has the potential to lead the next generation of resource and technology development for geothermal energy. Our government's priority is and has always been to boost our economy and bring quality jobs back to Alberta.

Now, in the wake of the COVID-19 pandemic, stimulating our economy and creating jobs is more important than ever. Establishing a strong foundation for geothermal regulations and practices in industry will attract investment and create good-paying jobs in our province. Currently Alberta assesses geothermal project applications on a case-by-case basis. Due to increased demand and interest in geothermal projects the current system has caused many delays and has held back the true potential of geothermal projects in our province. Therefore, establishing a dedicated geothermal framework, as Bill 36 does, will enhance efficiency as well as clarity.

It is important to note that our province is not entering into geothermal projects blindly as a number of companies are conducting pilot projects right here in Alberta. One such project is Razor Energy's oil-geothermal coproduction project near Swan Hills in my riding. Razor Energy's project targets applications for both geothermal heat and power production, making these products more efficient, more reliable in remote communities, and more readily available.

I can remember Razor Energy approaching me back in 2017 as the MLA for Barrhead-Morinville-Westlock to highlight some of the hurdles they were faced with in trying to develop their vision of oil-geothermal coproduction. The previous government made very little effort to address these concerns. In fact, geothermal was not even listed as a consideration of a clean energy alternative within their climate leadership plan.

But on June 27, 2019, the GlobeNewswire reports:

Razor Energy [Corporation] ... and its partners, the federal government, through Natural Resources Canada ("NRCan") and Alberta Innovates ... [announced] the funding of a co-produced geothermal electricity project utilizing an active oil and gas operation in Alberta ... a \$2 million contribution from Alberta Innovates, demonstrates [our government's] commitment to cleaner energy creation. Under the terms of the contribution agreements, NRCan and Alberta Innovates will assist Razor's development of a technically viable and commercially sustainable solution to recover geothermal waste heat.

The Company expects ... the Project to be ... generating between 3 and 5 [megawatts] of electricity ... In addition to the Project, Razor anticipates adding natural gas turbine generation

in the 15 [megawatt] range. This adds to the existing natural gas power generation and hydrocarbon production, continuing Razor's mission of transforming to a complete energy platform and simultaneously being a leader in legacy oil and gas asset management.

Large quantities of earth heat entrained in produced water surface every day, as part of Razor normal operations, offering capture of clean and renewable energy to reduce the overall emissions of the operation and to add power revenues to [Razor's bottom line]. The Project will allow Razor to repurpose its hydrocarbon assets to add economic renewable energy development. Utilizing existing operations, such as drilled and producing wells, a produced water reinjection system, and an operating gathering/process system, has a substantive effect on reducing typical geothermal project capital outlay. In addition, the co-production approach allows geothermal to develop under the current Alberta framework of world class oil and gas operations and regulatory best practices . . . In association with the Project, the University of Alberta continues to conduct geothermal research on the heat potential of the Western Canada Sedimentary Basin. [Through this project] sophisticated modelling will be substantiated with actual field data to ensure the emerging geothermal industry can harness the expertise and data that exists in today's Alberta resource industry.

Razor has collaborated in the Project with the various governing regulatory bodies to use the current exemplary regulatory framework, and to work on long term policy to enhance the development of a geothermal industry and renewable energy.

Hence, we find that through Bill 36 we can address some of the long-term policy that's necessary to develop this industry for the future.

I think it's important to also recognize the importance of the partnership between private and public – the University of Alberta is involved – and the ability to gather all the expertise but also to be able to retain some of the important learnings that will occur in this pilot project and how we can go forward with that expertise. There has been previous geothermal activity in the Swan Hills area that has not come to fruition, but the difficulty within that is that there are no public learnings on it because the knowledge that was learned from those projects is lost because there was no partnership to retain that knowledge and to transfer that to other entities.

The power generated from Razor's geothermal plant in Swan Hills will be sold directly to the Alberta electricity grid. The establishment of a commercial geothermal power industry opens a new type of energy for the Alberta energy story and will entice new and existing businesses to participate. Razor's investment in Swan Hills is having a greater impact on the potential for our province's energy sector as a whole. However, this innovation is not limited to my riding or even our province. The geothermal energy target audience is vast, and new business can be envisioned anywhere oil and gas are produced. Through our investment in geothermal development our province can continue to lead by example in the energy industry world-wide. Alberta's government is working hard to attract new investment in geothermal energy as it continues plans to advance and diversify the province's energy sector.

Currently Alberta has a policy in place for shallow geothermal or geoechange activities. However, there is no framework to regulate geothermal development at greater depths, below the base of groundwater protection, where companies are expressing an interest to develop. This has been the case for geothermal development in my riding. Establishing a policy and a regulatory framework would provide clear rules for developing this resource as Alberta's geothermal potential primarily occurs at deep depths, usually about three kilometres or more below the surface. The current policy for shallow geothermal development coupled with

the case-by-case approach has caused many headaches in my riding as there is no consistent regulatory framework for each project. Many companies and projects have been limited in their potential since they cannot drill deep enough.

Bill 36, Mr. Speaker, will ease these frustrations as it will clarify regulations and provide a consistent framework for all geothermal projects. In turn, this will reduce confusion, strengthen development and innovation, and welcome investment in geothermal. Developing our geothermal resources will create new jobs while also getting our drilling sector back to work. As my colleagues have mentioned before, there is potential to repurpose some inactive oil and gas wells and well sites by using them to generate electricity or heat from geothermal development. This is a huge benefit to the oil and gas industry as there are tens of thousands of dormant oil and gas wells across the province that are sitting idle. Using the existing infrastructure not only gives new life to old wells but would help attract investment while decreasing the impact to our land.

**9:00**

On a large scale Bill 36 will strengthen our energy sector through innovation, investment, and development. On a small scale these developments will significantly benefit rural and remote communities, like Swan Hills, that surround many of these drilling sites. As I mentioned earlier, geothermal drilling will provide electricity generation and direct heating to municipalities, industry, and remote areas of the province, all while reducing greenhouse gas emissions. At the same time geothermal energy can provide new economic opportunities to those living in indigenous and rural remote communities around these sites.

Mr. Speaker, our province has much to gain from investing in geothermal development. It is a wonder why the previous government chose not to promote development in geothermal technology. The benefits to our rural and remote communities, our energy sector, our greenhouse gas emissions, existing infrastructure, and most importantly our environment is astounding.

Alberta has led the way in responsible and sustainable energy development for decades. Through geothermal development we will continue to lead by example and invest in sustainable, responsible, and realistic means of accomplishing our goals.

Thank you, Mr. Speaker.

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available if anyone has a brief question or comment.

Seeing none, is there anyone else wishing to join the debate?

Seeing none, I am prepared to call the question.

[Motion carried; Bill 36 read a second time]

### Bill 38

#### Justice Statutes Amendment Act, 2020

[Adjourned debate November 3: Mr. McIver]

**The Speaker:** Hon. members, is there anyone else wishing to join in the debate?

I see the hon. Member for Edmonton-Decore on second reading of Bill 38, the Justice Statutes Amendment Act, 2020.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I appreciate the opportunity here again this evening to add some comments around Bill 38, Justice Statutes Amendment Act, 2020. There's probably just a couple of spots I want to spend some time on here, probably not that long. I have a feeling we will likely pass this into Committee of the Whole. Of course, I would never ever presuppose the decision of the Assembly, but that seems to be the feeling.

I think it's important to highlight a few things going into that to make sure that we get some clarity and some direction around some of the things that are being proposed here. I think it's safe to say, if my colleagues haven't already said it, that I think it's fundamental that people, all people, have access to justice. I certainly highly support the ability for indigenous self-determination, including through the creation or the expansion of indigenous police services. But I would certainly like to see some details going forward around how that may look as it rolls out.

One of the questions that I always used to hear on a regular basis to the previous government was around the economic impact study and how they would be sharing that information. I think it's critical to know what, you know, we're looking at the creation of indigenous police services: do each of the communities have equal access to resources? As I said, there are some services that are available now. Will we be bringing up communities that want to bring in police services? Will they have that same level of resources and equipment that already established communities have? How will that be built up over the first beginning while here?

Of course, the big question is always: who is responsible for the costs with regard to indigenous policing? Are we expecting the federal government to foot the bill? What steps will the government take to ensure that First Nations police services have those similar resources that other municipal police services have? We want to ensure that we're not necessarily setting these communities up for failure, that they have the tools they need to provide those services at a high level.

I know First Nations have been asking for alternative dispute resolution, specifically around traditional, culturally relevant means of criminal justice, to be considered. I'd like to see some expansion around how that might look. How will that be implemented? Again, I think I've always said when we come to fund these types of initiatives that it's not enough just to simply enable the legislation. We also have to be able to back it up to ensure that we can actually follow through and create what's being enabled in that legislation. Will they be empowered to be able to use some of these traditional and cultural means when they are dealing with their community members? It's just simply not enough to say: "Well, you know, what we're doing over here in Edmonton works. It should work just fine over here." No. That's not the case. We really, really need to listen to the indigenous peoples of this province.

You know, I can't help but think, of course, as a member of the private members' bills committee, of not being able as a committee or even a Legislature to be able to call it what it is. Our past holds the very, very poor record of genocide against indigenous peoples. When we're unwilling to just take responsibility for that, I think we do a very, very large disservice. When we say, "Well, you're going to be allowed to use traditional cultural remedies," yet on the other hand we're not talking about some of the things that our past holds, which I think could potentially interfere with that – my hope is that once we get into Committee of the Whole, maybe we'll have a chance to maybe explore that a little bit further.

Will some of the jurisdictions with regard to indigenous policing be solely geographic? Sometimes that might work, and I'm almost certain that sometimes it won't. We need to be open-minded around how that's going to look. Certainly, if we find that that's the case, what happens to a person, for instance, who is not a member of the First Nations community when they commit a crime in those communities? How is that going to look? You know, will they have the power to arrest someone that's outside of their community that's committed an offense? I think it's incumbent upon the Minister of Justice to be able to explain that to the House so that not only do we have an understanding of it, but the indigenous communities will also have an understanding of what's going to be available should

they decide to pursue indigenous policing services. And if they don't, are we prepared to continue with what's available right now? We've certainly seen a move by the government around policing costs and downloading some of those onto municipalities, which I don't think is the best move, putting municipalities in a very difficult position.

**9:10**

I'm also curious around which enactments, such as the Criminal Code of Canada or the Controlled Drugs and Substances Act, First Nation policing would be empowered to police. Hopefully, we'll get a chance to talk about that a little bit further in Committee of the Whole, and I guess maybe a little bit specifically, how will the changes referred in amendment 33.3 be made? Are there any changes that the government is considering now? Again, I do understand that we are in second reading. It's not the best situation to be able to dig into some of the meat and potatoes of this legislation and how it's going to operate, but I'm hoping that we will see that kind of information as we move into Committee of the Whole.

The other section that I'd like to briefly touch on here before ending my remarks is around the Referendum Act. I do have some concerns here, Mr. Speaker, around allowing referendums to be held through the mechanism of municipal elections. You know, what I've noticed is that when an election is going on, people are trying to take in all the information that is being sent out by the various candidates. Obviously at provincial and federal levels there's the message of everyone's party, things like that. I have had people that said that sometimes it can be a little overwhelming because somewhere, sometimes in the middle, as they say, is where the truth sort of lies.

I guess I'm wondering why, you know, in terms of referendums, would you want to start embedding provincial topics and provincial jurisdictions within municipal elections. I think we're doing a disservice to municipal candidates, potential councillors, things like that, where they're trying very hard to get their message out of how best they'd be able to represent those constituents. I think we're clouding the message that's trying to be told at this time.

Again, you know, I would love to know what some of the economic impacts of this were. Hopefully, the government is ready to provide that information, and more importantly, I guess, I'd like to know who is going to be responsible for the costs of these referendums. The reality is that there is going to be a cost because you've got to be able to print these questions down. They've got to be distributed to people in some way, shape, or form, so if anybody thinks that's free, that's probably not the best. We've seen the provincial government here right now that's been downloading some costs onto municipalities. Is this going to be yet another cost that municipalities are unfortunately going to have to start to take on on top of policing costs?

**Mr. Bilous:** Likely.

**Mr. Nielsen:** My colleague says more than likely, and hopefully that's not the case, but I sort of feel that, too. But I'm willing to be corrected in Committee of the Whole.

When a vote on a referendum is out under the amendment to section 8, how will voters who are not present on voting day be able to vote? I think one of the most fundamental things that people need access to is the ability to vote. You know, Mr. Speaker, I have 26 schools in the riding of Edmonton-Decore. Of course, with the pandemic, I have been unable to visit those schools as much as I enjoyed before in the past. One of the things that I always, always tried to tell students was: when you get the opportunity to vote once

you're 18, please, please, please take that because when you're not casting your vote, what you're essentially doing is allowing somebody else to make decisions for you. How are folks that maybe aren't present at that time going to be able to vote? I'd hate to think that we are setting people up to be excluded from that process.

I'm curious as to how referendums will impact nonpartisan municipal elections. We know that there are no party politics in municipal elections. Will this start to, I guess, unintentionally creep that in there, and then the next thing you know you'll have the municipal candidates having to answer these questions in debates? Again, do we really want to start crossing over provincial or even necessarily federal matters into municipal elections? I think this does a bit of a disservice.

What oversight will Elections Alberta have on these changes? How were they consulted? What were some of the things that they pointed out around this? My hope is that the Justice minister will be providing that information for the House to consider, because I believe that, you know, should there be negative impacts, it would be irresponsible of us to just allow them to go, and we should consider amendments through Committee of the Whole to be able to do that. My fear is, of course, that, you know, when the government has said it consulted, that's not necessarily always been the case. People are finding out about different changes in legislation through things like Twitter, so I think it's incumbent upon the government to be able to share that information with us here in the House.

With that, Mr. Speaker, I think I will conclude my remarks for now. I do look forward to Committee of the Whole. I'm really hoping that the government will honestly come back to us with this information so that we can have a more robust conversation, because we don't want to see faulty legislation go through and then have to come back and fix it when we could have fixed it to begin with.

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available if anyone has a brief question or comment.

Seeing none, is there anyone else wishing to join in the debate? If not, I'm prepared to call the question.

[Motion carried; Bill 38 read a second time]

### Bill 35 Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020

Member Loyola moved that the motion for second reading of Bill 35, Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, be amended by deleting all the words after "that" and substituting the following:

Bill 35, Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, be not now read a second time because the Assembly is of the view that a reduction in the corporate income tax rate that rewards foreign shareholders is an ineffective strategy to create jobs, relative to the alternatives.

[Debate adjourned on the amendment November 5: Ms Pancholi speaking]

**The Speaker:** An amendment was moved by the hon. Member for Edmonton-Ellerslie. Is there anyone wishing to speak to that amendment? The hon. Member for Edmonton-Beverly-Clareview.

**Mr. Bilous:** Thank you very much, Mr. Speaker. It's my pleasure to rise and have another opportunity to speak to Bill 35, the Tax Statutes (Creating Jobs and Driving Innovation) Amendment Act, 2020, although I think it more aptly could have been named Driving

Innovation Out of Alberta Act. That was what this current government did for the first 18 months that they were in power.

I'm honoured, Mr. Speaker, to rise and speak to the reasoned amendment, and we'll put forth a number of arguments as to why this government should support the reasoned amendment, go out and consult, and come back in six months hence with an actual plan that's going to create jobs and attract investment in this province. You know, we've heard from economists right across this country who have been very clear to say that accelerating the corporate tax reduction is actually not going to attract investment on a faster time scale. In fact, it's been made clear by economists from coast-to-coast that companies that may be looking at relocating to Alberta are not about to accelerate their timelines.

**9:20**

Now, an interesting note, Mr. Speaker, is that the Premier himself had said that companies would be irresponsible if they didn't move to Alberta. He said that the announcement, of this corporate tax race to the bottom, would promote jobs starting that week. Well, in fact, that was over a year ago. Do you know what happened in 2019? Do you know what Alberta's net job creation or job numbers were? The province lost 50,000 jobs, 50,000 full-time jobs, pre-COVID, at the same time that this provincial government incurred a \$12.5 billion deficit, and this silver bullet that the Premier promised Albertans, which was the reason that the Premier did, in fact, get elected – if I was the Premier, I'd be a little concerned that I'd failed to deliver on even one of those jobs and the fact that we're coming up to two years and what this government has done is doubled down on a failed policy. Now, we can get into the definition of insanity, Mr. Speaker, which, of course – I'm sure you've heard it before – is doing the same thing over and over again, expecting a different outcome. This government has now doubled down on this silver bullet.

What we have, Mr. Speaker, are a number of examples of companies who have said: "Yes, thank you, UCP government, for giving us hard-earned Alberta tax dollars. We're going to take that money, and do you know what we're going to do? We're going to create jobs, but we're not going to create jobs in Alberta. No. We're going to create jobs in Saskatchewan, Newfoundland, and in the U.S. on your dime." Who did that? There is a list of companies. If members – and I know that I've said this, I've listed the companies.

Now, I have no ill will toward the companies. They're going to make decisions that make sense for them. My frustration, Mr. Speaker, is that the Premier promised Albertans that this corporate tax giveaway would create jobs, and it hasn't, and what this government has done instead is doubled down on this failed policy.

As of late this government has suddenly taken an interest in at least the word "diversification." As I mentioned earlier this evening, there are billboards littered throughout the province, Mr. Speaker, that say the word "diversification." Yet if Albertans were to ask where and how, the government would probably shrug its shoulders and say: well, hey, at least we got the Minister of Finance to say that he now believes in diversification. I mean, that's a first step. Because it was, in fact, the Minister of Finance who said that diversification was a luxury that the province could not afford.

Now, the reality of it, Mr. Speaker, is that everyone, including the oil and gas sector, is saying to this government: how do you not get it? Like, technology companies are building technologies that support our key sectors like oil and gas, like agriculture, like forestry, yet this government, when it came to office, probably made the most ideological move that I've seen in this province, and that was eliminating a whole bunch of programs that were asked for by industry to support industry. This government cancelled them, and their logic, their rationale to Albertans was: because it came in

under the NDP government. Okay. Well, clearly, you haven't been talking to companies, who themselves have said – and even the companies that stood with us when we made those announcements said: listen, we're not left or right, we're not belonging to one political party or another; we will support good policy. And that's what we introduced. We demonstrated to Albertans that we are prepared to bring forward policy that is going to support our job creators, ensure that we have a competitive environment, and this government came in and cancelled them all and created a vacuum for 18 months.

Now, I need to explain some of the consequences of that because it's critical. You know, I can tell you from companies that were about to raise capital, they were going out to raise money in order to grow, and they were using the investor tax credit as an incentive to get people to invest in their company. It's a way to derisk the investments. Now, for those who are saying, "Well, they shouldn't need that," the reality is that, globally, most jurisdictions have some kind of investor tax credit to help derisk because we know that start-ups are risky. But here's the thing. Yes, 8 out of 10 start-ups will likely fail. Two out of 10 won't just succeed, they'll succeed enough that they will actually do better than the total losses of the 8 out of 10. Now, do we wish that that number was better? Yes, of course. But the point is – and industry will tell you this – if you're going to fail, go out and fail. Fail quickly. Fail fast. Move on. Come up with a new concept, a new idea. And government can play a role to support that. We accelerate the number of start-ups that are happening around the province, and we ensure that the ones that could succeed and are likely to succeed will have the support to do that.

That's what a number of our programs did, Mr. Speaker. This government cancelled all of them, and for 18 months there was a vacuum. There were companies – and I've stated this in the House before – and we've tabled documents of companies that said: hey, Alberta, we were about to move to the province, and when this government cancelled every single support, we got the message that technology companies are not welcome in Alberta, that you don't care, and you actually don't want us there. That was the message they sent. Now, regardless of why the UCP cancelled these tax credits – I don't care – the message that was sent globally was: you're not welcome here; we don't want you here.

**Mr. Nielsen:** We're not open for business.

**Mr. Bilous:** You're not open for business. That's right.

So these companies stayed out of Alberta, and many of our Alberta start-ups and Alberta companies moved to other jurisdictions. It's disheartening, Mr. Speaker, because we know that we have incredibly talented Albertans here in the province. The number of solutions that Albertans have created and innovated when it comes to oil and gas, when it comes to health care, whether it's medical devices or in life sciences, when it comes to – and I'll tell you a quick story about two doctors at the U of A that came up with a brilliant technology, that I had the opportunity of taking a tour of, called *ex vivo*.

Basically, Mr. Speaker, they would take used organs, organs that could never be used in a transplant because they were – I don't know the percentage that they need to be before they're used, but they were far below that. They would hook them up to this machine, and the machine would actually restore the organs to – like, take them from 30 per cent, 40 per cent, and bring them back to like 80 per cent, where now these organs can be used to save lives. What an incredible technology, and it was developed here in Alberta. It was developed here in Edmonton. Absolutely incredible. That's one example of many.

These scientists, these doctors, these researchers, these businesses have said time and time again: we just need some support; we need the government to level the playing field. And when the government cancelled tax credits that other jurisdictions in Canada have, the playing field was no longer level. So when this government stands up and says, "But we have the lowest corporate tax rate," great; you still don't get it. You could have a corporate tax rate of zero, and you're not helping start-ups. It's frustrating, Mr. Speaker, to see that supports that were there for these companies disappeared under this government.

Now, it's important to point out, Mr. Speaker, that Alberta under the NDP government continued to be the lowest – lowest – taxed jurisdiction in Canada. The government can say what they want, but the numbers speak for themselves. Even with the carbon tax – because I know that the members on the other side love to say: but you introduced the carbon tax. We did have a carbon tax, and even with the carbon tax Alberta was still the lowest taxed jurisdiction in Canada, and Albertans enjoyed paying about \$8 billion less than the second-lowest taxed jurisdiction in Canada, which was Saskatchewan. The reason is that we don't have a PST, we don't have a payroll tax, and we don't have health care premiums.

**9:30**

When this side of the House talks about the Alberta advantage being our low tax rate, that already existed. If that was the silver bullet, well, I'm sorry to say – and I said this back when I was first elected, in 2012 – that if all it takes is the lowest tax rate, then why does a business exist outside of Alberta? If the lowest tax rate is all that's needed and Alberta had that, then why are there businesses in British Columbia, Saskatchewan, Ontario, and Quebec? I mean, Ontario and Quebec have much higher taxes.

For companies it's more than just your tax rate, and where this side of the House understands it – the Alberta advantage, the real Alberta advantage, Mr. Speaker, is people. Walk around on two legs: that's the Alberta advantage.

**Ms Hoffman:** Or one.

**Mr. Bilous:** Or one. Yep. Fair enough. Or none.

The point is, Mr. Speaker, that Alberta's greatest advantage is the people. It is through our incredible entrepreneurship and risk taking that Albertans have built an incredible province.

For me, Mr. Speaker, when we talk about this bill and we talk about the recent amendment, I'm supporting this getting sent back to committee because what's proposed here is not going to deliver the same results that would have been delivered under the programs of the Alberta NDP. The fact of the matter is, again, that we have seen that the corporate tax reduction has not delivered what the Premier promised. You know, I'm happy that the Minister of Finance has brought back one tax credit after eliminating four. Unfortunately, it's still a fraction of what were the programs that we introduced.

Again, I won't be too critical because at least it's a step in the right direction. Again, this is coming from a minister that 12 months ago didn't believe in diversification. He's clearly had a moment where he's – I was going to say "seen the light," and then I thought: I don't want to go down that path. Regardless, the fact of the matter is that he had a change of heart, and I appreciate the fact that he did. I think, though, for me, that much more needs to be done. We know that there is a role for government to play. Again, examples are Alberta's oil sands, our energy sector. There are significant opportunities, but – here's the challenge, Mr. Speaker – the window is closing.

I know that the Minister of Jobs, Economy and Innovation loves to pat himself on the back on social media and talk about the money that he's given. The reality is that he really needs to talk to the minister of postsecondaries because you got a couple of hundred million from our postsecondaries, and then you turn around and give them back \$2 million . . .

**The Speaker:** Hon. members, Standing Order 29(2)(a) is available if anyone has a brief question or comment. The hon. Member for Calgary-Mountain View.

**Ms Ganley:** Thank you very much, Mr. Speaker. I was listening with intense interest to what the hon. member was saying. I believe he did have a few more additional points to add, so I would like to ask him to carry on.

**Mr. Bilous:** I'd like to thank my colleague for that very hard-hitting question. I'm going to struggle with this one. In all fairness, I do want to thank the member for the question.

My point was this, Mr. Speaker, that you can't make massive cuts to the very institutions which support innovation or the precursors to innovation, which are research and development, and then turn around and give back a couple of million dollars and say, "Look at our government; we are doing so much to support this sector," because the reality is that you're not. Until you restore all of the cuts – giving back money that you took away is not investing in a sector. Like, I don't know what math that is. I mean, you guys talk about fuzzy math; that's what your math is, very, very fuzzy. Until you restore the cuts and then add new money – then you're making an investment.

I will be the first person on this side of the House to jump up and give credit where credit is due and to applaud you for that in all sincerity because we have incredible opportunities, especially in the areas of artificial intelligence and technology, but the window is closing, honestly. Alberta was ranked third in the world. We're down to fourth, and the reality is that unless we make a significant move – and I can tell you that \$3 million or \$4 million or \$10 million is not a game changer. We're not turning heads, not when you have countries that are making billions of dollars of investment.

But we do have an incredible advantage, and that's the talent that is already here. We have people at AMII, like Dr. Rich Sutton, that are a real magnet for students and other talent. We need to continue to invest. We also need to look at how to commercialize the incredible research and innovative ideas that are coming out of AMII – right? – and that's where, honestly, there is a gap in this province. We looked at addressing it through a number of programs, which, again, were taken away by this current government. But there are programs that need to be put in place if we want to help expedite or accelerate the commercialization of those technologies. And you know what, Mr. Speaker? The opportunities are endless. We're not just talking about solving real-world problems for Albertans. I mean, yes, we are. That's stage one. That's the first step. The reality is that the technologies that are being commercialized or could be commercialized will solve problems on a global scale, and once again Alberta will be a world leader.

Mr. Speaker, you know this. The technology of fracking, that is used globally, was developed here in Alberta. SAGD was developed here in Alberta. You know why? Because the government of the day invested with the private sector and said: "You know what? A partnership is how we're going to deal with this." So when this government says, "There's no role for government," like, you either don't get it, or you're being wilfully ignorant, or you just haven't looked back at how and why –

fracking, SAGD: two examples – those technologies were developed here in Alberta, that are now used globally. Alberta has incredible opportunities in the area of health sciences, in life sciences, in agriculture and smart agriculture, in forestry, in tourism, in technology, in artificial intelligence, machine learning. The opportunities are endless. The talent is here, and I encourage this government to do much more than what this bill is doing. There is an opportunity. The window is closing. I implore this government to invest in Alberta's future.

Having said that, before my time is up, what the Official Opposition has done is launch a website, [albertasfuture.ca](http://albertasfuture.ca) – I encourage all members of this House and Albertans to visit – where we are releasing a number of discussion papers on a variety of different topics, from agriculture and postsecondary to artificial intelligence and technology and hydrogen, where we are asking all Albertans, we're inviting all Albertans to participate, even those that didn't vote for us, those that may have voted for the current government. Maybe they have buyer's remorse; maybe they don't. Regardless, they're invited to participate in this conversation to build [albertasfuture.ca](http://albertasfuture.ca).

**The Speaker:** Hon. members, that concludes the time allotted for 29(2)(a). Is there anyone wishing to join in the debate? The hon. Member for Calgary-McCall is on his feet.

**Mr. Sabir:** Thank you, Mr. Speaker. I rise to speak to the amendment to Bill 35, tax statutes amendment act. I think it's an important amendment, and it says clearly that since this tax reduction has not worked, has not achieved the intended outcomes, we shouldn't be passing this legislation.

**9:40**

I think we have enough clear evidence to show how that tax reduction, tax giveaway has not worked, and I can outline a number of things that will clearly show that this break has not worked at all as government wanted it to work. Albertans were told, we were told that by reducing this tax, jobs will be created. It will help us attract investment. Before the pandemic we saw job loss, we saw investment fleeing from the province, and we didn't see anything that the government promised with this break.

If I just talk about Calgary, because that's where I'm elected, in particular in Calgary there were quite a few employers who benefited directly from this tax break, for instance EnCana. EnCana received somewhere around 50-plus million dollars from this break, and they didn't create any jobs here. They didn't do any investments here. Instead, they moved out of Alberta. They changed their name. Hence, it clearly shows that the government policy didn't work.

Then we had Suncor. Suncor also benefited from this tax break. They booked \$1.1 billion – \$1.1 billion is a lot of money – and they announced that they will be reducing their workforce by 15 to 20 per cent. There were already reductions in capital budgets. Clearly, government policy didn't work.

Then we had TC Energy. TC Energy also benefited directly from this break. They received millions of dollars from this break, and they also ended up laying off Albertans from Calgary.

Husky Energy got \$233 million, something around that figure, and they laid off 371 Albertans just from Calgary alone. They moved their capital investments to the east coast, to Wisconsin, to the United States. Again, clearly, the government policy didn't work as intended.

Then we saw the Cenovus and Husky merger. Both companies have benefited from this break, and that also resulted in reduction in employment. Again, the government policy didn't work as intended.

I think we all know that Albertans are going through tough times. We all know that they're worried about their lives and livelihoods. On this side of the House we sincerely want this government and their policies to work in favour of Albertans because the people we represent, Albertans – we represent Albertans; the government side represents – are all facing similar challenges. They are all looking for jobs. They're all looking for employment. They want more investment to come to the province. The government's flagship policy was that this \$4.7 billion corporate handout will create the needed jobs. It will bring to Alberta the needed investment. But, clearly, both the stated objectives of this policy have not been met.

In Calgary, in downtown Calgary, the vacancy rate there is 30 per cent. Our unemployment is in double digits. I do recognize that the pandemic has impacted our economy, our employment, but this policy was not working even before the pandemic. We saw the job loss before the pandemic. We saw investment moving away from Alberta before the pandemic. We saw the government's deficit ballooning to \$12 billion before the pandemic.

[Mr. Milliken in the chair]

As my colleagues have said, if the tax rate is the only consideration, then by now all businesses from across Canada and North America should be here in Alberta, but clearly that's not the case. Even before this break Alberta had a tax advantage of \$11.3 billion over the next-closest jurisdiction. That was never an issue. There were many other things, there were many other challenges facing our economy, and those things were made worse by this government's policies. For instance, they became government, and they moved to cut almost \$1.6 billion from diversification programs. They reduced tax credits that we'd put in place. They chased away investment in renewables. They got rid of all the programs that we put in place to create takeaway capacity for our energy sector.

All those things – all those things – have resulted in more unemployment, in a bigger deficit, and the pandemic certainly has made it worse. Now we are standing at a \$24.2 billion deficit. It's only recently that the government has started talking about diversification. Some of them even don't utter that word – they just call it the D-word and those kinds of things – because for the first 18 months they have been cutting funding from all those programs. They've reduced investment, government incentives from diversification programs. They chased out tech companies. They chased out renewable energy investment. They did, and now the result is more unemployment.

9:50

I think there is clear evidence that this policy of reducing tax is not working. In fact, the forefathers of this trickle-down economics, all the institutions like the World Bank, IMF even now are saying that these policies do not work. The other day I was looking at a news release from IMF news. I never thought I would be quoting them, but there was a news release from them. That institution essentially is suggesting strong investments in health care. That institution is suggesting stronger investments in public education. That institution is suggesting investments in safe buildings, in transportation. That institution is suggesting stronger investments in digital infrastructure. That institution is suggesting investments in climate change. They are suggesting that to energize a strong recovery after COVID-19, these are the areas that we should be investing in. They're not suggesting that we should be cutting corporate taxes.

Because of this government's policy of cutting corporate taxes, government revenues have gone down, and government is doing exactly the opposite of what economists – they are suggesting exactly the opposite of what the IMF is suggesting and exactly the

opposite of what common sense dictates. Like, so far they are suggesting that we should be investing in health care. The government's record is that the government is privatizing health care. The government is fighting with doctors, nurses. A government minister has shown up at the front door of a doctor, a private citizen. Those are the kind of policies they have adopted in health care instead of investing in health care.

Then they are saying that we should be investing in schools. The government has cut \$126 million from the schools. We have over 600 schools who have reported COVID infections. In fact, this afternoon Dr. Deena Hinshaw mentioned 300-some schools who have COVID outbreaks.

**The Acting Speaker:** Thank you, hon. member.

Standing Order 29(2)(a) is available, and I see that the hon. Minister of Finance has risen.

**Mr. Toews:** Well, thank you, Mr. Speaker. I appreciate the opportunity to rise and respond to some of the commentary over the last couple of speakers on Bill 35 and specifically to the amendment that is on the floor.

First, I want to talk a little bit about those tax credit programs that our government cancelled back in Budget 2019. I want to point out that those tax credits were very narrow credits. They were very red tape heavy. They were application based. They created a burden for job creators and businesses to apply. They created much burden and cost for government to review. They very often picked winners and losers. They were not nimble, and they were very poorly subscribed. There were very tangible reasons why we stepped in and cleared the slate on those ill-conceived programs that the previous government put forward.

Yes, our foundational approach is to broadly create a very competitive business environment, and we make no apology for that. At the end of the day government will not know best where capital should be allocated, where it will be successful in the long term, and ultimately what businesses will succeed and what businesses and sectors will not. That's why we believe that a broad approach to creating the most competitive business environment is essential.

But, Mr. Speaker, we recognize that in certain circumstances and certain cases there may need to be some incentivization to be competitive with other jurisdictions, to perhaps encourage activity such as research and development. Research and development is very often used by industries, businesses, and sectors beyond the business that actually invests, so there can be reason to incentivize that activity.

That's why we appointed the innovation capital working group to provide this government with recommendations on how to position this province to encourage research and development activity, to encourage investment and growth in the tech sector. The innovation capital working group did their work. They worked hard, they worked quickly, and they produced a very credible report for this government.

We responded quickly to a number of the recommendations, one of them being creating an incentive for research and development activities. That was the impetus for our innovation employment grant, the grant that we will enact by passing Bill 35. Mr. Speaker, this particular measure is not application-heavy, as it builds off the federal SRED program. In fact, it is a program that requires very little additional application time. It requires very little additional red tape. On the government side it requires virtually no additional cost to follow through and deliver on the program, again from the government side, as it leverages off the federal SRED program.

But what's really impressive about this program, Mr. Speaker – and we certainly heard back from many in the sector how the details of this program really hit the nail on the head. What's great about this program is that it, in fact, rewards incremental activity. It rewards growth. It doesn't just constantly send taxpayer money back out to the same businesses that may not be moving forward. But, in fact, it incentivizes growth because it's important that new start-ups and early scale-up companies have the incentive to invest in R and D and grow, but then as they grow and as they're successful, it's important that they can continue without constant taxpayer support and subsidy. This particular program is dovetailed with our preferred corporate tax rate in that the very thresholds that move a company from the small business category in this province to the general tax rate is the same threshold that slowly begin to phase out eligibility for the innovation employment grant.

Mr. Speaker, I also heard from members across the way that really talked negatively about profitability by Alberta corporations. This government will support job creators in the province.

**The Acting Speaker:** Thank you, hon. minister.

Are there any members looking to join debate on RA1? I see the hon. Member for Calgary-Mountain View has risen.

**Ms Ganley:** Thank you very much, Mr. Speaker. I'm pleased to rise and speak to this amendment. The amendment itself, which I think is important to sort of speak towards, reads as follows:

Bill 35, Tax Statutes (Creating Jobs and Driving Innovation) . . .

I love these ironically titled bills.

. . . Amendment Act, 2020, be not now read a second time because the Assembly is of the view that a reduction in the corporate income tax rate that rewards foreign shareholders is an ineffective strategy to create jobs, relative to the alternatives.

**10:00**

I actually feel like this particular sentence is one of those hilarious understatements, ineffective to say the least. I think it is a very rare government indeed that looks at a strategy that not only has failed to work but appears to have worked in reverse and says: "Wow. That really, really did not achieve what we intended it to achieve. Let's triple down on it. That seems like the best plan we can come up with." I mean, it's just mind boggling, really, from a left-wing or a right-wing perspective. It doesn't really matter what your political perspective is. Looking at a policy that has completely failed to achieve its stated objective and tripling down on it just seems insane to me.

Here we are anyway. The government has done it. Because if it didn't work once, maybe it'll . . .

**Ms Hoffman:** Not work twice.

**Ms Ganley:** . . . not work twice. Well, if you've already lit a big pile of money on fire, why not light more money on fire? I don't know. Anyway, here we are. The reason this frustrates me so much is because this was the government's primary election promise, to create jobs, and they apparently have one strategy in mind to do that. That strategy failed epically, so they are tripling down on it. Yeah, that's just shocking to me.

So not only have they failed to fulfill their primary promise to Albertans, but the money they used to fail to fulfill that promise is being taken from everywhere else. It's being used to break a whole bunch of other promises. It's surprising to me how many of those promises. At one point, I mean, the government vacillated wildly on education, whether they were going to cut it or not cut it. They claimed they were going to fund enrolment growth. They stood in

this House and claimed they were going to fund enrolment growth, and then they didn't.

The Premier of this province, before he was Premier, signed a quote, unquote health care guarantee, and now they're making moves to privatize. All of this is done because they claim they have no other choice. But that really is, I think, the biggest wildly inaccurate misstatement of fact – what language can I use? – in the whole thing. The truth is that they did have a choice. They had many choices.

You know, Albertans waited, I think – gosh, there are so many bad things to pick from, but certainly one of the bad things that this government has done was that when they initially came in, they told school boards how much money they were getting. Except what they told them wasn't the truth. It was actually even worse than telling them nothing because school boards spent on the assumption that the government would fulfill its promise, and then they didn't.

They claim that the reason that this fiasco had to occur was because they had to wait for a report. They had to wait for a report before they could possibly make any decisions about the government's finances, except this decision: the decision to invest in a failed, trickle-down policy that was clearly going to fail from the outset. That they rushed to do immediately, before they even heard back from their supposed panel. Everything else needed to wait but not this. Then it went out there, and we saw 50,000 job losses before the pandemic even hit. It has yet to create a single job, yet they're accelerating it.

Mr. Speaker, I think it's clear that this reasoned amendment is a significant understatement. It is far less effective than other programs could be, but in addition to being far less effective than other programs, it's also far more expensive than other programs, which results in other cuts to services that Albertans depend on, cuts at a time when we are facing difficulty on top of difficulty.

We are in the middle of a global pandemic. Never has there been a time when it is more important for the people of this province to lift each other up and support one another and work through this together than it is at this moment. This is precisely the moment that the government has chosen not to lift up Albertans, not to stand shoulder to shoulder with Albertans, not to help Albertans out but instead to give monumental amounts of money away to corporations who didn't even use it to create jobs. That was supposed to be the promise. It was supposed to be used to create jobs. Instead, it went to dividends to overseas investors. It didn't even help people in Alberta.

I think this is a failed policy. It's clearly a failed policy. You know, a government that was interested in their duty to the people of this province, a government that was interested in the facts or the evidence would examine the complete failure of this policy and change course.

This is a policy that came out of the government claiming that diversification is a luxury. They talk now about how they got rid of the programs of the NDP and of previous governments, I might add. It wasn't just our programs they got rid of. They got rid of those programs, and they claim that they had to do that because none of them were working, except that they were. They were because I have heard from countless individuals about businesses that were planning to come here or open offices here or move here that didn't do it because the incentives went away. Suddenly they've changed course, and after claiming that those programs needed to be done away with, they've reinstated a very similar suite of programs with slightly less investment, slightly less effective in certain ways, and coupled it with tripling down on a program that they know to be an epic failure.

The now government when they were in opposition used to accuse us all the time of being too ideological. I actually don't think

that having principles is something that ought to be insulted. I do think that one needs to recognize the reality in which one is standing. Certainly, that's the case. But I don't think that having principles is itself something that is wrong. I mean, what is more ideological than looking at a policy that you chose not based on evidence but based on ideology alone, watching it fail in the most catastrophic way, and then thinking, "wow, that didn't work at all; let's do it again, only more"? It boggles the mind. It boggles the mind. There's a lot of arrogance in this government, but this move to continue down a path that we know isn't working, that hasn't worked, that has demonstrably not worked while hurting Albertans to do it is really arrogance of a different sort, I think. It's arrogance of a different sort.

What are Albertans looking for in this time? They're looking for a government to lead, to lead during the pandemic, and instead they have a government that has chosen to abdicate its responsibility in a number of ways. They're looking for jobs. They're looking for jobs to support their families through this crisis, and we have a government that has not created any and that has again doubled down on failed policies, called diversification a luxury.

I mean, this is incredibly troubling. At the same time that this government doesn't think it should lead through the pandemic, doesn't think it should make the difficult choices that it's required to make, doesn't seem to have any particular interest in actually creating jobs for the people of this province, the government is taking the additional step of attacking those Albertans who ask legitimate questions. I feel like there can be no more legitimate question than: "How did you lose \$1.6 billion?" Yet the people who ask those sorts of questions get attacked. Then there's the health care workers, the doctors and the nurses who are constantly attacked. Oh and the cutting of postsecondary education: I mean, there's a way to diversify your economy if ever there was.

**10:10**

Probably Alberta's greatest resource in my view is its people. We have incredibly skilled and educated people here. They are innovative, and they are brilliant and creative. You know, with just a little bit of help there is so much we could do to improve the situation in this province. But, instead, the government is cutting postsecondary, cutting the very thing that makes the people of this province so smart and so skilled and so innovative and creative. So I think that that is – I mean, it's incredibly sad.

You know, we're also seeing that when we made a request for information – information, a thing that this government seems to hate. We made a request for information and analysis in terms of what the support was for this policy, and nothing was returned. Nothing. It was a decision that was made entirely on the basis of ideology, an ideology that is wildly outdated.

You know, the members opposite seem to look to return to a previous time which never existed. They look to the 1950s and '60s in the US and think, like: look at that unprecedented economic growth. Yeah, well, let's return to that time when corporations and billionaires paid their taxes. What made that time a time of unprecedented growth is that instead of putting the tax burden on the little guy, on the middle class, and on those struggling to get by, we put the tax burden on the wealthy, where it belonged. It allowed the funding of government services. It allowed putting people on moons. It was in some ways a time of, sort of, forward looking. This policy is a policy that looks to a past and not even the real past. It looks to a past that didn't exist.

I think to say that this is not the most effective alternative in terms of where investments could be made in order to create jobs is a gross understatement. There are probably an infinite number of better uses of this money in terms of creating jobs for Albertans.

Putting \$4.7 billion into this: just imagine what that could have done in a diversification project, in an innovation project, putting it into postsecondary, in tax credits to innovators. We've even seen it, to a certain degree, with Energy Efficiency Alberta. I think it was \$3.8 dollars to \$1 in terms of returns.

So there are an enormous number of sort of well thought out ways to do this. Childcare – childcare – would be a place to put billions of dollars that would actually create economic growth, that has been demonstrated to create economic growth in other jurisdictions. The spending of this money on that sort of program would not only have vastly greater economic benefits for Albertans, would have a vastly greater impact in terms of jobs, but it would help those who are struggling, those who are sort of struggling as income inequality becomes greater and greater, as the average middle-class citizen finds themselves with a harder and harder time raising a family and buying a house and doing all of those things that generations who came before us were able to achieve. That is a policy that would help the people, that would help the people of this province. It would help us to get through this pandemic. It would help us in terms of the future of those children who ultimately go through that project and come out better.

**The Acting Speaker:** Thank you, hon. member.

Standing Order 29(2)(a) is available. I see the hon. Member for Edmonton-Decore.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I really appreciate the comments that the Member for Calgary-Mountain View was sharing with us. One of the things that I did hear her talking a little bit about was small businesses and what kind of effects that possibly this big corporate tax break had on their businesses and, of course, maybe just around her constituents in general and how this corporate tax break was able to improve their lives. I was wondering if the Member for Calgary-Mountain View might share some of those conversations that she might have had over the last little while around that.

**The Acting Speaker:** I see the hon. Member for Calgary-Mountain View, with about four minutes and 20 seconds.

**Ms Ganley:** Thank you, and thank you very much to the hon. member for the question. You know, that's an excellent point. What benefit did this corporate tax reduction have for the small businesses in my riding? That is none, none because small businesses, defined as businesses that generate less than \$500,000 a year in profit, are not affected by this tax rate because it's a tax rate that applies only to corporations generating more than \$500,000 in profit. In fact, the small-business tax rate was cut, but it was cut by the NDP government, not by the UCP government. That did have beneficial effects because smaller businesses that are still in a growth phase have different economics compared to sort of larger businesses, right? What we saw happen with this corporate tax cut is that those companies took that money, and they invested it in other jurisdictions. They increased profits to shareholders who live mostly, primarily not in Alberta. So that was not a good use of money.

Meanwhile small-business tax affects businesses that are still comparatively marginal, right? It might actually enable them to hire an additional person, and they might have the work for someone they hire. I mean, businesses don't just hire people because they have money. If you ran your business like that, you wouldn't be in business for very long. They hire people because they have additional work to do. Often small businesses are stretched very thin, so giving them some tax relief can actually result in economic

growth, in more jobs. So I think that was a very good policy, but it was not the UCP's policy; it was ours.

Yeah. There are a number of other programs in which this sort of money could have been invested. In fact, start-ups often aren't generating a profit at all, so they would be affected by neither one of those tax rates. But, you know, tax incentives to investors in specific and targeted programs can have much more beneficial outcomes in terms of growing. I think my hon. colleague for Edmonton-Beverly-Clareview spoke to this incredibly articulately.

My reason for supporting the amendment and my objection to this bill are the same, which is to say that it's an ineffective strategy. It's been demonstrated to be ineffective, and there are far better uses of the same money in terms of generating what Albertans need, which is jobs. That's what this government promised them, and I think the biggest broken promise of this government is that it promised people that it would work tirelessly and ceaselessly to bring jobs back to this province. All it has done is chase them away. This tripling down on a failed policy will under no circumstances reverse that record. In fact, it will likely make it worse.

So Albertans will continue to struggle. They will struggle more and more to acquire the basics, to raise their families, to live in this province, and we will see more and more of them leave. I think that that is sad. I think that for the province in which I was born and raised, that is sad. I don't want to see it because I think that we have the opportunity to be great, to stand together, to continue to be what we are, but this government, with both its continued actions and inactions, is continuing to take that future from Albertans, continuing to send us down a path where we grasp for a past that we can no longer attain because the economics of our globe have changed. I think the people of this province need leadership; they need leadership right now. The fact that this government has abdicated that leadership, has chosen not to act, is very sad.

**The Acting Speaker:** Thank you, hon. member.

Are there any other members looking to join debate on RA1? I see the hon. Member for Edmonton-Decore has risen.

**Mr. Nielsen:** Well, thank you, Mr. Speaker. I appreciate the opportunity this evening to continue to add some additional comments on Bill 35 and, of course, more specifically, the reasoned amendment that is before us, which would give us the ability to send this to a committee and rethink this.

**10:20**

You know, one of the things I noticed that the Finance minister had talked about earlier in his comments was that some of the tax credits that the NDP government brought in were an ill-conceived plan. It's interesting because when I hear that, that's exactly what I think of the corporate tax break that they've brought in. There've only been roughly – oh, I don't know – I think it's about eight or nine decades' worth of data that have shown the correlation between a corporate tax break and job creation. The funny thing is that as you travel along the timeline – and you could go back and check news reports, things like that – talking about a corporate tax break, that we need this corporate tax break so we can create jobs, but shortly afterwards the line that represents the jobs seems to follow that line down on the corporate tax break. So you would think that after being able to look at data – and anybody can go and find this out – you would say: well, jeez, it hasn't worked over the last eight or nine decades; well, let's do it now because this time it'll work; this time will be different.

Okay. You know what? I'll let that one go. Albertans decided that the UCP could reduce the corporate tax rate, create jobs, grow the economy. Well, after the first year of their tenure, what were the

results? Fifty thousand jobs lost, a doubling of the deficit, and an economy that shrank by .6 per cent. The one thing we have to keep in mind, Mr. Speaker, is that it was prepandemic. So being able to point to the fact that, "Wow, we're in this pandemic now, and there are all these expenses," no. You doubled the deficit before the pandemic, you lost 50,000 jobs before the pandemic when you said that you were going to create 50,000 or 55,000 jobs, and when you said that you were going to grow the economy, it actually shrank.

You know, one of the things I remember is members opposite not only commenting in the 29th Legislature but, of course, in the 30th here as well, and they used to love to make fun of the former Finance minister about the number of credit downgrades he'd had over the course of his term. And, unless I'm wrong, I believe that number is now the same, and you haven't even made it halfway through your term. So perhaps, Mr. Speaker, we might want to take a step back, rethink our plan, and I think the reasoned amendment would allow us the opportunity to do that.

You know, I know that the Member for Edmonton-Beverly-Clareview had talked about this window that was closing. I remember back – I'm not exactly certain whether it was really sort of in the very, very late '80s, probably the beginning of the '90s, and I know that does date myself a little bit, but hopefully the grey hair won't fool you too much – and I remember Edmonton having an opportunity to bring in a tech company. Unfortunately, I can't remember the details of why that eventually didn't happen, but I remember very specifically people talking about how this was going to be Edmonton's, and, of course, Alberta in general, opportunity to create their own Silicon Valley. I mean, there was some serious excitement around this because it was going to create jobs, it was going to bring in an industry that, historically, Alberta didn't really have, that kind of scale of operation. Unfortunately, that didn't happen. I'll be honest, Mr. Speaker. I really thought at that time: wow, we missed the train; it's pulling out of the station without us; wow, what would the possibilities have been? Here we are now, in 2020, and we now have actually got an opportunity to get on this train. But when you had attitudes at the beginning of, "Well, these are just luxuries, and we can't afford them," well, we can't afford not to do them. We can't afford not to do them.

When I hear about ill-conceived plans, you know, the Alberta investor tax credit bringing a 3 to 1 return on investment: that's ill-conceived? The capital investment tax credit, where \$200 million was leveraging \$2.2 billion in investment: that's ill-conceived? I made reference, and I think it was about almost two weeks ago, Mr. Speaker, to a news report that I had tabled around the digital media tax credit. Of course, that story was titled *I Felt Betrayed*.

We had an opportunity to gain access to an industry that's poised to make \$200 billion in the next two years. You look back at the growth, and, I mean, it's incredible what that industry – that's one industry that would have been covered by the digital media tax credit. You know, I certainly give credit to the former minister of economic development and trade for bringing in that. I certainly chewed his ear on many occasions around doing something there to gain access to that industry.

To give that up is unbelievable. But, you know, even the digital media tax credit, where the industry itself was saying, "Can you try to level the playing field just a little bit?" and where we had a 25 per cent tax credit versus jurisdictions that had, I believe, 60 or 65 per cent and 40 or 45 per cent tax credits, and they had had them for a while: you're telling me now that their plan was ill-conceived? Based on the numbers they're posting – and I think I made reference to that earlier – where in one of those jurisdictions the average salary is over \$66,000 a year, I'm betting those people making that money in a full-time job didn't think that was an ill-conceived plan.

The people over in British Columbia making over \$84,000 a year: I'm betting they didn't think that was an ill-conceived plan.

We didn't even match that. Yet here we had industry ready to come here. You know, as some members of the opposition here stated, it wasn't just the tax regime that was attractive. They had the talent right here in the province of Alberta. Our postsecondary institutions were creating the type of knowledge in those individuals that made them sought by everyone else. Great. We spend the money to educate these folks, and as soon as they graduate, they go, "See you later," and they're off to these other two jurisdictions where the ill-conceived plans of tax credits existed and were creating very, very good, full-time positions.

I'm a little dismayed when I hear that, but perhaps, maybe we could take the opportunity to go back and rethink this doubling and tripling down on a policy that clearly has not worked, that clearly has not worked over time, and most likely will continue not to work because you're also, on top of that, starting to gut our public-sector services.

10:30

You know, this is a little frustrating, Mr. Speaker, because we just recently saw a lot of front-line health care workers hit the street, crying out and saying: "We need help. We need help to get through this." We're already hearing about all the overtime that's being worked by these individuals, and thank you to all of them for being willing to do that. But when you invest in a robust health care system, not a privatized health care system, where, sure, they may be taking the same money that you're spending now – the problem is the decision they're making: what to do with it? Again, I don't fault them for wanting to make profit, but if they're going to set a target for how much profit they're going to make, that means that at some point in time they're going to make a decision and say: "Well, we can't afford to pay that and make our profit. We don't want to back off on our profit, so we now have to back off on the service."

Now you're paying for less, and companies are going to look at that, not just simply a tax break, and make decisions either to not invest in Alberta or not to come to Alberta. But I'll bet you they're probably going to recruit a lot of these highly skilled individuals to their jurisdictions. That's assuming we'll still be able to create those highly trained individuals. As we seem to be reducing our spending in our postsecondary, we're either not going to have the instructors to create those highly trained individuals, or we'll have the instructors but no program for them to be able to instruct in, and our young emerging leaders will not have the opportunity with which to shine on the world stage and bring all that investment here.

You know, I remember hearing some snickers a little bit about the renewable energy industry, solar and wind. "Oh, there's not enough sunshine. Oh, there's not enough wind in the province." Theoretically I joke, Mr. Speaker, that sometimes I wonder about the amount of wind coming over towards the Official Opposition. Perhaps we could set up a turbine in here. It could probably power the city of Edmonton.

Companies were ready to come here because of those tax credits. They looked at jurisdictions like Ontario and said: "It's not happening here, but look at the opportunities that are about to happen in Alberta. Let's go there. Let's go recruit all of those highly trained individuals. Now we don't even have to pay expenses to get them over to a new one. They're going to live right in our very own backyards." There's the investment. There are the jobs.

But what have we done? We've decided to hang our hat on one policy in the hopes that maybe this one time out of the last eight or nine decades it will work. It's just that we're really not off to a very good start. Now, as the Member for Edmonton-Beverly-Clareview

said, there is some potential hope here that we are now starting to see a government that once said that diversification was a luxury – maybe now it's possibly a good opportunity. But I have to wonder. Over the last 18 . . .

**The Acting Speaker:** Standing Order 29(2)(a) is available, and I believe I see the hon. Associate Minister of Red Tape Reduction has risen.

**Mr. Hunter:** Thank you, Mr. Speaker. I'm pleased to be able to rise tonight and just chat a little bit about some of the things that the hon. Member for Edmonton-Decore just talked about. I find it interesting that I've heard many times tonight a revisionist description of history. I will have to take my hat off to the NDP because they stick to their message day in and day out. We've heard it ad nauseam in this House. But the reality is that the more you say it doesn't make it more true.

I want to recount to the hon. members, especially the hon. Member for Edmonton-Decore, the statement that working with a broad-based tax break for our job creators, those people who actually create jobs and get Albertans back to work, works.

**Mr. Nielsen:** In other provinces.

**Mr. Hunter:** He says that it didn't work in this province or anywhere for eight to nine decades. This is what his comment was.

I want to just talk to him, through you, Mr. Speaker, and talk about what happened in this province. In this province we used to have this thing called the Alberta advantage. The Alberta advantage: it's interesting; they snicker at this because they hate that term. The reality is that the Alberta advantage was a lower marginal tax rate than other jurisdictions, a sustainable government, and lower regulatory burden than other jurisdictions. Back in the '90s, when under the Klein government they did this, for a 10-year period during that time they were able to see a hundred thousand people move into this province every year, the size of Lethbridge, the size of Red Deer. Why? Because there was an Alberta advantage, because they could come here and make something of their lives. Many people moved here from not only other parts of Canada but from all over the world. They moved here for that Alberta advantage.

In that same period of time, Mr. Speaker, there was more foreign investment that came into Alberta than Quebec and Ontario combined. I want to say that again. There was more foreign investment that came into this province in that 10-year period than Quebec and Ontario combined. Even though we're only 11 per cent of the population, we had more foreign investment come in here. Why did they do that? Why did the investment come here? Because we had a lower marginal tax rate than other competing jurisdictions. Anybody who knows anything about finances understands that investment is mobile. It will go where they can actually make a profit. "Profit" is not a dirty word. When those companies come here and they can make a profit, that equates to jobs being made and created here in Alberta. That's what we saw in the '90s.

So when the hon. members speak about how – I remember when they were in government and they continued to stand up in this House and say how we had done it wrong for 44 years in this province, again a revisionist approach to history that Albertans weren't buying. Mr. Speaker, Albertans were the beneficiaries of the Alberta advantage. I was, you were, and many people in this House and probably even the NDP were. Yet they continue to say that we did it wrong here for 44 years, and that's why they tried to change it. They introduced a carbon tax, which drove hundreds of billions of dollars of investment out of this province.

I will tell you a quick little example of that. In my riding we have a sugar plant, the only sugar plant in Canada. They just about drove that sugar plant out because of the carbon tax, Mr. Speaker. Yet this was their vision of Alberta, their vision of what an Alberta should look like and what it wasn't looking like for the 44 years prior to that. They almost drove that business out. What's interesting about it is that it's a big employer in the town of Taber. Rogers Sugar: I'm sure you've heard of it. When they implemented that policy without thinking about where investment can go – truthfully, that business could easily have just moved anywhere, down to the States, where they didn't have a carbon tax. They had threatened to do that, but they decided that they wouldn't because they knew that in Alberta they were only going to be a one-term government, and that's exactly what they were. We're so grateful for that. [interjections]

**The Acting Speaker:** Hon. members, order.

Are there any hon. members looking to join debate? I see the hon. Member for Edmonton-North West has risen.

10:40

**Mr. Eggen:** Well, thank you, Mr. Speaker, and thanks for the opportunity to speak on Bill 35 and the reasoned amendment. I do believe that this amendment is eminently reasonable, and the reason is this. The UCP government came up with their \$4.7 billion corporate tax reduction, and this was formulated before two important historic events had happened. One was just on the cusp of starting, and the other one has visited us now.

First, it's the continued economic downturn that we have experienced in the energy sector here in the province of Alberta and indeed in many jurisdictions around the world, where the price of oil and other energy products has fallen precipitously, and this continues. We can learn a lot of lessons, Mr. Speaker, from that precipitous drop in energy prices, which began probably in 2013 or 2014, and one of them is, of course, to have a long-term plan for diversification. You simply cannot continue to rely so heavily on a single source of economic development and not expect the wild swings of boom and bust that our province has had for many years. This time I think that we're starting to see a more categorical change in the use of energy, the production of energy around the world, and so forth, so now more than ever is the time to invest in diversification in the broadest possible way.

Does the corporate tax reduction achieve that goal? Well, you know, I don't see a lot of evidence that would suggest that that would be so. What evidence can we look at from our own jurisdiction? We can certainly look at the numbers that we saw before the COVID pandemic did visit us here in Alberta and indeed across Canada and around the world. Even before, with part 1 of this considerable corporate tax reduction here in the province of Alberta, we lost more than 50,000 jobs, we saw the deficit more than double, we saw the actual economy shrink by more than half a percentage point, and the trend was clear from that point on when you come up with a plan that is not particularly successful during the economic downturn and then double down on it when, clearly, the landscape, reality, has changed here in the province of Alberta and indeed around the world.

We are faced with an unprecedented pandemic, literally thousands of people infected in our province. We had 20 people die today, and these numbers, we know from simple mathematics, are increasing exponentially every single day. When you have one case of COVID, then you have at least 10 close contacts, and do the math from there. It spreads out, and again we can see that reflected in the numbers that are coming out every day here in the province of Alberta.

All that being said, of course, besides the human tragedy, this is the number one economic issue and is changing the way that we should be doing things to deal with this short term, medium term, and long term as well. Of course, if you do not have a coherent pandemic plan, you do not have a coherent economic plan. One must follow the other, and one depends on the other as well.

So we're seeing a lot of tough choices, and we can learn from other jurisdictions across the country, around the world, and start to see, as the pandemic develops, how it affects the economy and, of course, the human condition, in which people live. What we can see, I think, pretty clearly is that where the pandemic gets out of control – we are at the cusp of it doing so here in the province of Alberta – then the economy suffers precipitously as well. What is the economy but human beings buying and selling, looking for goods and services and security for their families in their communities? What is the number one thing that would compromise the security and the buying power and the potential for that buying and selling? A pandemic, of course. Let's make a plan – yes? – to achieve diversification in our economy, let's look for a plan to invest in the most valuable resource that we have in our province, which is of course people, and let's make a plan to make sure that they're protected and secure today, tomorrow, next week, over the next number of years, and indeed for a lifetime.

We're blessed with the youngest population, Mr. Speaker, in Canada, and this is a blessing, but it's also something that you need to nurture over time. What we need to do now is provide for the immediate safety of that young population, especially our children, to make sure that we are planning and making sure that we plan for the safety and the security and the education and the good health of those young children as they grow up and become adults and hopefully choose to stay here in this jurisdiction. They will do so when they know that they are looked after educationwise, healthwise, to make sure that the economy is slowly but surely and determinately diversifying as we move along.

Looking for ways by which we can make investments, making sure that we make investments in local start-up projects that are happening here in the province – we have a very entrepreneurial and creative population that is well educated and is quite nimble as well, and we need to encourage all of those qualities by making government policy here during this emergency, during the pandemic and postpandemic, to best suit the needs and meet the needs of that young entrepreneurial population that we do have here in the province.

I think it's clear. You've heard it many times from my colleagues, and I think you hear it from economists and knowledgeable people, this idea of just making a corporate tax cut. You'd think that that, very simplistically, would create the environment for economic diversification and growth and prosperity. Well, I think that we know – and we can learn from other places that have tried to do so and have been bitterly, bitterly disappointed.

When you build a great society, you're building a place in which people will make an investment for the particular business that they might be engaged in, but you build a society to encourage people to stay and to build community and to make an investment in the broadest possible way. I know from different analyses of jurisdictions how attractive they are to invest in. You know, reasonable taxes is part of that equation, but it's only one part of that equation. You see, people will also look at the quality of postsecondary institutions, for example, which we have done very well with here in the province of Alberta.

I must say and give credit where it's due, that some earlier Progressive Conservative governments saw that as an important investment to make 40 or 50 years ago, quite frankly, you know, building and nurturing the diversity of postsecondary institutions

across our province. We have a wonderful geographic spread of 26 schools, colleges, polytechnics, and universities across the province, which is quite unique in Canada. The early investment in those places, in different geographic locations, really helped to nurture local economies. Local economies depend on and are backstopped during economic downturns with places like Olds College or Grande Prairie Regional College or High Prairie or Lac La Biche and Vermilion and all of those places. They have not just a place for their kids to go to school, but it becomes an economic epicentre and a backstop for the economy through good times and through bad.

Those are the kinds of investments that we don't need to look at as some kind of a liability on our ledger. It's not red ink on the ledger; it's an exponential investment in our communities that will pay dividends that would far exceed any of these corporate tax giveaways that this government is engaging in. It's just one example, Mr. Speaker.

We can look at other examples that are quite obvious in regard to health care, right? Again, for a potential business investment people will look for quality health care that's affordable and available to the general population, to the general workforce that might be choosing to build a new company in a given jurisdiction. Choose a place where you have a strong public health system, and you negate the need for negotiating with your workers to have a private health plan for those same workers. Instead, you have the collective insurance plan of public health care.

10:50

Again, education. People look for a place where their kids can go to school K to 12 that is affordable, that is public, and that is invested in in the broadest possible way. Alberta has all of those assets, but we're at sort of the precipice of compromising those assets during an emergency, during an economic downturn, and I think we need to take a long, hard look at whether that's the best choice for building a society, for building community, and for building the economy as well.

We know that this government loves to talk about this idea of getting out of the business of business with the government, but, you know, that's part of what a government is meant to do, especially during an economic downturn. We see literally thousands of businesses here in the province at that same knife's edge of insolvency because of the economic downturn, because of COVID. Businesses are suffering. They need certainty. They need certainty of policy that comes from this place. They need certainty of long-term vision and planning that comes from this level of government, and I think in many cases they're finding it wanting, quite frankly.

When we look at the spectre of what could happen in these next few weeks, we have to look at the responsibility we have as a legislative body to make sure that people's needs are looked after, that their security is looked after, that their health care needs are looked after, and that there's some hope and vision for the future as well. That's the kind of economic plan that I believe we should be giving out to all Albertans here, having a plan that talks about business, talks about taking advantage of the tremendous business skills and opportunities we have in this province, but makes sure that we're looking at the immediate issues around COVID and the COVID emergency.

I think all businesses at this juncture would welcome and, in fact, are clamouring for modelling so that they know when we hit level A, B, C, D, E, F, G. I don't know what the system is because the government is not showing us, Mr. Speaker. We're not hearing what the actual modelling is for COVID over the next number of days and weeks and months. Business needs that, too. They can't

be feeling around in the dark, right? You're cherry-picking, you know, certain businesses like some restaurants, certain restaurants staying up late, or dance lessons or group gym classes. I mean, it seemed to be this random approach to a problem that is quite universal, really. COVID does not distinguish someone who is in a group dance thing or who is in the Legislative Assembly of Alberta at 11 o'clock at night. It's the same virus that spreads in the same sort of way. You know, again, having modelling and an honest way by which we can communicate to not just the business community but the general population of what we expect and what we can do to plan for the immediate future of that is absolutely necessary.

We need tracing, right? We need to make sure that we're making a much more raw, robust tracing capacity, and I know the government has invested in training new tracing people. I mean, that's something that should have happened a month ago, two months ago, but it's starting, right? Is it enough? And then what about the apps that we can put on our phones? It's a prop, but there it is. I would love to have an app on this phone that could actually work that could help us contact trace. Again, we heard just appalling information today about how – 20 people used the contact tracing app?

**Ms Hoffman:** Twenty.

**Mr. Eggen:** Twenty people, at the cost of developing it at more than \$600,000. You can say that this was an abject failure. It was incomprehensible why we were not using the federal app along the way. Maybe it needed to get some bugs out of it, but it's nothing like the one that we had in the province here where nobody was using it because it wasn't working. Of course, a contact tracing app needs a critical mass of people to be actually using it because otherwise it's just a little bleeping thing on your phone if you don't have the hundreds of thousands of people that should be using it. Of course, they're using it in other jurisdictions. You can go to Toronto, or you can go to Saskatchewan, whatever. Don't do it now; COVID is too high.

Again, you know, these are health decisions, but they're economic issues as well. The two work together. If you don't have a coherent COVID plan, you don't have a coherent economic plan either.

**The Acting Speaker:** Hon. members, 29(2)(a) is available. I see the hon. Member for Lac Ste. Anne-Parkland has risen.

**Mr. Getson:** Thank you, Mr. Speaker. It's Movember. I'm not sure if you've noticed, but I started putting on a little facial hair. I'm not sure if we have a bit of a race going or not, but I think I'm neck and neck with you now, so appreciate that.

You know, Mr. Speaker, revisionist history has been interesting. I heard that commented on here a couple of times. I've been hearing a bit of that. When I first came here, I heard the opposition talk about political theatre, and it didn't really resonate as much as it did till tonight. Political theatre. For the opposition: I get it now, what you were talking about. You actually think that this is a play. You actually think that what you're saying in here is going to get a lot of radio play there in those clips, and that that's going to change what's actually mattering to people. You think that you can mention a few talking points here and that you can keep resonating. Mr. Goebbels would be so proud of the methodology of what you're doing. But the hard fact is that the policies that you followed are the reason why most of us actually stepped out of our normal world to come here.

I have one individual telling me about their egress plan, which was basically \$4.5 billion on a train set that they had no idea how to run, buying a bunch of cars and buying oil. I have another one

talking about diversification. Well, diversification to them is simply windmills and solar farms. That isn't diversification. I'm actually from one of those companies that put up a ton of windmills and solar farms.

But you did manage to put out a bunch of – I don't know – folks that worked for the steelworkers union out in my area. We used to have 750 people, Mr. Speaker, working in that coal mine. They rapidly accelerated the phase-out of that. We had an announcement just two weeks ago that they're actually going to accelerate that even further. They paid \$1.5 billion to get out of the contracts. They had no idea.

We talked about the Balancing Pool. Those same individuals forget all of that, revisionist history. Their goals for diversification were to put the energy sector – we had them talking about sewer rats. We had them protesting against actual pipelines. You poisoned the well.

You want to have this big pontification, your theatrical performance, but you're affecting actual people's lives, and you have the audacity to stand up here and talk about job losses. Yeah. There's not too much heckling going on now is there? A hundred and eighty thousand people in the energy sector alone. How many other people did you chase out?

Gwyn Morgan. We want to talk about AEC. The Member for Edmonton-Beverly-Clareview was talking about what we did in the SAGD facilities. We want to talk about how AEC came up with EnCana, the largest corporation, but you forgot to talk to Gwyn Morgan. He gave you the warning signs of what would happen if you kept down your path, how diversity would go out, how you would actually chase companies like that. You have the audacity to say that: oh, we give this giveaway, this tax thing. Anyone can figure out that if you poison the well, you kill the animals, and it's pretty tough to bring them back.

Pontificating about what happened with Teck: you forget that there were a bunch of blockades. You forget that the Prime Minister couldn't make a decision on it. All of their assets were tied up. They're a mining company, and they were going to do oil sands recovery mining. "We can't understand what happened, Mr. Speaker. My gosh. We stood up and we protested against an entire industry. We said that they had the worst environmental record." That's completely wrong. "We didn't support them. No. We're going to diversify. We're going to stop everything else, turn out the whole Balancing Pool. We're going to change things around so that we're going to force everybody to switch to windmills."

One member talked about the wind blowing. Yeah, a lot of hot air over there because, again, to them this is political theatre. It's not real. It's whatever sound bite they're going to throw up on YouTube or Twitter or whatever social media thing. They don't even have the courtesy to pay attention to what other people are talking about in here. I wish we could still have people in the stands, up here in the seats. You can see our side working on trying to get through solutions, to try to come up with solving the problem with COVID. By the way, there is life beyond COVID. The economic recovery plan – I don't know – a couple of hundred pages: pick it up and read it. It was put out before all of this, telling you exactly what we're up to.

Artificial intelligence. We want to talk about video game industries. We want to talk about this, and we have. I'm going to talk about Pegasus. Pegasus Imagery is out in my area. They're developing drones. We're actually tying in. We talked to the BioWare guys because we develop the same pool. We're using all the STEM items that come out of the schools. We want higher education, but we want bang for the buck. What can we be? We can be inspirational. I gave a motion, Motion 501, talking about resource corridors. Every single one of the opposition voted against

that. What was it talking about? Egress: getting us deep-sea port access, diversifying the economy, and tying our country back together. Political theatre.

11:00

**The Acting Speaker:** Thank you, hon. member.

Are there any members looking to join debate? I see the hon. Member for Calgary-West has risen.

**Mr. Ellis:** Well, thank you very much, Mr. Speaker. You know, I am very humbled and honoured to have represented the good people of Calgary-West since 2014. I'm very humbled and honoured to share a constituency name with the great former Premier of this province, Peter Lougheed, who was also the hon. Member for Calgary-West. I do want to just mention a couple of things.

Premier Lougheed had what was known as his master financial plan. Quite frankly, Mr. Speaker, it was something that was not rocket science. It was very simple. He talked about low taxes. He talked about a small but stable government. He talked about creating a culture for entrepreneurs and ultimately attracting the foreign investors. What our minister has done and is attempting to continue to do, along with many of my other colleagues and friends within the government, of course, is to just do that and follow the leadership of Peter Lougheed by creating the low taxes and creating the small and stable government and attracting the foreign investors and, of course, creating this culture for the entrepreneurs to thrive.

With that, of course, Mr. Speaker, I do support this bill, and I do not support the amendment as provided by the hon. members opposite.

With that, Mr. Speaker, I move to adjourn debate. Thank you.

**The Acting Speaker:** Thank you.

[Motion to adjourn debate carried]

#### Bill 40

#### Forests (Growing Alberta's Forest Sector) Amendment Act, 2020

[Adjourned debate November 3: Mr. McIver]

**The Acting Speaker:** Are there any members looking to join debate? I see the hon. Member for Calgary-McCall has risen.

**Mr. Sabir:** Thank you, Mr. Speaker. I rise to speak to Bill 40, Forests (Growing Alberta's Forest Sector) Amendment Act, 2020. I represent an urban constituency. We don't have many trees – that's in your area – but I do understand that it's an important industry. It has supported jobs, it's important for the environment, and many other reasons. With many other pieces of legislation, what the government is doing here is that they are adding "(Growing Alberta's Forest Sector) Amendment Act." I don't think this act is about planting new trees or anything, and there are many questions about how it will grow the industry, which were not answered, so I will outline, basically, some of the concerns that have been raised by stakeholders, that have been looked into by my colleague and the critic for forestry. I will outline those.

First and foremost, I would say that governing is about balancing competing interests, and since we have forests all over Alberta, there are many competing interests that the government would need to balance. I will start by outlining some of those. In particular we know that the entire province is covered by treaties 6, 7, and 8, which covers the province of Alberta and the lands within the province of Alberta. These are traditional lands of treaty First Nations, and they do have constitutionally protected rights in these

lands. Even the lands outside their reserves still are their traditional territories.

Their rights are constitutionally protected. Their right to consultation is constitutionally protected, and there is a whole lot of jurisprudence coming out of the Supreme Court of Canada explaining what those rights are and what those consultation requirements are, and certainly if we are making changes to how we govern forestry, if we are making changes to how forestry leases and those tenures will work, these changes will have some implications for First Nation communities across our province.

I think the number one concern is that while making these changes, government has not consulted with First Nation communities. We do not know how these changes will impact their rights, will impact their constitutionally protected rights. I think government will say that they have created the Indigenous Opportunities Corporation, but, trust me, I was practising indigenous law before running for public office. I can tell you that unless we properly consult with them, unless we get First Nations communities onside, these changes can end up in court. These changes can be challenged by these First Nations.

The best I think we can do, for many reasons – if I just talk about from my background practising law for indigenous communities, the best course of action for any government, any decision-making body is that when they think that there is a potential for any impact on indigenous peoples' rights, on their consultation rights, it's best that we should consult indigenous communities before bringing forward these changes.

The second thing that I think is important from the truth and reconciliation point of view as well is that if we really want to reconcile with these communities, if we want them to be part of the economic, social, cultural life of our province, I think we should include them in all matters that impact on their rights or that may potentially impact their rights.

First and foremost, I think, we support updating legislation. We will support anything that this government brings forward that has potential to create some jobs. We will support anything that this government brings forward that has potential to attract new investments, but I think we don't see that here. By naming bills "growing forests" and "creating jobs," by naming bills "attracting investment" – we saw that the Minister of Finance and Treasury Board did that with the \$4.7 billion tax giveaway bill, naming it the attracting investment and creating jobs bill. We saw that just by naming the bills, you don't create jobs. Just by naming the bills, you don't attract investment. Instead, quite the opposite, we saw 50,000 jobs getting lost before the pandemic. We saw investment fleeing from the province that didn't create any jobs, and by naming this bill that it's somehow about growing our forests, I don't think that will cut it.

Government didn't get it right. Government should have consulted with indigenous communities, and they only chose to consult with the industry. If there is some overriding reason why in this case government thought that indigenous communities shouldn't be consulted, if there is some opinion that this piece of legislation doesn't impact any constitutionally protected indigenous rights, the government bench can get up and say that so that we're sure that this bill in no way, shape, or manner will have any bearing on indigenous communities' rights or on indigenous rights, so that we can be assured and Albertans can be assured that the approach government is taking is the right one and that this will have no adverse impacts on indigenous rights.

**11:10**

The second thing, as I mentioned, is that the government has named it: growing Alberta's forests. During the technical briefing

my colleagues raised the question: how does the government think that this bill grows the forestry sector? They asked if there was any analysis done, they asked about how many more jobs it will create, and they asked whether it will attract new investments. Like, those are all basic questions, and those are all the right questions that should be asked when the government is naming a bill: growing the forestry sector. None of those questions were answered in the technical briefing. My colleagues were not provided any information about how this bill will create any jobs. They were not given any information about how this bill will attract any investment, how this bill will increase any activity in this sector. Those are kind of pretty basic questions, and that's the information that we hope that government will share during the debate so that we can assess that this bill will achieve its stated goals or its intended goals.

The third thing is that there are some other questions as well. We heard that government reached an agreement with the federal government on October 23 to protect woodland caribou herds. As I said earlier, the job of the government, other than governing, is about balancing the competing interests. On one hand, we want to grow our forestry sector, we want to have more investment come to the province, and we want to have more jobs in rural communities in the forestry sector. At the same time, I think we also have an obligation with respect to the environment, with respect to wildlife within those forests. I think it would be helpful if the government bench could share the details about that deal that they reached with the federal government about woodland caribou herds, how that has been accounted for in this bill, whether these changes that are before us were considered before that deal was reached, and if so, are there any further amendments that government will bring forward to address their deal with the federal government that they recently reached?

The other thing is that we do know that in comparison to Ontario, Quebec, and even British Columbia, Alberta's forestry sector is smaller than these three main jurisdictions. This bill says that it will grow the forestry sector, but we do not see anything in this bill, any kind of plan in this bill, any provisions in this bill that we can look at and say: "Okay. That's the plan. These are the provisions that will help our forestry sector grow, that will help us compete with B.C., that will help us compete with Quebec, that will help us compete with Ontario." We didn't see that, so I think it would be helpful if government would share their plan on how they plan to grow this sector and how they will ensure that we can get a fair share in this bigger market. We do not see any provisions in this piece of legislation, so if government has that information and if anyone from the front bench would like to explain those things, that will be really helpful for us to better understand this bill, for Albertans to better understand this bill, and for Albertans to see how this bill will grow our sector and how it will create jobs and how it will bring investment.

Then another thing: we have heard over the last few years about the ongoing softwood lumber dispute with the U.S.A. I think there is nothing in this piece of legislation that talks about that, and we do know that that's one of the key issues in growing our forestry sector, whether that is in Alberta or in other provinces. Again, it would be helpful if government can provide those details, government can share some details on how they're approaching that issue, what kind of negotiations they have engaged in with the federal government, with their U.S. office in Washington. Will these changes have any implications for those negotiations, and if not, how will it address those issues with a change in administration in the U.S. and all that? I think that's a critical piece if we are serious in our efforts about growing our forestry sector.

I think we need to have a plan of how we will compete in the market with other competing provinces. We need to have a clear

idea about how we will approach these issues that the softwood lumber dispute has created for us, how we intend to approach those issues, so it's important that government provides us with some more details.

I also note that the minister added a preamble to this.

**The Acting Speaker:** Thank you, hon. member.

Standing Order 29(2)(a) is available should anybody . . .

Seeing none, are there any hon. members looking to join debate?

Seeing none, I am prepared to ask the question.

[Motion carried; Bill 40 read a second time]

**The Acting Speaker:** I see the hon. Associate Minister of Natural Gas and Electricity has risen.

**Mr. Nally:** Thank you, Mr. Speaker. It's getting late, so I move that the Assembly adjourn until 1:30 p.m. on Tuesday, November 17.

[Motion carried; the Assembly adjourned at 11:19 p.m.]





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