



Province of Alberta

The 29th Legislature
Third Session

Alberta Hansard

Tuesday afternoon, May 23, 2017

Day 37

The Honourable Robert E. Wanner, Speaker

Legislative Assembly of Alberta
The 29th Legislature

Third Session

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Sweet, Heather, Edmonton-Manning (ND), Deputy Chair of Committees

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Barnes, Drew, Cypress-Medicine Hat (W)
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Carlier, Hon. Oneil, Whitecourt-Ste. Anne (ND),
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Connolly, Michael R.D., Calgary-Hawkwood (ND)
Coolahan, Craig, Calgary-Klein (ND)
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Government Whip
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Feehan, Hon. Richard, Edmonton-Rutherford (ND)
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Fitzpatrick, Maria M., Lethbridge-East (ND)
Fraser, Rick, Calgary-South East (PC)
Ganley, Hon. Kathleen T., Calgary-Buffalo (ND)
Gill, Prab, Calgary-Greenway (PC)
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Starke, Dr. Richard, Vermilion-Lloydminster (PC)
Stier, Pat, Livingstone-Macleod (W)
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Sucha, Graham, Calgary-Shaw (ND)
Swann, Dr. David, Calgary-Mountain View (AL)
Taylor, Wes, Battle River-Wainwright (W)
Turner, Dr. A. Robert, Edmonton-Whitemud (ND)
van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
Westhead, Cameron, Banff-Cochrane (ND),
Deputy Government Whip
Woollard, Denise, Edmonton-Mill Creek (ND)
Yao, Tany, Fort McMurray-Wood Buffalo (W)

Party standings:

New Democrat: 55 Wildrose: 22 Progressive Conservative: 8 Alberta Liberal: 1 Alberta Party: 1

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Legislative Assembly of Alberta

1:30 p.m.

Tuesday, May 23, 2017

[The Speaker in the chair]

The Speaker: Good afternoon. I know the prayer referenced it this morning when the session started, but let us all remember the disasters of violence when it is used throughout the world.

We will now be led in the singing of our national anthem by Mr. Robert Clark. Please join us in the language of your choice if you would like.

Hon. Members:

O Canada, our home and native land!
True patriot love in all thy sons command.
Car ton bras sait porter l'épée,
Il sait porter la croix!
Ton histoire est une épopée
Des plus brillants exploits.
God keep our land glorious and free!
O Canada, we stand on guard for thee.
O Canada, we stand on guard for thee.

The Speaker: Please be seated.

Introduction of Visitors

The Speaker: The hon. Member for Edmonton-South West.

Mr. Dang: Thank you, Mr. Speaker. It's my pleasure to rise and introduce to you and through you to all members of the Assembly some of my friends who are visiting from Saskatchewan today. Carla Beck is the NDP MLA for Regina Lakeview and is seated in your gallery today. Carla serves as the deputy opposition whip and is the critic for Education, early learning, and child care, the Crown Investments Corporation, Saskatchewan Government Insurance, and SaskEnergy, a lot of files, something that our caucus is very familiar with. Carla was also a school trustee with the Regina public school board prior to being elected as an MLA. Before entering politics, Carla was a registered social worker with over 20 years of experience in that field. Seated with her in the gallery today is Carla's daughter Hannah Marsden-Beck, who is currently a grade 11 student in Regina, visiting Edmonton today because she's considering attending the University of Alberta to pursue a degree in engineering. Carla and Hannah both know the importance of a strong, progressive government and have come to see how an NDP government makes lives better for all Albertans. Now I'd ask them to please receive the traditional warm welcome of the Assembly.

The Speaker: Hon. members from Saskatchewan, there may be a counteropinion on that particular matter.

The hon. Member for Banff-Cochrane.

Mr. Westhead: Thank you, Mr. Speaker. It's a delight for me to introduce to you and through you to members of the Assembly a delegation representing the Council of State Governments Midwest, or CSG Midwest, of which Alberta has been an affiliate member since 2010, and I'm honoured to represent Alberta on behalf of the Minister of Economic Development and Trade. They are Indiana state Senator Ed Charbonneau, co-chair of the Midwest-Canada Relations Committee; Mike McCabe, director of the CSG Midwest; and Ilene Grossman, assistant director of the CSG Midwest. The CSG Midwest is a regional forum made up of 11 Midwestern states that include Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin, and

the Canadian provinces of Alberta, Manitoba, Ontario, and Saskatchewan. Alberta's participation in the CSG Midwest gives us the opportunity to engage with U.S. state legislators like Senator Charbonneau to share information, build consensus, and promote common interests on a number of regional issues.

Mr. Speaker, the member states of CSG Midwest are some of the most important trading partners for Alberta. To put this in perspective, in 2016 Alberta exports to the 11 CSG Midwest region were valued at \$30.4 billion, and imports from the CSG Midwest region to Alberta totalled more than \$5.9 billion. For example, to the state of Indiana, where Senator Charbonneau serves his constituents, Alberta exports were valued at \$284 million, and imports from Indiana to Alberta totalled more than \$223 million.

The Speaker: Hon. member, I hope you get to the introduction soon.

Mr. Westhead: Yes.

In regard to oil, our single biggest trading partnership with the U.S., we supplied approximately 34 per cent of U.S. oil imports.

We appreciate this visit by CSG Midwest representatives and this opportunity to build on our relationships with the member states. Mr. Speaker, the delegation has risen, and I'd ask the members to extend the warm welcome of the Assembly.

The Speaker: Welcome.

Introduction of Guests

The Speaker: The hon. Member for Peace River.

Ms Jabbour: Thank you, Mr. Speaker. For several years the Legislative Assembly has supported the Edmonton Regional Heritage Fair, which provides an opportunity for students in Edmonton and the surrounding area to research and present projects celebrating Canada's heritage. The Legislative Assembly Office recognizes one outstanding presentation that specifically relates to Alberta's history, politics, or governance. It is my pleasure to introduce this year's award winners, Medina Assiff and Madeena Jallal Tarrabain, grade 7 students at the Edmonton Islamic Academy. Their presentation, entitled *The Trudeaus: Past and Present*, was well researched and engaging. Accompanying Medina and Madeena today are their mothers, Hoda Assaf and Mahassen Assiff, and their teacher, Kirstie Elsa Jensch. They are seated in your gallery, and I'd ask them all to rise, please, and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

The hon. Minister of Municipal Affairs.

Mr. S. Anderson: Thank you, Mr. Speaker. I'd like to introduce to you and through you to all members of the House a fantastic group of kids, who I had the pleasure of having a fun picture with and doing the dab with downstairs, from Father Leduc Catholic school in Leduc and their teacher, Mrs. Janelle Kowerchuk. Hopefully, I said that right. I'm glad that they got to come here today and have a great visit. It was a pleasure meeting them, and I'd like to get to their school to see them again sometime. I'd invite them to rise and have us give them the traditional warm welcome.

The Speaker: Welcome.

The hon. Member for Red Deer-South.

Ms Miller: Thank you, Mr. Speaker. I would like to introduce to you and through you 73 students from the amazing constituency of Red Deer-South. They attend Eastview middle school. The students

are accompanied by their teachers, Jennifer Neis and Greg Boulay, and 11 chaperones. I would like them to rise and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Innisfail-Sylvan Lake.

Mr. MacIntyre: Thank you, Mr. Speaker. I would like to introduce to you and through you on behalf of my colleague from Battle River-Wainwright people from the Holden school. The students are accompanied by their teachers, Mrs. Amanda Hewlett, Karen Arychuk, and Nicole Suchy, along with their chaperones, Annette Hrabec, Marilyn Koch, and Michelle Albrecht. If the students, staff, and chaperones could please rise and accept the warm welcome of this Assembly.

The Speaker: Welcome.

The hon. Member for Cardston-Taber-Warner.

Mr. Hunter: Thank you, Mr. Speaker. I rise to introduce to you and through you to all members of this Assembly the students from Erle Rivers high school in Milk River in my riding. I'd like to ask Courtney and Barb and the students to rise and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

Hon. members, are there any other school groups? The Minister of Indigenous Relations.

Mr. Feehan: Thank you, Mr. Speaker. I rise today to introduce to you and through you a group of students visiting from a local school in my riding of Edmonton-Rutherford. L'école Greenfield is one of several bilingual schools in my district and takes pride in furthering French education here in this province and especially in Edmonton. I would like to thank them for taking the time to come visit us today, and I'd ask the entire House to join me in saying hello and bonjour to the guests as they please rise and receive the warm welcome of the Assembly.

1:40

The Speaker: The hon. Minister of Seniors and Housing

Ms Sigurdson: Well, thank you, Mr. Speaker. It's my pleasure to rise today to introduce to you and through you to all members of the Assembly a constituent from the wonderful riding of Edmonton-Riverview. Marie Walker is a retired nurse and a dedicated volunteer in the community. She volunteers with the Autism Society, the Edmonton Native Plant Group, and the United Church of Canada. Marie is also a long-term volunteer in my constituency association, and I'm grateful for her significant contributions. She is joined today by her grandchildren Taiyo and Tsukino Walker; Dylan, Mason, and Cora Ramirez; and their friend Ismael Booq. I would like them all to please rise – there they are – and receive the traditional warm welcome of the Assembly.

The Speaker: Welcome.

Are there any other guests today?

Members' Statements

The Speaker: The hon. Member for Edmonton-Whitemud.

Dr. Turner: Thank you, Mr. Speaker. This is not a member's statement; it's an introduction. It's a privilege to rise and introduce to you and through you . . .

The Speaker: Hon. member, you need unanimous consent if you'd like to introduce a guest. Have you a visitor here today?

Dr. Turner: Yes.

[Unanimous consent granted]

Introduction of Guests

(continued)

The Speaker: The hon. member.

Dr. Turner: Thank you, Mr. Speaker, and to the House. It's a privilege to rise and introduce to you and through you to all members of the Assembly Jake Bainbridge and Ryan Dick from Terrapin Geothermics, the topic of my member's statement to come. Jake is Terrapin's senior engineer. After studying aerospace engineering in the U.K., Jake moved to Alberta to work in Canada's oil and gas industry. Jake oversees technology development and industrial projects. Ryan has an extensive background in project development, financing, and PPA negotiations for renewable energy projects. He returns to Alberta to work with Terrapin after stints in Ecuador as well as Silicon Valley. I invite them to rise, as they have, and receive the traditional warm welcome of this Assembly.

The Speaker: Welcome.

Members' Statements

(continued)

The Speaker: Now, hon. member, your member's statement.

Terrapin Geothermics Investor Tax Credit

Dr. Turner: Thank you, Mr. Speaker. It's obvious I'm still learning in here.

This government's energy efficiency programs are helping Albertans save up to \$112 each year by switching their light bulbs alone. This isn't trivial and is one of the reasons that over 100,000 Alberta families have signed up with efficiencyalberta.ca. This sort of information resonates with constituents of Edmonton-Whitemud, who are excited to hear of the many other energy savings through efficiencyalberta.ca. Indeed, homeowners in Edmonton-Whitemud have registered in really large numbers. They're also signing up for the installation of solar panels, and developers such as Landmark Homes and Melcor have successfully marketed net-zero homes and solar-panelled townhouses in Edmonton-Whitemud. Our community cares about climate change and energy efficiency.

In this vein, I would like to tell the Assembly about an Alberta-based renewable energy company which is among the first companies to offer investors the Alberta investor tax credit. With this approval for its proprietary waste heat generator Alberta-based investors and Terrapin Geothermics can receive a 30 per cent Alberta tax credit. Terrapin is an example of the AITC program creating a strong incentive to support high-growth, innovative opportunities in Alberta.

The Terrapin engine produces clean baseload power from sources of waste heat such as oil and gas wells as well as SAGD sites. A single SAGD can lose over 17 terajoules of waste energy daily. Harnessing this could provide power for 60,000 homes. The Terrapin engine is a technology coming from the University of Alberta, and the technology is particularly suited to a climate with low average ambient temperatures.

Terrapin Geothermics is also expert in geothermal mapping. It has created 3-D models of geothermal reservoirs in Alberta which have tremendous potential for both investment and job creation.

I'm proud to be part of a government that is building on local expertise and using the AITC to develop our economy while protecting the environment.

The Speaker: The hon. Member for Chestermere-Rocky View.

Violence against Women and Girls

Mrs. Aheer: Thank you, Mr. Speaker. It is with an extremely heavy heart that I rise to pay homage to the numerous young people who died at the Ariana Grande concert last night in Manchester. As the details of this horrific terrorist event emerge, we are learning more about the victims. As expected, a disproportionate number of young girls are expected to have died.

Some of Ariana Grande's top songs: *Into You*, *Break Free*, and a modern-version theme from *Beauty and the Beast*.

When I saw the news, I instantly felt sick, keenly aware that youth, young girls, were targeted because they were young and happy and free, the embodiment of the ideals that those who inflict terror hate so much. When I was made the shadow minister of Status of Women, I pledged to work towards the advancement of women's causes in Alberta and around the world. Women are pillars in our communities, leaders in business, trailblazers in science and technology, and so much more, but women, girls especially, are still a primary target for sexual, psychological, and extreme religious violence around the globe.

Many of these young girls were likely going to their first pop concert, a rite of passage that should be a part of growing up. They were there to laugh and dance and sing along to one of their favourite songs. These are the activities that terrorists want to take away. They feel that the oppression of women is their right. They want to replace the uninhibited joy of a young girl going to a concert with fear instead.

Above all else, in the coming days and weeks and months as the stories of the precious young men and women who lost their lives in these attacks come out, we must always remember: we cannot let fear win. I feel fortunate every day to live in this beautiful country, one of the freest and most tolerant nations of the world, but Canada is not immune to the ideologies that treat women as subhuman or expendable. Last night's attack served as a reminder that all decent people must be on guard, even in a free nation, against the ideologies that seek to repress girls into cycles of violence and abuse. Society is counting on us.

Thank you.

Government Policies

Mr. McIver: Mr. Speaker, as time goes on, it becomes more obvious that this NDP government must be replaced. A government typically uses Bill 1 to set a positive tone. This government used it to break their election promise of eliminating all school fees. They took over \$50 million away from school boards, leaving the parents, who now won't be paying those fees, to wonder what else will be taken away from their school to make up for the money.

Bill 3 does nothing to make the blood supply in Alberta safer. It does, however, give a monopoly in providing blood services to the union employing the Premier's husband.

The Children's Services minister has left kids in the same home where Serenity was abused and eventually killed, hiding behind legislation that the minister will not specify.

The Education minister has signed an agreement which limits hard-working and caring teachers' hours and actually prevents them from being the best they can be.

The postsecondary minister has ignored warnings from the Auditor General, forcing him to single out the minister.

The Environment minister has carbon taxed Albertans and spent the money in Ontario for light bulbs and to buy advertisements which have failed to convince Albertans.

The Service Alberta minister has stopped telling drivers when their vehicle registrations will expire.

The Labour minister is so disrespectful to Alberta workers that she answers serious questions about the hundreds and thousands of lost jobs with pop culture references, ignoring the real and current plight of families.

The Justice minister has insulted virtually every judge in Alberta by denigrating their appointments, which should be a fireable offence, all the while dithering on fentanyl and Serenity's file.

The Finance minister is unable to put forward a credible plan to run the province today, to protect the future of our grandchildren, or to even begin paying back \$75 billion in debt that he will accumulate before the next election.

The Premier should fire all these ministers and resign as leader of this out-of-tune band. I have no faith, Mr. Speaker, that will happen.

The answer is a new, united conservative government in 2019. Albertans are actively shopping for a new government. Our job is to be the best choice to fix the mess created by the current group of ministers, who are completely out of touch with Alberta.

Oral Question Period

The Speaker: The Leader of the Official Opposition.

Carbon Levy and Energy Industry Image

Mr. Jean: Social licence is fast becoming a snake oil of the 21st century. The concept that social licence is needed to get pipelines built is not only wrong, but it's dangerous. The NDP government just doesn't get how important getting our energy products to market is. They are consumed with a misguided feeling that they somehow must apologize for our energy sector with a carbon tax and are taking away from the world-class NEB process we already have. Will the Premier face the facts, realize she is hurting our economy and Albertans, and give up her career as a snake oil salesperson?

1:50

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. I must say that the people in this House who are selling snake oil are those who want us to pretend that climate change isn't an issue and that the government has no responsibility to deal with it. Thankfully, those snake oil salespeople aren't in government; we are. We are moving very carefully, very forcefully on this issue while at the same time working with the progressive members of our oil and gas industry to grow our industry sustainably and prosperously for years to come.

Mr. Jean: Mr. Speaker, the SS *Climate Change Fearmongering* has sailed. The Premier just doesn't get it. You can't earn social licence, because it doesn't exist. Albertans are paying the price for the Premier's misguided belief in the form of a carbon tax that is only hurting hard-working Albertans, they're paying the price in opportunities lost and fleeing investment because of the economic

conditions created by this NDP government, and they're paying the price when this government puts all of its eggs in the social licence basket. Will the Premier wake up to the facts and cancel the carbon tax, that is only hurting our province when Albertans can least afford it?

Ms Notley: Well, as the member opposite knows but hates to admit, the fact that we have not one but two pipelines approved is absolutely, completely connected to our climate leadership plan. So not only are we diversifying the economy, creating jobs, and taking action to reduce emissions; we're also getting our product to tide-water, Mr. Speaker, overall a good record that I'm happy to speak to Albertans about.

Mr. Jean: I think, Mr. Speaker, we heard it best. If you're so justified, call an election.

Rex Murphy has it right on social licence. The Premier missed the central point of social licence: its preconditions can never be met, and are not meant to be. It is an obstructionist tactic, designed to forestall and delay, till whatever its target has been become so worn down by process and protest and delay that it is simply taken off the policy table.

Will the Premier please stop making Albertans pay for her misguided ideas and stop chasing after this figment of imagination called a social licence? [interjections]

The Speaker: Hon. members.

Ms Notley: Well, Mr. Speaker, there's no question that the member opposite and his soon-to-be dance partners could school this whole House on how to break an election law and call an election early. However, the lesson from that particular schooling is not one that I think they'd like, and certainly it didn't help them out very much.

Mr. Speaker, we are proud of our record on this. The federal government has the authority to make the decision. They have made the decision. The pipelines are approved, and this is because of our work on climate leadership. That is a record I will be proud to run on when it's a legal time to call an election. [interjection]

The Speaker: Hon. member.
Second main question.

Opioid Overdoses

Mr. Jean: Late Friday Alberta Health posted the first-quarter report on opioid and substance misuse: 113 Albertans overdosed and died in the first three months of 2017. That's a 61 per cent increase. Every day someone in Alberta lost their life as a result of this crisis. You wouldn't know it, though, from the NDP quietly posting these numbers without any comment before a long weekend: no news conference, no news release, no statement even from the minister. Why is the Premier treating overdose deaths in our province as something to hide on a Friday afternoon instead of a full-blown crisis as it should be and recognize it with Albertans . . .

The Speaker: Thank you, hon. member.

Ms Notley: Well, Mr. Speaker, you know, each and every member of this government is incredibly concerned and focused on dealing with the tragedies that occur every day as a result of this opioid crisis. One of the things that we've done is we've improved transparency and reporting to Albertans, and that's exactly why the information that was released on Friday was released at the request of the chief medical health officer: because it was ready to go. That's how we do things.

You know what, Mr. Speaker? We are also working very, very hard through a number of different measures to address this crisis. It's not an easy one, but we will not stop until we get it right.

Mr. Jean: The federal Health minister has called this the biggest overdose epidemic in our country's history and an unprecedented public health crisis. Premier, the NDP government has tasked a junior minister with the file, who can only be bothered to take cheap, partisan shots instead of trying to address this serious problem. Every day of inaction from this government results in more Albertans losing their lives to this crisis. It's essential. Why on earth won't the Premier do the right thing, step up, and call this what it is, an unprecedented crisis that deserves the full attention of her government?

Ms Notley: Mr. Speaker, the federal minister is absolutely right. This is an unprecedented crisis. This is an unprecedented problem with opioid deaths. That's why our government has put \$56 million so far into prevention. That's why we are working very, very hard to get safe injection sites in more and more places in order to prevent those deaths. That's why we've put more money into detox beds. We're going to continue to work on this, and there will be more work going forward because this is a very complex and difficult challenge. We can't take our eye off the ball, and neither of the ministers who are dealing with it have done that.

Mr. Jean: The opioid crisis has multiple root causes and deserves multiple solutions, not just greater access to naloxone. The right way to co-ordinate a response and better share information across ministries is through calling a public health emergency. Time and time again the Premier has rejected the call from the opposition for a public health emergency, but I'll try again. Premier, since you agree that it's important given the unprecedented magnitude of this crisis, will you do the right thing and call for a public health emergency? Yes or no?

Ms Notley: Well, Mr. Speaker, I know that even the member opposite has to have taken the time to read the legislation. Calling this in our province a public health emergency would give the province the ability to take property from people, to go into their homes, and to conscript them. [interjections]

The Speaker: Hon. members.

Ms Notley: That is what our legislation says, Mr. Speaker. The work that's going on in other provinces – co-ordinating services, investing money, sharing information, working with doctors, ensuring that there are more resources for people suffering from addictions – is going on in Alberta already. It is not necessary to put in the War Measures Act.

The Speaker: Third main question.

Student Assessment and Curriculum Review

Mr. Jean: Mr. Speaker, today I also want to ask some questions about accountability in education. Just four years ago mandatory grade 3 provincial achievement tests, PATs, were replaced with student learning assessments, SLAs. Now we hear that the SLAs will become optional. Believe this or not, teachers will decide if they want to administer them. No one is asking parents, the actual people that should be in charge. How will this lead to accountability, and what will the minister say to Alberta parents, who need to know how their child is doing in grade 3, if testing is actually up to the teachers to do?

Ms Notley: Well, you know what, Mr. Speaker? If the members opposite were to actually go out and talk to parents and talk to Albertans, what they would hear from parents of kids who are in grade 3 is that those grade 3 exams cause nothing but stress and anxiety for those kids and that experts from all across the board think that they are a bad idea. Indeed, that's why their dance partner actually supported a private member's bill several years ago to get rid of the grade 3 test. The minister is working on this issue. You know what? We have to have balance, and subjecting grade 3 kids to these tests just so that they can measure things is not . . .

The Speaker: Thank you, hon. Premier.

Mr. Jean: Optional testing, Mr. Speaker? [interjections]

The Speaker: Order, please.

Mr. Jean: There are also accountability issues in the NDP's massive curriculum development project. Albertans worry about this government's NDP world view becoming ingrained in our curriculum. This government doesn't want to disclose which outside groups are even being consulted on the curriculum, and they won't release the actual comments that Albertans provided on the government's flawed consultation process. Why is the minister ducking accountability? If he is confident that what he is doing is what Alberta parents want, why won't he release the actual comments submitted by parents on the surveys?

The Speaker: The hon. Minister of Education.

Mr. Eggen: Well, thank you, Mr. Speaker, and thank you very much for the question. Alberta is engaged in the very largest curriculum rewrite in the history of the province and the most transparent rewrite of curriculum in the history of the province as well. We have literally hundreds and hundreds of interactions with the public, with different groups coming in. We even have different territories. Our curriculum is so good that Nunavut and the NWT also use our curriculum. So I defend the position that we have to build curriculum. We're doing it in a very transparent way, and we're doing it with the expertise that we have on the ground.

2:00

Mr. Jean: Wow, Mr. Speaker. This NDP government is so out of touch with parents in Alberta. This week we are starting to see the NDP world view creeping into the proposed social studies curriculum. As one columnist noted, there seems to be precious little history in the draft curriculum. Instead, there is a focus on – wait for this – prejudicial policies and perspectives on activism. When you look at the new list of things being taught, you might think that Alberta is a horrible place and not one of the safest, freest, and most tolerant places in the entire world. Can the minister please explain why the draft social studies curriculum takes such a negative view . . .

The Speaker: Thank you, hon. member.
The hon. Minister of Education.

Mr. Eggen: Well, thank you, Mr. Speaker. Certainly, the program that we are building for curriculum is transparent in the broadest possible way. We have literally hundreds of different individuals and groups presenting. I would advise the hon. member opposite to actually read what we're putting forward instead of just reading second-hand Twitter quotes. What we have, in substance, is not only setting a new standard for curriculum, but it is also, I think, going to be something that will help us all in the future for all of our children. I think that it's something we will be very, very proud of.

The Speaker: The hon. leader of the third party.

Teachers' Working Time

Mr. McIver: Thank you. Mr. Speaker, the Premier and her Education minister have thrown rural Alberta under the bus. The ATA agreement, just ratified, caps both instructional and assignable time for every teacher in the province. To the Premier: how will teachers who want to help kids be able to do their jobs when they are told that they have used up their assignable hours, so no more help after class, no more phone calls from parents, no more field trips, no more coaching of sports?

The Speaker: The hon. Premier.

Ms Notley: Well, thank you very much, Mr. Speaker. Again, as we've outlined before, the doomsday scenario that the member opposite is describing is actually not what's happening. In fact, we were fully aware of what the implications of that policy would be. I would say, however, that what families would wonder is how their kids are going to learn if all the teachers that those guys had planned to lay off were in fact laid off, how their kids are going to learn if that extra \$70 million that our government committed as a result of that agreement isn't actually injected into the classrooms, how well students will learn as a result of getting school lunch programs if the members opposite can't even decide they support . . .

The Speaker: First supplemental.

Mr. McIver: Mr. Speaker, this Premier has thrown teachers under the bus. The agreement will handcuff all boards but more so rural boards. The cap on instructional hours will take away the flexibility from these boards and also from the teachers, who care deeply about kids. Again to the Premier. You have knowingly allowed instructional hours to be capped, which means you've taken away the ability of teachers to be the best they can be. How will Albertans' kids get the help they need after class when their teacher is told they've run out of instructional hours?

Ms Notley: Well, again, Mr. Speaker, the member opposite doesn't seem to understand how this policy would actually work or the degree to which the scenario he outlined would ever happen, because the reality is that it wouldn't. To be clear, what this does ensure is that teachers are still spending time preparing for their work in the classroom, because that's something else that teachers also do right now, so this will assist in greater quality within the classrooms. But we are absolutely sure that the quality of education received by Alberta children, something that we care very deeply about, will absolutely continue to improve under the watch of this government, and we are very proud of that.

Mr. McIver: Sending teachers home before they're finished will not help.

Mr. Speaker, this Premier has thrown Alberta kids under the bus. Teachers are amongst the most respected of all professions, in part because of their dedication to working with kids and parents, sometimes for long hours, to give each kid what he needs to succeed. This agreement caps instructional hours, limiting those amazing teachers from doing their best. Premier, since you are clearly ignoring the best interests of teachers, parents, and kids with this latest agreement, whose interests were you protecting?

Ms Notley: Again, Mr. Speaker, just to re-emphasize, the scenario that the member opposite describes is not going to happen, but what I can say is that we increased funding. The members opposite

introduced a budget that wouldn't fund school boards for enrolment increases. That would have undermined. That would have thrown teachers under the bus. They were planning on not hiring teachers for new kids coming in. That would have thrown kids under the bus. They were planning on laying off about 800 educational assistants. That would have thrown kids under the bus. They have no interest at all in our school lunch program. That throws kids under the bus. I could go on forever. The fact is . . .

The Speaker: Thank you, hon. Premier.

The hon. Member for Edmonton-Meadowlark.

Affordable Housing

Mr. Carson: Thank you, Mr. Speaker. Many lower income seniors and families are struggling to make ends meet due to the high cost of housing in our province. We know that to keep rental housing affordable, the stock of rental housing must keep up with population growth. My question is for the Minister of Seniors and Housing. What is the government doing to reduce the strain of housing costs on low-income renters?

The Speaker: The hon. minister.

Ms Sigurdson: Thank you, Mr. Speaker. All Albertans deserve a safe and affordable place to call home, and that's why our 2016 capital plan will build over 6,000 units of affordable housing. This will mean thousands of families will soon have a safe and affordable place to call home. Additionally, we're supporting housing management bodies to do the repairs that they need to do, projects like replacing hot water tanks and furnaces. We know that the opposition would make very drastic cuts to the investment in affordable housing in this province.

The Speaker: First supplemental.

Mr. Carson: Thank you, Mr. Speaker. Given that the previous government failed to make sufficient investments in the Capital Region Housing Corporation and other housing bodies across the province and, in fact, made drastic cuts to these programs even during the most recent economic boom, to the same minister: what is this government doing to correct the affordable housing deficit left behind by that government?

The Speaker: The hon. minister.

Ms Sigurdson: Thank you, Mr. Speaker. Our government is taking action to make life better for Albertans. Our government is following through on our \$1.2 billion commitment to build more affordable housing. We have over 40 projects on the go: Deer Lane in Banff, London Road in Lethbridge. Because our government stepped in with our investments, these projects are now moving forward.

The Speaker: Second supplemental.

Mr. Carson: Thank you, Mr. Speaker. Given that access to safe, affordable housing is one of the most essential needs of a healthy community, can the minister please provide the House with more details on the government's commitment to an affordable housing strategy in our province?

The Speaker: The hon. minister.

Ms Sigurdson: Thank you, Mr. Speaker. We expect to launch the strategy later in the spring. One thing I've heard is how the current

housing system essentially penalizes tenants for improving their financial situation. Currently if a tenant gets a better job and their income level increases to just over the income cut-off for eligibility, they risk losing their home. This type of instability is detrimental to their long-term success. Our government wants to support tenants to improve their financial situation, and that's why I'm looking at this issue, to make life better for Albertans.

Employment and Labour Legislation

Mr. Fildebrandt: When the NDP were in opposition, they had a tradition of filibustering bills to delay them when they didn't have the votes to outright stop them. But even though they now sit on the government side of the House, the NDP are working hard to be Alberta's opposition-in-waiting. For the last two weeks they have been filibustering their own legislation because they don't have their union boss empowerment bill ready yet. It now appears the NDP will attempt to force that union boss bill through the House with rushed late-night sittings. Will the opposition-in-waiting commit that they won't force the bill through late at night?

Mr. Mason: Mr. Speaker, it's well known that you can't ask questions of the opposition, so he can't have it both ways.

We're committed, Mr. Speaker, to getting our legislative agenda through with full debate and to allow as much time as it takes to debate and improve the legislation as we go.

The Speaker: Your first supplemental.

Mr. Fildebrandt: If the question was to us, we'd actually answer.

The Speaker: No preamble.

Mr. Fildebrandt: Given, Mr. Speaker, that the CFIB has released a survey today showing that just 13 per cent of their small-business members agree with the NDP about taking away the right of workers to a secret ballot . . .

The Speaker: Hon. member, I know I don't need to tell you again. Forget the preamble.

Mr. Fildebrandt: Given, Mr. Speaker . . .

2:10

The Speaker: Sit down, please. Too many times you continue to put in inserts as preambles. You know the rules of this House.

Please proceed with your first supplemental again.

Mr. Fildebrandt: Given, Mr. Speaker, that the CFIB released a survey, given that workers have a right to join a union but that they also have a fundamental right to a secret ballot, given that everyone in this place was elected using a secret ballot, which is good because it's getting hard to find anyone who will admit that they actually voted for the NDP anymore, why do the NDP believe in the right to a secret ballot for elections but not for unions?

The Speaker: The hon. Minister of Labour.

Ms Gray: Thank you very much, Mr. Speaker. Albertans deserve fair workplace legislation that protects them, their families, and supports a strong economy. When we introduce legislation, I will be pleased to discuss individual items with the member, but I can assure you that the legislation we bring forward will be fair and family friendly. It will reflect a consultation that engaged thousands of Albertans, including me sitting down personally to meet with the CFIB, Merit Contractors, and chambers of commerce. I look forward to introducing that legislation and moving Alberta forward.

The Speaker: Thank you, hon. minister.

Mr. Fildebrandt: Given, Mr. Speaker, that the NDP chose to name their union boss empowerment bill the Fair and Family-friendly Workplaces Act, which is funny because taking away the secret ballot is not fair and intimidation and bullying from union bosses is not friendly, and given that without the protection of a secret ballot...

The Speaker: Get to your question.

Mr. Fildebrandt: ... workplaces will be significantly more prone to workplace bullying and intimidation as paid union bosses cajole their way, why would this government force through...

The Speaker: Hon. member, when I stand, you sit. Understand that part? Hon. member, look at me, please. Do you understand that part? Tell me yes or no.

Mr. Fildebrandt: Sure.

The Speaker: Great. Next time put a question in there.

Who would like to respond to the question? The Minister of Labour.

Ms Gray: Thank you very much, Mr. Speaker. Again, making sure that Alberta does have fair and family-friendly legislation is important, and I can tell you that right now Alberta does not have fair legislation because we have stories like Amanda Jensen's, who lost her job because her son got leukemia, and she asked for an unpaid leave to take care of a son that needed chemotherapy, that needed treatments. That is not fair. Through my consultation with thousands of Albertans we found agreement on that. Making sure that we have workplace laws that serve our province, serve our economy, and help workers to take care of their families is important.

The Speaker: Thank you, hon. minister.

The Member for Calgary-Greenway.

Care Worker Safety

Mr. Gill: Thank you, Mr. Speaker. More than four months ago a 60-year-old staff member was attacked and almost killed at the Elk Island youth ranch near Lamont. The vicious assault prompted questions about the safety of staff working for the government-contracted service providers throughout Alberta. To the Minister of Labour: since occupational health and safety's investigation could take up to two years, what changes have you introduced for the interim to protect all contracted care workers?

The Speaker: The hon. Minister of Children's Services.

Ms Larivee: Thank you, Mr. Speaker. I'd be happy to speak about the fact that we take the workers that work in our contracted facilities very seriously. From the moment that we heard about it, we took action not only in that facility but to start conversations about what we can do right across this province. Certainly, the workers who take care of vulnerable youth across this province make tremendous sacrifices in order to do so, but one of those sacrifices should not be their safety. So, absolutely, we took it very seriously, stepped in very quickly in that facility, and we'll continue to work to move right across this province to ensure the safety...

The Speaker: Thank you, hon. minister.

First supplemental.

Mr. Gill: Thank you, Mr. Speaker. Given that on March 7 the minister said in this House that

Children's Services is reviewing policy and licensing requirements and accreditation. We will certainly be acting quickly on any findings because... our government believes that no one's life and safety should be put unnecessarily at risk when they go to work,

let me try it again. To the Minister of Labour: what specific action has your ministry taken to ensure the safety of all care workers in Alberta since the February attack?

The Speaker: The Minister of Children's Services.

Ms Larivee: Thank you, Mr. Speaker. Certainly, as the government of Alberta we're very committed to worker safety in every area of this province, but certainly when it comes to our contract providers, we need to make sure that we continue to work with the actual service providers to ensure that workers are safe, that the staffing is at a safe level, because no one's life and safety should unnecessarily be put at risk when they go to work. We are taking a closer look at how we support safety for contract staff. I'm proud of the work Children's Services is doing to make some changes in this area in order to make sure that workers can feel safe when...

The Speaker: Second supplemental.

Mr. Gill: Thank you, Mr. Speaker. Given that physical harm to the government-contracted care worker does occur, including harm of the most serious nature, and given that the victim of the Elk Island attack suffered debilitating physical and emotional injuries and given that Albertans expect contracted employees to have access to a full scope of health benefits should they suffer on-the-job injuries, Minister, can you personally assure this House that the victim of the Elk Island incident has access to comprehensive health support to assist her recovery from this dreadful attack?

The Speaker: The hon. minister.

Ms Gray: Thank you very much, Mr. Speaker. All Alberta workers are covered through our workers' compensation system, which we have been reviewing over the past year to make sure that we have fair compensation for all workers, to make sure that the system is sustainable. In this case, for this specific worker, making sure that there is that appropriate coverage and that we have a system that is sustainable is a priority for our government because this is a tragic situation. No Alberta worker should go to work and not be able to come home safely. We want to do everything we can to protect...

The Speaker: Thank you, hon. minister.

Vegreville Immigration Centre

Mr. Cooper: Mr. Speaker, the federal government is shutting down the immigration case processing centre in Vegreville. Albertans have heard very little from the NDP and absolutely nothing, zero – zero – from the Premier. [interjections]

The Speaker: Order, please.

Mr. Cooper: Clearly, the Premier would rather leave this community behind instead of rocking the boat with her best friend in Ottawa. Mr. Speaker, why doesn't the Premier do more than just wear a button and actually stand up for the people of Vegreville?

The Speaker: The Minister of Labour.

Ms Gray: Thank you very much, Mr. Speaker. I am so proud of this government, standing with the people of Vegreville from day one. The MLA for Fort Saskatchewan-Vegreville has been a champion for this. Through her activism I have had the opportunity to not only sit down with the minister responsible and look him in the eye and talk to him about the importance of Vegreville, but we have sent numerous corresponding letters to the federal government to make sure that they understand the impact that closing this facility will have on Vegreville. This government has Vegreville's back, and I'm very proud of the actions we've taken.

Mr. Cooper: Mr. Speaker, given that the Premier has not said one word publicly and given that Albertans have received word that Ottawa is planning on moving the National Energy Board out of Alberta and given that the feds appear unwilling to stop the move of the immigration case processing centre out of Vegreville and since these are the kinds of results that Albertans have come to expect from this Premier's experiment, that has failed, in quiet diplomacy, to the Premier: when are you actually going to stand up and fight for the people of Vegreville?

The Speaker: The hon. minister.

Ms Gray: Thank you very much, Mr. Speaker. I'm so proud that our Premier and this government fight every day for Albertans, including making public statements about the National Energy Board moving, making sure that I as the minister responsible am engaging directly with the minister responsible for this decision in the federal government. I had an opportunity to sit down with him. The Member for Fort Saskatchewan-Vegreville has done member's statements in this House and has helped to organize the petitions that have been circulated throughout the community of Vegreville. We continue to fight for that community. We have been publicly fighting for that community, and I am proud of that work.

Mr. Cooper: Mr. Speaker, given that Vegreville was first given notice that it would be losing this major employer last October and since this move could result in the relocation of almost 10 per cent of the town's population, the results of which would be devastating, how has the Premier been silent for seven months, turning her back on rural Alberta, while this community loses a major employer? How can she care so little about Vegreville? Will she commit today to calling the Prime Minister himself and defending Vegreville?

2:20

The Speaker: The hon. Minister of Labour.

Ms Gray: Thank you very much, Mr. Speaker. This government has been anything but silent. We have been fighting for Vegreville. We have been talking to the federal government about the impact of their decision. Making sure that we can support our rural communities and understand the impact that closing this centre would have on schools, on businesses, on this thriving community has been a priority for us. We have done so in numerous ways, including in-person discussions. I'm proud of this government's efforts to fight for Vegreville. We will continue to support Vegreville through services and through investments in that community however we can. We are fighting for Albertans.

The Speaker: Thank you.
The Member for Cardston-Taber-Warner.

Capital Project Tendering Process

Mr. Hunter: Thank you, Mr. Speaker. Recently it was brought to my attention that the government was restricting who could and

could not submit tenders for government capital builds. This they called prequalification. In my riding a reputable local builder of provincial public facilities known for excellent quality and on-time project completion was told that they would not even be able to bid on the government tender. Can the Minister of Infrastructure confirm for this House if this is happening or not?

Mr. Mason: Mr. Speaker, it's not my practice to talk about individual contract bids in the Assembly. I can assure the hon. member, however, that the process was fair and that all the bids were evaluated properly. I've asked the department to confirm that for me, and I believe it to be true.

Mr. Hunter: Mr. Speaker, when the tender process is not open to all bidders, the government runs the risk of allowing price-fixing. Given that this is the practice where a small group of contractors who were permitted to bid on a job adds an amount to each of their bids and then the company who gets the bid distributes and adds the amount to each of the other unsuccessful bidders, to the minister: how can you be sure that by restricting the companies who can bid on a job, you are not opening up the Alberta taxpayer to price-fixing?

Mr. Mason: I want to thank the hon. member for explaining the basics of this to me, Mr. Speaker, but I can assure him that the process is fair and that qualified bidders are allowed to bid and that their bids are evaluated fairly and that the best choice, in the opinion of nonpolitical, nonpartisan, skilled public servants, is made in the interests of the people and in the interests of the taxes that they pay.

Mr. Hunter: Mr. Speaker, he forgot to say Scout's honour on that one.

Given that the Alberta purchasing connection inconsistently displays who bid what dollar amount and who won the bid for government procurement of goods and services and given that the purchasing connection also removes access to the tender documents once the competition closes, will the minister increase transparency and accountability and make these necessary changes to the purchasing connection in order to help the private sector offer goods and services at a lower rate?

The Speaker: The hon. minister.

Mr. Mason: Thank you very much, Mr. Speaker. Well, I can tell the hon. member and I can tell the House that we are in the process of revising and updating the procurement process across government. It's a multidepartmental initiative, and we're looking at finding ways to encourage innovation, to encourage local economic investment, to increase green practices. Transparency is part of that process, I want to assure the hon. member.

The Speaker: The hon. Member for Calgary-West.

Fentanyl- and Carfentanil-related Deaths

Mr. Ellis: Thank you, Mr. Speaker. The first-quarter stats for this year's fentanyl-related deaths are definitive. The crisis is not abating. Of tremendous concern is that, of the 113 fatalities in the first three months of this year, almost 20 per cent were due to carfentanil. When asked last month what this government is doing to address public awareness about carfentanil, the minister said it had, quote, released a report, unquote. We now have another report, and fentanyl has taken even more lives. Minister, clearly, reports are not enough. Why are you not declaring a public health emergency?

The Speaker: The Associate Minister of Health.

Ms Payne: Thank you, Mr. Speaker and to the member for the very important question. This crisis is devastating for all Albertans, for families, communities, and, of course, for victims, and that's why this year alone our government is investing \$56 million in support of treatment and prevention. With that money we're going to be expanding the access to life-saving naloxone kits as well as expanding access to supervised consumption services and other wraparound services, plus expanding access to opioid dependency treatment, which is considered best practice when helping people deal with an addiction.

Mr. Ellis: Mr. Speaker, this is an emergency.

Given that there have been incidents around North America that have seen first responders fall ill at overdose scenes involving carfentanil and given that with 50 carfentanil deaths in Alberta over the past 15 months the danger to our front-line emergency workers is extreme and given that Alberta created the first known test to detect carfentanil in blood, which allows this government to act nimbly upon learning that it's present in specific areas, to the same minister: why have you not raised the urgent alarm about the grave public health emergency of carfentanil?

The Speaker: The hon. associate minister.

Ms Payne: Thank you, Mr. Speaker and to the member for the question. Our government is committed to working in close partnership with members in law enforcement as well as other first responders. We're working really hard to make sure that they've got the tools that they need to do their jobs and to keep themselves safe in any situation where there might be carfentanil present. That is why we've worked to expand access to naloxone kits for first responders, which was, you know, leadership taken by this government in order to address this crisis.

Mr. Ellis: The opposition has been calling upon the province to declare a public health emergency to create a co-ordinated response to this epidemic. Given that we have been assured that there is no need to make that declaration because co-ordination is occurring and given that the Justice minister said in estimates that police services are not required to share information with the province – so co-ordination is not happening, then, but what is happening is that Albertans are dying. Premier, will you show leadership here and order your minister to launch a co-ordinated attack on this crisis?

The Speaker: The Associate Minister of Health.

Ms Payne: Thank you, Mr. Speaker and to the member for the opportunity to further highlight some of the work that our government has been doing as part of our co-ordinated response to this. The chief medical officer of health in Alberta has been leading our response and is best suited to do so as a leading epidemiologist in our province. Further, we've been working with partners in the community as well as in partnership with law enforcement and other first responders, increasing access to naloxone, which has saved lives. There were 1,130 reports of life-saving reversals last quarter alone, and we are going to continue to do that work in partnership, continue to share that, and move . . .

The Speaker: Thank you, hon. minister.

The hon. Member for Edmonton-Decore.

Indigenous Workforce Participation

Mr. Nielsen: Well, thank you, Mr. Speaker. As you well know, indigenous people in Alberta face many barriers when finding employment. In fact, the percentage of unemployed off-reserve indigenous population compared to the nonindigenous population in 2015 was almost 6 per cent higher. This is unacceptable. To the Minister of Indigenous Relations: what is the government doing to help indigenous peoples find employment?

The Speaker: The hon. Minister of Indigenous Relations.

Mr. Feehan: Thank you, Mr. Speaker, and thank you very much for the question. I was very happy last week to announce, along with the Minister of Advanced Education and the MLA for Edmonton-Meadowlark, a grant to Trade Winds to Success, an organization that supports academic upgrading and skills training to help indigenous people make a successful entry into the trades, leading to good jobs and careers. Trade Winds to Success has graduated more than 1,000 indigenous students from its preapprenticeship program since the program began in 2009. As a former student stated at the event, "My life would not be what it is today without Trade Winds." Through programs such as this our government is providing funding that helps indigenous people get the skills they need.

The Speaker: Thank you, hon. minister.
First supplemental.

Mr. Nielsen: Thank you, Mr. Speaker. Given that the unemployment rate for young people is almost always higher when compared to other age groups, to the same minister: are there any programs designed to help young indigenous people enter the workforce?

The Speaker: The hon. minister.

Mr. Feehan: Thank you, Mr. Speaker. I'd like to highlight a program that Indigenous Relations offers called the Alberta indigenous internship program. This is a two-year program open to postsecondary graduates who have an interest in working with the Alberta government and possess a good knowledge of aboriginal initiatives, people, communities, and culture. The program offers graduates work experience, professional development, and the opportunity to work with an aboriginal community partner. Interns spend the first year working in one of the participating ministries, followed by nine months of working with a community nongovernment partner before returning to the ministry for the last three months. Currently we have six interns in year 1 and 11 in year 2.

The Speaker: Thank you, hon. minister.
Second supplemental.

Mr. Nielsen: Thank you, Mr. Speaker. Minister, are there any other programs that your ministry funds to boost employment in indigenous communities?

2:30

The Speaker: The hon. minister.

Mr. Feehan: Thank you, Mr. Speaker. There is also the employment partnership program, which supports employment and training initiatives for indigenous people to enter the workforce. Specifically, it supports indigenous people in overcoming barriers, learning new skills, and adapting to changing labour market demands. Last year the employment partnership program provided funding worth \$5.9 million to over 35 employment and training projects. All these

programs invest in employment opportunities for indigenous people to help make life better for these individuals and support Alberta's economy now and into the future.

Thank you.

Provincial Spending

Mr. Loewen: Recently the Premier said that Alberta needed the Trans Mountain pipeline because the revenues that it will produce, quote, will give us more money for health care, more money for education, for renewables, and the technologies to reduce emissions. End quote. Premier, can you tell us here today: if Alberta receives more money because of pipelines, will your plans be to spend it on light bulbs, or will you at least put some towards the astronomical deficit that causes debt and enormous interest payments?

The Speaker: The Deputy Premier.

Ms Hoffman: Thank you very much, Mr. Speaker and to the member for the question. Our Premier has been steadfast in her commitment to making sure that we gain new market access, and that's because Albertans deserve the very best price for their resources. We are going to move forward with the plan that we've brought forward, which includes a plan to get us back to balance within six years, instead of moving forward with rash cuts, as the members opposite are proposing, and getting us there possibly one year earlier. We're not going to fire teachers and nurses. We're going to keep moving forward with a reasonable, balanced approach that stands up for Alberta families and gets us better market access.

Mr. Loewen: Since the NDP government has an apparent spending addiction on things like light bulbs from an Ontario company, a government laundry service, and millions on carbon tax advertisements, will you tell us how much money the NDP government will spend before it decides that enough is enough, or will the Minister of Finance at least tell us here today how high the price of oil needs to be in order for him to balance the budget?

Ms Hoffman: Mr. Speaker, both parties, the future whatever party they call themselves – one party, two parties, three parties – are pushing for rash, ideological cuts. They don't want to stand up for Alberta families. On this side of the House we're capping electricity rates. They'd jack them up. We're capping school fees, and we're making them affordable. They'd jack them up. We're making sure that if you go to university in this province, you can afford to pay your tuition. They want to jack it up. The choice is clear. You guys are wrong. We're moving forward with the right plan.

Mr. Loewen: Given that the minister cannot and will not tell us how much money the NDP government has to collect in order to balance the budget and since the NDP government's debt problem is something that credit-rating agency DBRS says "demonstrates a lack of willingness to contain debt growth" and since it's clear that this government has a spending addiction and that the first step to recovery is admitting that you have a problem, for the sake of the province when is the Minister of Finance going to admit that he has a spending problem and seek credit counselling?

The Speaker: The Deputy Premier.

Ms Hoffman: Thank you very much, Mr. Speaker. I'm so proud of our Minister of Finance for bringing forward a plan that protects

Alberta families. It does that within reason. In the past under Conservative governments we've seen increases to health care expenditure in excess of 6 per cent. Under our government it's about 3 and a half per cent. That's reasonable. We've also seen deep ideological cuts on the other side. That's the problem. The problem is that the folks on the other side are spending all of their time trying to beat up health care, trying to beat up education. And you know what? Albertans deserve better. They've got better. They've got an NDP government.

North West Refinery

Mr. Fraser: Mr. Speaker, the North West refinery is getting closer to completion, and we're eager to begin seeing the benefits to the economy that refining bitumen in Alberta will bring. However, the downside is that as the refinery comes online, the hard-working Albertans who built it will be losing their jobs. With no confidence that the second phase of the refinery will be built, many of these workers are concerned for their future. To the Minister of Energy: when can we expect this government to make a decision on the second phase of the North West refinery to give these workers some certainty for their future?

The Speaker: The hon. Minister of Energy.

Ms McCuaig-Boyd: Well, thank you, Mr. Speaker. You know, we are in constant contact with the North West refinery to see how the first phase goes. They're wrapping it up at this point. They need to meet some targets as we go along. But we are in constant talks, and we know that this refinery will be opening in the fall.

The Speaker: First supplemental.

Mr. Fraser: Thank you, Mr. Speaker. Given that many of the workers who are part of this project have amassed a wealth of expertise and first-hand knowledge building the first phase and given that the longer the government delays making a decision, the more workers will leave the area and possibly Alberta and given that continued loss of these workers may harm the economics to continuing phase 2, to the same minister. Albertans are concerned that you may be dragging your feet on this decision, hoping that your delay will force the abandonment of the second phase without you actually having to make the decision.

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Well, thank you, Mr. Speaker. You know, we've got a lot of – Alberta is very proud of all the skilled tradespeople we have. While we're waiting to see how the North West refinery starts up and works, we also are proud to say that we have two PDP projects that are going to be needing workers – one will be making final decisions in the next while – and workers will have plenty of opportunity to work on either of those two projects.

The Speaker: Second supplemental.

Mr. Fraser: Thank you, Mr. Speaker. Given that phase 1 of the North West refinery was part of the PC government's diversification plan, with upgraded products helping to mitigate the impact of the low price for bitumen, and given that phase 2 of the upgrader would provide both long-term employment for Albertans and allow for more value-added production, to the same minister: will you acknowledge that the North West refinery is an important piece of Alberta's petrochemical diversification and assure Albertans that this decision isn't being held up for political reasons?

The Speaker: The hon. minister.

Ms McCuaig-Boyd: Thank you, Mr. Speaker. Absolutely, the North West refinery is important. It's the first refinery in a number of years that is being built in Alberta. We're looking forward to it opening up in the fall. It has to finish the last bits of its last phase. We have to see how it works. Again, we are in contact with the owners regarding the next phase.

The Speaker: Edmonton-Mill Creek.

Mental Health Services for Children

Ms Woollard: Thank you, Mr. Speaker. My constituency of Edmonton-Mill Creek is a vibrant part of Alberta due in no small part to the large number of children being raised in the area. Over 25 per cent of the residents are under the age of 18, well above the average even for our young province. As a teacher and psychologist I'm very concerned with children's mental health. Given that mental health has been emphasized as a top priority, to the Associate Minister of Health: what is this government doing to support the mental health of children in Edmonton-Mill Creek?

The Speaker: The hon. Associate Minister of Health.

Ms Payne: Thank you, Mr. Speaker and to the member for this very important question as well as for her strong advocacy on this issue. You know, members on the other side of the House like to dismiss social issues, but we're working on building a healthier and stronger province when we take care of one another. Our government has increased the addictions and mental health budget by \$45 million this year alone, with children and youth as one of the target populations for investment under the valuing mental health plan. This government is keeping its commitments to make life better for Albertans of all ages.

The Speaker: First supplemental.

Ms Woollard: Thank you, Mr. Speaker. Given that many programs and professionals are embedded within the school system and given that the school year is now winding down, to the same minister: what mental health supports are available for children in the community during the summer months?

The Speaker: The hon. minister.

Ms Payne: Thank you, Mr. Speaker. Well, we all know that mental health issues don't fall neatly into business hours or into the school calendar, which is why we're working to make sure that children have access to help whenever they need it, wherever they are. We've already launched help4me.ca, an Internet portal that provides 24/7 support to children struggling with addiction or mental illness or looking to help their friends.

I'd like to again thank the member for her ongoing advocacy. We'll have more to say on our work to increase the number of treatment beds and counselling supports available for children in the coming weeks.

The Speaker: Second supplemental.

Ms Woollard: Thank you, Mr. Speaker. Given that some children require more intensive supports as well as familial supports, to the Associate Minister of Health: how is this government expanding access to more specialized mental health for children?

The Speaker: The hon. associate minister.

Ms Payne: Thank you, Mr. Speaker. When families and children are in crisis, they need access to the wraparound services that are ready to support them. These include organizations such as CASA, the centre for Child, Adolescent and Family Mental Health, which this government has committed more than \$14 million in funding for through 2018. While the members opposite would promise deep cuts and widespread cuts, I would ask them which families they would abandon. These are investments that we think are vital to making life better for all Albertans, and this is work that we will continue to support.

2:40

The Speaker: Hon. members, in 30 seconds we will proceed with members' statements.

Members' Statements

(continued)

London Road Gateway Housing Project in Lethbridge

Ms Fitzpatrick: Mr. Speaker, I'm so pleased to rise and speak about the London Road gateway project in my community of Lethbridge. In 2011 this affordable housing project was approved by the Lethbridge city council through the Lethbridge Housing Authority and presented to the previous provincial government, who had yet again failed to invest in Albertans.

Following the election of 2015 I moved into my constituency office in the London Road neighbourhood. I was very quickly visited by neighbours, the architect, the Lethbridge Housing Authority, and the mayor. They all shared the importance and urgency of this project. They shared the design and identified why this is such a good project to address affordable housing in our community. This project is shovel ready and is so good that I was stunned by the fact that it had not received approval by the previous government.

The London Road gateway project will provide eight semi-detached units with two bedrooms, three barrier-free studio units, and three detached homes with two bedrooms each. Units will share a common courtyard. The housing authority will scale its rental fees to the tenants' income.

Mr. Speaker, initiatives such as these are needed to reduce homelessness, and I am proud to be part of a government that takes the needs of all Albertans seriously. On behalf of my constituents, some of whom asked the questions that my colleague asked today, I thank our government from the bottom of my heart for its decision to provide \$3.5 million to fund the construction of the London Road gateway affordable housing project.

Thank you.

The Speaker: The hon. Member for Calgary-Glenmore.

Tsuut'ina First Nation

Ms Kazim: Thank you, Mr. Speaker. Today I rise to speak of a great people and a great neighbour to my constituency of Calgary-Glenmore, the Tsuut'ina Nation. The Tsuut'ina First Nation is part of the Athapaskan-speaking language group, which is spread across North America and has a history of 3,000 years.

Recently I had the opportunity to greet Hal Eagletail of the Tsuut'ina Nation when he came to the Lakeview community and offer him the traditional gift of tobacco from the constituency of Calgary-Glenmore. There were many people who came to see Mr. Eagletail and to listen to his presentation.

He told the story of how the Tsuut'ina came to be and how their people had ranged across much of the continent. He also explained the devastating effect that European settlement had on his nation. When their chief signed Treaty 7 in 1877, their population was only 150 people; before European settlement their nation had numbered over 1,000. I want to mention this sad fact because it relates directly to the subject of his visit to Calgary-Glenmore. He came to build relationships with us as good neighbours.

We are neighbours in many ways, and one of them is the southwest ring road project in Calgary. This project would not have been able to go ahead without the Tsuut'ina Nation. This road connects people around the city and strengthens relationships between us and our partners everywhere. Mr. Speaker, a popular definition of "neighbour" is someone who provides kindness or helpfulness toward their fellow humans. I would argue that for generations the Tsuut'ina people were not treated that way.

I'm incredibly proud to be part of a government that is working hard to correct that historic wrong and develop a new relationship based on the principles and objectives of the United Nations declaration on the rights of indigenous peoples. Mr. Speaker, our success lies in the strength of our relationships, and building a good relationship with our neighbours will build success for everyone.

Thank you.

Vegreville Immigration Centre

Mr. Cooper: Today across our province a new generation of conservative leaders is stepping forward to defend our communities from an anti-Alberta establishment in Ottawa. These next generation conservatives are strong, smart, confident people who are capable and ready to lead. One of them, the Member of Parliament for Lakeland, is fighting a heated battle to protect the town of Vegreville. Prime Minister Justin Trudeau plans to relocate the community's immigration case processing centre, at a devastating cost to workers, to the community, and to taxpayers.

Here are the facts. Over a five-year period it will cost taxpayers \$22 million to relocate the processing centre but just \$7 million to keep it in Vegreville. The move strips a minimum of 236 direct jobs from the community as well as dozens and dozens of secondary and tertiary jobs. This decision will be devastating for the people of Vegreville, but the Premier has been absolutely silent. The quiet diplomacy being pursued by this administration has done nothing to make the lives better for Albertans. One needs to look no further than to the Premier sitting on her hands with this situation in Vegreville. You would think that the Premier's best friend in Ottawa wouldn't be treating her like this, especially with all the so-called social licence she's been building up.

The next generation of conservative leaders, folks like MP Shannon Stubbs, know that standing up for Alberta isn't just about looking at the past, but it's about implementing a vision for Alberta's future. Thirty years from now we'll be able to look back and say: "Yes, we fought for the community of Vegreville. Yes, we stood up to the Prime Minister when he said that the oil sands should be phased out. Yes, we fought to keep the National Energy Board here in Alberta, where it belongs. And, yes, Mr. Speaker, we fought for an Alberta where hard work and dedication bring new hope and new prosperity." And that's what it means to be a conservative in the 21st century.

Presenting Petitions

The Speaker: The hon. Member for Sherwood Park.

Ms McKittrick: Thank you, Mr. Speaker. It's my delight today to rise and table two petitions sponsored by one of my constituents. The first petition urges the government of Alberta to

- (1) encourage the use of materials in industrial projects in Alberta that are fabricated in Canada;
- (2) facilitate the transition of unionized workers from major construction projects by ensuring that new major construction projects only commence once active major construction projects near completion; and
- (3) ensure that trade unions bring any new construction project agreements to their membership for approval prior to the expiry of current construction project agreements.

The second one, Mr. Speaker, urges the government of Alberta to

- (1) increase the basic entitlement of annual holidays for all workers to four weeks with pay;
- (2) prohibit employers from hiring replacement workers once a bargaining unit is on strike; and
- (3) implement a standard 40-hour work week for all workers.

I'm delighted, Mr. Speaker, to encourage constituents to be active. Thank you.

Introduction of Bills

The Speaker: The hon. Minister of Energy.

Bill 16

An Act to Cap Regulated Electricity Rates

Ms McCuaig-Boyd: Thank you, Mr. Speaker, I request leave to introduce Bill 16, An Act to Cap Regulated Electricity Rates. This being a money bill, the Administrator, having been informed of the contents of this bill, recommends the same to the Assembly.

In the fall we announced a cap on electricity prices to protect Alberta consumers. The proposed bill would cap electricity rates for a four-year period, protecting Albertans from the electricity rate spikes that it has been seeing under the existing market structure. If passed, this act would build a bridge of stability as we transition to a cleaner and more stable electricity system.

Thank you, Mr. Speaker.

[Motion carried; Bill 16 read a first time]

2:50 Tabling Returns and Reports

The Speaker: The hon. Member for Strathmore-Brooks.

Mr. Fildebrandt: Thank you, Mr. Speaker. I've got a rather hefty tabling to make today. I have the requisite five copies of a petition. In my constituency I mailed everybody a cheque for \$5 billion. The other side says: "This is not a cheque to buy you off with your own money. [It's] a petition to cancel & repeal the job-killing carbon tax." I have well over a thousand responses. You may want a few pages here.

The Speaker: The hon. Member for Fort Saskatchewan-Vegreville.

Mrs. Littlewood: Thank you, Mr. Speaker. I have the requisite five copies of the socioeconomic impact assessment of the CPC closure. Hopefully, the Wildrose opposition won't prevent me from tabling it today. [interjection] No? That's fine? You'll let me table it today? Thank you.

Thank you, Mr. Speaker. Also, I have five copies of a letter from NDP MP Jenny Kwan, MP for Vancouver East, and Sheri Benson,

MP for Saskatoon West, a letter to the hon. Ahmed Hussen asking for a reversal of the decision about the CPC centre.

Also, I have a response to that, that I quoted from in my member's statement on Thursday, from the same minister, where he goes through the trouble of reiterating that this was a difficult decision for management of immigration case processing.

I also have five copies of the Global News article that references an extra \$10.8 million that it'll cost to move it to Edmonton as opposed to staying in Vegreville.

While I would have loved to table five copies of a letter in support from the Member for Olds-Didsbury-Three Hills, unfortunately, that doesn't exist.

The Speaker: Thank you, hon. member. [interjections]

Hon. members.

The hon. Member for Calgary-Hays.

Mr. McIver: Thank you, Mr. Speaker. I have three tablings today. I have five copies of an article from the *Financial Post* from May 15 in reference to AIMCo. It says: Tension Keeps Rising over Alberta's Heritage Fund After Another Ambush of Political Tampering from [Premier's] NDP.

I have five copies of the front page of the *ATA News*, talking about teachers having their assignable as well as their instructional time capped.

Five copies, Mr. Speaker, of a PDF sent to all members from Inclusion Alberta entitled Bill 205: Advocate for Persons with Disabilities Act, Proposed Amendments and Review of Limitations.

The Speaker: The Member for Calgary-Foothills.

Mr. Panda: Thank you, Mr. Speaker. Today at the Public Accounts Committee meeting there were questions about protecting the independence of government-appointed tribunal chairs like OHS, which is supposed to be arm's length. That chair actually last year went public, and CBC interviewed him about a fundraising e-mail he got from the NDP, which the NDP acknowledged was wrong. I agreed to table this document wherein the OHS chair felt the pressure of donating to the NDP. If not, he may not . . .

The Speaker: Thank you, hon. member.

The Member for Calgary-Shaw.

Mr. Sucha: Thank you, Mr. Speaker. I have three documents to table today. The first one is dated Sunday, May 21, from the Allstate Arena in Chicago, Illinois, by the WWE Network: Jinder Mahal Def. Randy Orton to Become the New WWE Champion.

The second document is from *Times of India*, entitled I Want to Represent India and Make Them Proud: WWE Champion Jinder Mahal, in reference to his WWE *Backlash* win.

This document is from the *Calgary Herald*. Don't Hinder Jinder Mahal: He's the First Calgary Professional Wrestler to Win WWE Championship in 20 Years, with the subtext, "It's been 20 years since Calgary last saw a WWE Champion when wrestling legend Bret 'The Hitman' Hart claimed his fourth [title] in 1997."

I think I speak for all Albertans that I would like to congratulate this talented wrestler from Calgary on his championship win.

Orders of the Day

Government Bills and Orders Committee of the Whole

[Ms Sweet in the chair]

The Deputy Chair: Good afternoon. I would like to call the committee to order.

Bill 15

Tax Statutes Amendment Act, 2017

The Deputy Chair: Are there any comments, questions, or amendments to offer in regard to this bill? The hon. Member for Calgary-Currie.

Mr. Malkinson: Thank you very much, Madam Chair. I'm happy to hear the support we've had in second reading for this important Tax Statutes Amendment Act, 2017, that we've put forward here. As discussed during second reading, Alberta's income and commodity tax statutes are typically amended every year. This is necessary to ensure government policy decisions are implemented and our tax legislation continues to align with federal tax legislation.

I'd like to highlight two aspects of this particular bill. Our intent is to continue to work to make life better for Albertans and for Albertan businesses. The amendments in Bill 15 do just that not only by keeping our tax system aligned with the federal system but also by ensuring that small businesses in this province are operating on a level playing field and by ensuring that rebates and benefit programs delivered through the tax system are administered consistently and, most importantly, efficiently.

In regard to the small-business tax rate I was really pleased to hear agreement from other members of this House for the small-business-rate component of this bill. I want to emphasize once again that the changes we're making simply parallel changes made at the federal level last year. Those changes were necessary to address the misuse of the preferential 2 per cent small-business rate and to maintain the integrity of the tax system. Although this is not a prevalent issue, it is one that deserves our attention.

We pride ourselves on a tax system that is attractive not only to families wanting to build a better life but also to businesses wanting to invest and to grow. In order for this to continue being the case, we have to ensure Alberta's taxes are applied fairly and consistently. The preferential business tax rate is meant to apply only once, to a small business's first \$500,000 of income. These changes we're making are consistent with this intent and ensure small businesses don't take advantage of a loophole to multiply their access to this preferential rate.

This doesn't change the benefits enjoyed by Albertans' small businesses, which represent 96 per cent of all Alberta businesses in this province. Let's not forget that we are leaders among Canadian provinces, consistently generating a GDP per capita that exceeds the national average, Madam Chair. There is no question of the importance to our province's economic health.

That is why our government has been working to support small businesses by cutting the small-business tax rate to 2 per cent at the start of the year, which was previously 3 per cent; by introducing a capital tax investment credit and the Alberta investor tax credit, which is expected to support at least 9,000 jobs and add \$1.2 billion to Alberta's GDP – I know many businesses in my riding and many constituents of mine were very supportive of this particular investor tax credit – by capping electricity rates, protecting Albertans and Alberta businesses from sudden price spikes; by increasing capital available to ATB by \$1.5 billion to support small and medium-sized business loans; and lastly, by introducing energy efficiency programming that will help businesses save money.

3:00

We've made a commitment to have the backs of Alberta businesses, and we will continue to honour that commitment, Madam

Chair. Amending our Corporate Tax Act to remain consistent with the federal Income Tax Act will affect a very small fraction of the overall number of small businesses in the province, but it will serve the important purpose of protecting the integrity of the tax system by closing a loophole and ensuring small businesses are operating on a level playing field. We're not introducing anything new here. We're just clarifying the intent of the small-business rate so that it applies fairly and consistently, something that I think everyone can agree makes good sense.

Now, Madam Chair, I'd also like to highlight an amendment to the payment rules for the carbon levy rebate. As this House has heard, families who had recently lost a loved one were receiving notices from the Canada Revenue Agency requiring the repayment of all or part of that deceased person's rebate. I was disappointed that those letters compounded the distress of the loved ones of that person, and our Premier was clear, and this House as well, that that was not the right way to do things. The intent of the rebate is to help lower and middle-income families adjust to the additional costs of the carbon levy. We set a \$100 minimum payment rule to ensure these families would receive meaningful payments that would make a difference as they balanced their chequebooks at home, and we allowed for the prepayment of rebates so that these families would have the support they needed in a timely fashion.

The recovery of these rebates when a death changed a household's eligibility was an unintended consequence of that threshold, and it certainly wasn't something we wanted to happen. That is why we immediately notified the Canada Revenue Agency when we became aware of this issue, and we asked them to stop sending these letters while we worked out a permanent solution. A permanent solution is contained in this bill, Madam Chair, and we are letting Albertans know that these notices can be disregarded and that any rebates received by family members who have passed away do not have to be returned.

The Canada Revenue Agency is working as we speak to update their systems so that rebates can be repaid to any families that had already returned their payment. This, Madam Chair, is a labour-intensive process, so it will take some time, and we ask those who have done that to be patient with us. We expect these repayments to be completed in the fall, and we appreciate the continued patience of those affected families.

The recovery of benefits will also be waived under the Alberta child benefit and Alberta family employment tax credit programs. No parent should ever have to deal with the loss of a child, and they shouldn't have the added grief of a collection notice for a benefit that's supposed to make their life better. Madam Chair, we recognize that, and similar to the carbon levy rebate, processes could be improved. So we're working with the Canada Revenue Agency to implement changes that will allow the parents of deceased children to keep any benefit amounts they received for that deceased child. This will apply to all benefit payments from January 1, 2017, onwards.

Also, Madam Chair, families in this situation who receive a notice of reassessment after that date can disregard the notice. They do not have to return the money. I want to be clear about that. They do not have to return the money of any overpayments from 2017 onwards. All families who have already repaid any amounts will of course be reimbursed.

These are practical changes to benefits provided through the tax system, and I know they will make a meaningful difference to the, thankfully, few families in these particular circumstances. We, of course, should not lose sight of the fact that more than 1 million payments were delivered to Albertans with no problems at all. This

rebate was deposited in their bank account or mailed to their home, and they were able to use that money to help pay their gas bill, make their home more energy efficient, or put it to other priorities that they deemed worthy.

Unexpected issues sometimes arise in new programs of this magnitude, but I'm proud of the work we've done to resolve this as quickly and efficiently as possible. Great credit, Madam Chair, I think, goes to the Minister of Finance and President of Treasury Board and his staff in the ministry for working to fix this problem quickly; hence, the bill we have in front of us.

Going forward, Madam Chair, we're confident that the legislative amendments included in this bill will prevent these situations from occurring again. Pro-rating the annual \$100 minimum threshold to a \$25 quarterly minimum threshold means the rebates will be paid more frequently and in a way that is more responsive to a particular household's current situation. Rebate entitlements below \$200 will no longer have to be prepaid up front. For example, a household entitled to a \$150 rebate will receive four payments of \$37.50 rather than the full amount in one payment at the beginning of the benefit year.

During debate we heard from the Member for Strathmore-Brooks about his concern that making this legislative amendment might be more costly than simply continuing to waive the recovery of amounts in these particular aforementioned situations. I think it's important to understand the amount of work that went into identifying these cases and updating the systems to reflect the forgiveness of these amounts. This was not an automatic process for the Canada Revenue Agency. They had to manually go back to determine which of the recovery notices were sent out as the result of a death. Those 4,400 cases had to be individually identified from a total of 1.2 million payments that went out. I think we can all agree that this would not be a practical or efficient approach to dealing with this into the future, and the Canada Revenue Agency certainly wouldn't be doing it for free.

3:10

Now, of course, administrative costs will be higher with more payments being issued, but we in the ministry don't expect the increase to be significant, Madam Chair, and even with the change we estimate the cost of administering the rebate to remain below \$10 million annually. That's about 2 per cent of the total amount that's going out in rebates to the households, at \$410 million, in 2017-2018. The administrative costs and the costs of the benefits provided are all funded from carbon levy revenue.

The new payment rules will not only resolve issues with recovery of payments but will also make the programs more responsive. For example, as eligible families grow or move into the province, they can start receiving the rebate at the next payment cycle. Without this amendment, they might have to wait until the next benefit year to start receiving these valuable payments. This ensures that as families bear the additional cost of the carbon levy, they will have the support they need to adjust.

I should note that for the next benefit year, which starts just over a month from now, in July, eligibility will be based on the 2016 tax returns. We know that many Albertan families were affected by unexpected layoffs in 2016. Because the current rebate benefit year is based on 2015 tax returns, some of these families were not eligible to receive it because their 2015 income did not meet the eligibility parameters, but I'm pleased, Madam Chair, that they will start benefiting from the rebate program soon, and I know they will welcome that support.

Now, Madam Chair, I thought it would be very interesting, since we talked about this at length, just to briefly mention the section –

I know that in Committee of the Whole we didn't go over this – that actually allows this to happen. It is:

(7) Section 35.3(5) is repealed and the following is substituted.

What it's saying there is:

(5) The amount deemed to have been paid by an eligible individual for a taxation year is nil where the amount in relation to a month specified for the taxation year that would otherwise be deemed by subsection (3) to have been paid on account of the eligible individual's tax payable under this Act is less than \$25.

That, in effect, Madam Chair, is the section, which is referring to many other parts of the tax code, that allows this to happen, and I think it's important that that gets read into the record because that is the piece that is actually fixing what we want to fix. It's the intent of this bill, and it's a small part of how we're making life better for everyday Albertans.

Now, I want to just talk briefly about why families, even in the first place, were being asked by Revenue Canada to pay back these rebates after a loved one dies. Well, in short, it's because the Canada Revenue Agency administers the rebate program, and their system, when it discovered that somebody was perhaps ineligible for a rebate because of a death, saw that there would be an overpayment and then autogenerated letters to go out to claim the overpayment back. The system, of course, was automated and administered by the Canada Revenue Agency but was not what we intended with the carbon levy payment rebates, and although I don't personally blame Revenue Canada for that, I could see how that could happen. This bill makes it clear that the Canada Revenue Agency could set up their systems to appropriately address this issue through the amendments in Bill 15, Tax Statutes Amendment Act.

Now, Madam Chair, I think I'm going to head into my closing here so that I can hear from other members of the House about the Tax Statutes Amendment Act. As I said earlier, Bill 15 is about making life better for Albertans and for Alberta businesses. We're continuing our good work to support entrepreneurs and job creators in this province by clarifying the policy intent of the small-business rate so that it is accessed fairly and consistently. We're protecting the integrity of our tax system by ensuring that it remains aligned with the federal tax system. Of course, we're making practical, meaningful changes that help keep more money in families' pockets by improving the administration of the carbon levy rebate and the child benefit programs.

Now, Madam Chair, I'd request that all members of this House, if they haven't done so already, read through the important amendments in this bill and listen to the remainder of the debate here. Finally, of course, I'd ask that all members of this House support this important bill, that is making life better for everyday Albertans.

Thank you.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Calgary-Elbow.

Mr. Clark: Thank you very much, Madam Chair. That is a tough act to follow. Boy. I will try to ramp it up just a little so that I can kind of go over and above my constituency neighbour from Calgary-Currie there, and I will do that by proposing an amendment. I will hand the requisite number of copies to you and wait for you to receive it.

Thank you.

The Deputy Chair: Hon. member, I have the original. Please go ahead.

Mr. Clark: Thank you very much. The amendment itself is simple. It reads that I will move that Bill 15, Tax Statutes Amendment Act,

2017, be amended in section 2 by striking out subsections (6) and (10). Those sections are the two sections that deal with political tax credits applying to both leadership and nomination contests.

I have a number of reasons why I believe this should be removed from the bill. As members will recall, I was a member of the Select Special Ethics and Accountability Committee, which reviewed all aspects of our province's campaign finance rules, and at no time, in my recollection, did that committee ever recommend or even discuss whether political contribution tax credits ought to be extended to leadership contests or nomination contests. We did have a long and robust debate about whether or not leadership contests or, more fittingly, nomination contests should in fact be included in the contribution limit. Certainly, in the global \$4,000 contribution limit there was considerable disagreement as to whether or not both leadership but especially nomination contests should be included in that.

So I'm curious why this shows up in this particular bill. And then I thought: well, did we think about the level of the limit for political contributions? The answer is that, yes, we did. We had a long debate and discussion about the political contribution tax credit and whether, in fact, it's fair when you compare that tax credit to charitable tax credits. There was a strong belief, led particularly by the Member for Vermilion-Lloydminster, that charitable tax credits, in fact, should be increased or political tax credits should be decreased or both. I happen to agree with that.

Now, this amendment won't specifically do that. We can't do that. I couldn't bring that specific amendment to this bill because this bill does not contemplate any changes to the charitable tax credit provisions. So, unfortunately, I was unable to bring that particular amendment as much as I would have liked to.

We actually talked about lowering political contribution tax credits, not increasing that. Then I thought: well, perhaps this is just the government aligning the province of Alberta with other jurisdictions in this country. Perhaps the federal government, at the very least, that has a reasonably similar donation restriction to what Alberta currently has or is in the process of putting into place, or other provinces, surely, would at least have this in place. The answer, Madam Chair, is that no other province in this country has a tax receipt for any donation to a leadership contest. No other province in this country has donation tax receipts to nomination contests, and neither does the federal government. Alberta will stand alone on this particular provision.

3:20

So I asked myself: "Why would that be? What is this government trying to achieve by extending political contribution tax credits to leadership contests in particular but also to nomination contests?" I think: what could be to this government's advantage in doing that? Well, very few NDP MLAs faced a nomination contest. I don't know how many on this side faced a nomination contest in the last election, but other parties tend to have more nomination contests. Now, perhaps this next go-round we'll see a flurry of nomination contests on the NDP side of things. Entirely possible. Entirely possible. So far as we know, I suppose anything is possible in Alberta politics these days. Things seem to be weirder and weirder by the day.

Madam Chair, I suppose it's possible that the government will face a leadership contest before the next election, but let's just assume that's unlikely. That leaves one – it's currently two, but I suppose eventually one – party in this House that will be facing a leadership contest before the next election. Then we think: why would it matter if political contributions could be tax receipted for that particular campaign, especially because there's the \$4,000 aggregate limit? If people are donating to a leadership contest, even

if there's no tax receipt, that still counts against their global donation limit.

But then I think, you know, that if the dollars are going to go into leadership campaigns and there's an incentive for doing that, more money goes into a leadership campaign and less money goes into the core party itself, so less money ends up in the coffers of that party to contest and fight the next election. I think there's very clearly something that this government is trying to sneak in there.

Now, I don't know, frankly, if my friends in the united conservative movement here, the two parties – I actually haven't talked with them about their . . . [interjections] You would like me to say the UCP acronym? [interjections] You're welcome. You're welcome. Maybe I stand as the first person to read that into *Hansard* in this province, and if so, I feel like I really have left my mark. [laughter] Thank you. Thank you very much. I'm here all week. Back on task, my friends. It's only Tuesday. Imagine how this week is going to go.

But, you know, the point is – and I think this is an important point – that Albertans in the process of the Select Special Ethics and Accountability Committee and absolutely zero of my constituents or any Albertans I've talked with have said: "You know, Member, what is really important is that we make sure that more of my political contribution gets tax receipted at 75 per cent for the first \$250, and 50 per cent of the next amount, and a third for the rest of that up to a fairly high limit. That's the most important issue facing Alberta today. By the way, I'd also like you to sneak that in to an omnibus tax statutes amendment bill which is as boring as the day is long and most people aren't going to really pay any attention to. We would really like for that to happen."

Well, of course, Madam Chair, no one says that. But that's what this government has done. They've snuck these changes in. Again, I haven't talked to my hon. opposition colleagues. I don't know what their perspective on this is. It doesn't feel right to me.

So this amendment seeks to simply remove that provision from the bill. I think it improves the bill. I think it returns Alberta into alignment with every other province in this country and with the federal government. If we allow this to stay in, Alberta is the only jurisdiction in Canada to have this provision. It feels wrong because it is wrong, Madam Chair, and I would encourage both sides of the House to support this amendment.

Thank you.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Sherwood Park.

Ms McKittrick: Thank you, Madam Chair, and I want to thank the member for his interest in his bill and especially for anything that encourages Albertans to participate in democracy. I want the member to go back to page 97 of the fiscal plan, and I'm going to speak to it in answer to his suggestion. If you look at page 97 of the fiscal plan, that was tabled earlier on this year, it talks about personal income tax.

Political Contributions Tax Credit

Albertans who contribute funds to registered candidates, constituency associations and political parties can claim the political contributions tax credit. The credit is worth 75% on the first \$200 in donations, 50% on the next \$900 and 33.33% on the next \$1,200, for a maximum credit of \$1,000 on total contributions of \$2,300.

The government has implemented a number of reforms to election financing. Changes in 2015 prohibited corporate and union contributions. More recently, the Fair Elections Financing Act of 2016 extended the prohibition on corporate and union contributions to leadership contests, set limits on individual contributions and established overall campaign spending limits.

In connection with these reforms, and to help encourage a healthy democracy, the existing political contributions tax credit will be extended to contributions to party leadership elections and candidate nomination races that meet the criteria established under the Election Finances and Contributions Disclosure Act. This change is effective for contributions made on or after January 1, 2017. The existing structure for calculating the credit remains in place, including the maximum of \$2,300 in total contributions eligible for the credit.

Madam Chair, when I read the government's plan – and although I wasn't part of the committee, I understand that this issue was discussed at length in the committee that discussed the Election Act and the whistle-blower act and so on. The idea is to keep a leadership and a nomination contest on the same footing as other political activity so that the same limits would apply that have been discussed previously.

While I understand the member's interest in the election process, I would like to say that this amendment is not in keeping with what the government had in mind with its fiscal plan and the discussion that happened at the committee, that it's really important for nomination and especially leadership contests to be under the same kind of regulations and laws and limits that exist for all kinds of involvement in the political process. I'd like to remind the House, because it was stated a number of times by my colleagues, that this bill would only apply to new leadership contests and does not apply to any prior leadership contests as we have seen for the PC Party, although I understand we're still waiting for the gentleman who did win this nomination to disclose who his donors were and so on.

This amendment, suggested by the Member for Calgary-Elbow, is not one that I'm going to be supporting. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members wishing to speak to the amendment? The Member for Calgary-Currie.

Mr. Malkinson: Thank you very much, Madam Chair. Just ever so briefly to speak on this, I know the hon. Member for Calgary-Elbow knows I'm a tough act to follow, and I can always return the favour and follow him. So just to quickly comment, my colleague here did an excellent job of sort of, I think, explaining the technical reasons why this amendment is out of order. I just want to comment on some of his comments around this amendment and about where he was saying that, you know, perhaps this was a backdoor way for us to get the PC Party to spend all their money as opposed – to have the PC membership base to spend all their money on leadership campaigns as opposed to the party. I would suggest to the hon. Member for Calgary-Elbow that that's perhaps a little tinfoil hatish.

The Tax Statutes Amendment Act, 2017, is not a conspiracy, nor is any part of it trying to sneak in things that are part of some security. I can assure the member that that is not the case. I want to put on the record that that is indeed what is going on and that there is no nefariousness in the Tax Statutes Amendment Act, 2017.

Thank you very much, Madam Chair.

3:30

The Deputy Chair: Thank you, hon. member.

The hon. Member for Calgary-Elbow.

Mr. Clark: Thank you. I very briefly just want to respond to that. You know, given everything that's gone on with election financing in this province, with tremendous respect to my colleague from Calgary-Currie, I just don't believe them. I really don't. I see a government that has tried to do everything they can to stack the deck in their favour for this upcoming election, whenever it may be.

I don't know specifically what the motivation is. It feels wrong. It really, genuinely does. Where there's smoke, there's fire.

To the hon. Member for Sherwood Park, you know: the conversation that happened at the committee was very different from what we see here in this bill. At no time did it come up that tax receipts ought to be expanded. If anything, in fact, there was a discussion about tax receipts being contracted, about the donation limit, the amount of money you get in a tax receipt being reduced, not increased. Unfortunately, that was ruled to be out of order for that particular committee, so no motion was brought, although I do know for sure that the Member for Vermilion-Lloydminster had tried to bring exactly that amendment.

Again, absolutely no one that I know of has asked for this. When a government comes up with something out of the blue that absolutely no one asked for even if it was in their fiscal plan from the budget, I get very suspicious. I absolutely would not put it past the government to have thought through how this somehow may benefit them. Regardless, I don't feel that it's inappropriate, especially in this challenging fiscal time. Whether the numbers that we're talking about here are large or not, this is money that ought not to be routed from Alberta taxpayer coffers into political party hands. That's ultimately what this does, so that's what my amendment seeks to change, to fix what is a flaw in what otherwise appears to be a housekeeping bill.

Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

Mr. Panda: Madam Chair, I would like to request unanimous consent to introduce guests. They're a school group from my riding.

[Unanimous consent granted]

Introduction of Guests

(reversion)

The Deputy Chair: Please go ahead.

Mr. Panda: Thank you, Madam Chair. I rise to introduce to you and through you grade 6 students from the outstanding Renert School in the riding of Calgary-Foothills. Today we have grade 6 teachers Mr. Eriksen, Ms Banakar, Mr. Wilcox, and Ms Molloy with the grade 6 students visiting and learning how we work here. I had the opportunity to tour the school last year, and I was quite impressed with the way they learn. I witnessed myself how well the students were educated practically with projects. This school used to be – I mean, when they started, it was tutoring services, and now they have become a fully accredited school. It's a private school. It's a great success story of Calgary. Actually, my son took the tutoring a long time ago, and I'm sure it worked well for him. That's why today he's in med school. I wish all the students all the best in their careers. I ask them to rise along with their teachers and receive the warm welcome of the House.

Thank you.

The Deputy Chair: Welcome.

Bill 15 Tax Statutes Amendment Act, 2017 *(continued)*

The Deputy Chair: Are there any other speakers wishing to speak to the amendment to Bill 15? The hon. Member for Edmonton-Whitemud.

Dr. Turner: Thank you, Madam Chair. I do rise to speak to the amendment put forward by the Member for Calgary-Elbow. I rise to speak against this. You know, this amendment would actually really disturb the equilibrium that has been developed with the Fair Elections Financing Act. There is a total of \$4,000 per year that is allowed for political contributions, whether it's to a constituency, to the party, in a nomination battle for an upcoming election or a leadership.

I think, too, that one of the main reasons that I'm suggesting that this Legislature not adopt this amendment is that we would return to the era of big money in politics. If we gave this loophole that the Member for Calgary-Elbow is suggesting, what will stop the purchase of a nomination, as was seen over the last 40 years in multiple constituency associations of the Progressive Conservative Association of Alberta? What would stop a leadership candidate basically buying delegates?

I think that what has been suggested by the Fair Elections Financing Act or what has been passed in that makes a lot of sense, levels the playing field so that every Albertan has an equal opportunity to participate in the democratic process. Just because you have more financial resources than your neighbour doesn't give you the right to influence a nomination battle or a leadership battle, in my opinion. I think that what the Member for Calgary-Elbow is suggesting would actually promote that nefarious activity. We do need to get big money out of politics in this province. We do need to make it a community effort rather than the effort of a few very wealthy individuals.

I only look to the experience that our American cousins are going through at the present time. They have the opposite situation in terms of election financing, and I would call it unfair election financing. Corporations are considered to be the equivalent of an individual in the United States. That was a Supreme Court ruling in the United States that I disagree with vehemently.

I think that the single mother that wants to volunteer and go door-knocking with a candidate or the single mother that wants to run for a nomination or even for the leadership of a party should be on relatively equal footing with a professional, let's say, a physician like myself, that has considerable financial resources. I think that the Fair Elections Financing Act has done that.

I think that if we were to subvert that by passing this amendment, it would be a shame, so I am suggesting that we turn down this amendment.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Cypress-Medicine Hat.

Mr. Barnes: Thank you, Madam Chair. I'd like to start by thanking my hon. colleague from Calgary-Elbow for bringing this excellent amendment forward. I'm going to be supporting it.

First reason, as was clearly stated – to me, it's amazing that the donation to a political party or a political leadership race is higher than what it would be to a charity, what it would be to a much-needed health or family or community organization in our communities all throughout Alberta. Again, I think it's crucial that this Legislature, this government be focused on communities and families and making them stronger so everyday Albertans have a better opportunity and philanthropy can grow in our province. You know, in my five years of doing this and my many, many years of living in Alberta – my goodness, we've got so many good people that are willing to share their wealth and willing to share what they have.

3:40

Again, we're looking at a bill, as it is currently written, that promotes more money into political leadership and political activity

than it does into everyday charity, so I think my hon. colleague got it exactly right when he wants to exclude that part.

I'm sitting here listening to the pros and cons of this and to: let's take the big money out of politics. Well, I think I'm seeing big money in politics now, with all of these changes. I think Alberta has got several PACs that are raising tens of thousands, maybe millions of dollars. Where is this money going to come into effect? I think the transparency, you know, where it's risen from and how it's spent: it may be less open than we want but a result of what this government has done in their two years, created several PACs, created the potential for more of an American-style political landscape. Hey, let's see where that goes.

You know, I think back to the Ontario election of two or three years ago and how the talk, I think, was that political parties spent \$2 million each – there was some kind of cap like that – but unions in Ontario spent \$9 million. We have the opposite, the government telling us that we're going to take the big money out of politics. Uh-uh. You're leaving big union money in politics, guys. It sounds like a heck of a double standard to me.

Again, you're doing it at the expense of the taxpayer. Currently we have a situation where a leadership contest is not tax receiptable. Now it's going to be. You're going to be dragging in the taxpayer at a different level.

You know, there were many, many reasons for the 2015 result. I congratulate every single one of the 87 of us that are sitting here, but a lot of us got here without spending a lot of money. So let's talk about how important big money is in politics compared to a broken election promise, compared to not being able to listen to Albertans, compared to where we were at.

Again, it's always hard to know the consequences of a bill; it's impossible to know the unintended consequences. But I think my hon. colleague from Calgary-Elbow got this right. Let's not put the taxpayer involved in leadership races – let's not have their money, taxpayers' money, go there rather than into their families and communities, and let's ensure that we do all we can to increase our charitable sector and make sure that, at the very least, charity is recognized as much as political leadership battles are.

I will be supporting this amendment, and I thank my hon. colleague.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Edmonton-Ellerslie, followed by the Member for Calgary-Klein. Go ahead.

Loyola: Thank you, Madam Chair. I appreciate it. First of all, I want to say that – well, number one, I'm getting up to speak against this amendment. I want to echo the words of my hon. colleague from Edmonton-Whitemud in that when we were in committee, the Select Special Ethics and Accountability Committee, and we were talking about these issues, members of the opposition were completely against regulating leadership races and nomination races. We all understand that if we did that, we would be creating a loophole, so I find it very disingenuous that members from the other side would get up and say: oh, you want to leave big money in politics. No, no, no. Let me be absolutely clear, hon. member. This is a way to create more transparency so that we see exactly who is giving money at all stages of the political process. If you don't regulate nomination and leadership races, then you can have a whole bunch of money coming into the process, and we wouldn't know where that money was coming from. No one is accountable for it, and there would be no transparency.

Hon. members, this amendment wouldn't allow us to do that. You want to talk about getting big money out of politics? This is

not the way we do it. This amendment would not be the way that we would contribute to that. [interjections]

The Deputy Chair: Members, we could let the member finish.

Loyola: Thank you, Madam Chair. Yeah. I want to say how important it is to regulate all levels of the election process.

Now, hon. members on the other side of the House get up and say: oh, well, you guys want to keep big money or corporate or union donations inside the process. Our very first bill – our very first bill – that we introduced in this House when we became government was to ban union and corporate donations.

Cortes-Vargas: Point of order, Madam Speaker.

The Deputy Chair: The hon. Member for Strathcona-Sherwood Park.

Point of Order Language Creating Disorder

Cortes-Vargas: Sorry, Madam Chair. I just need to get up to make sure – to just bring to your attention that the Member for Grande Prairie-Smoky is insinuating that the Member for Edmonton-Ellerslie is getting his money from people in South America, which I find extremely offensive on multiple levels. Further to it being a racist statement, it also insinuates that he's breaking the law. I want him to retract the statement and apologize and know that this Chamber needs to be a respectful place for everyone, regardless of where you're from.

Madam Chair, I didn't state the citation, which is 23(j): "uses abusive or insulting language . . . likely to create disorder." I believe that the member is using language that is inherently hurtful, and it perpetuates a racist culture that we experience as immigrants. I think he should apologize, and I hope that he will just withdraw his statements.

The Deputy Chair: The hon. Member for Lac La Biche-St. Paul-Two Hills.

Mr. Hanson: Thank you, Madam Chair. It's been quite a robust discussion below the scenes. A lot of it probably didn't make it to *Hansard*, chatter back and forth, but we've been listening to chatter back and forth here all afternoon. I don't believe that this is a point of order. You know, the member was bantering back and forth with other members.

An Hon. Member: He made a racist comment.

The Deputy Chair: Members.

Mr. Hanson: Pardon me? Can you control yourself a minute, just for a minute?

The Deputy Chair: Members . . .

Mr. Hanson: I believe I have the floor.

The Deputy Chair: . . . on both sides, please.

Mr. Hanson: This is exactly what I mean, Madam Chair. This is not a point of order. It's been going on all afternoon, and it will probably continue well into the 6 o'clock hour, when we leave this place.

Thank you.

The Deputy Chair: Hon. members, there have been a lot of cross-paths of conversation happening outside of the actual debate of the bill. At this point I will not see it as a point of order. However, I would ask that both sides try to maintain the side chatter and focus on the bill, please.

Debate Continued

The Deputy Chair: Are there any members wishing to speak to the amendment? The hon. Member for Edmonton-Ellerslie.

Loyola: Thank you, Madam Chair, for recognizing me once again because I wasn't finished, and I was speaking to the amendment. I was very much focused on the amendment itself and how this amendment, instead of contributing to transparency, which I personally know that the Member for Calgary-Elbow is very much in favour of because he's gotten up not only in this House, but he's also gotten up in committee – he's spoken to the importance of transparency in our democratic system, especially when it comes to money and the contributions that are given to political parties. [interjections] I know.

3:50

However, the amendment that he has presented today in this House would go against that, and I think that we've worked really hard over the past two years to bring more transparency to the political process and the financing of elections in this province. We've come a long way. I'll remind every member in this House that under the previous legislation that existed, an individual, a wealthy individual, could give up to \$105,000 to a political party within an election cycle. A hundred and five thousand dollars. Now, when I was out door-knocking on people's doors in my constituency, I'd ask people: do you have \$105,000 to give to a political party? You can imagine what the response was. Not one person that I asked had \$105,000 to give to a political party, never mind \$50,000 or \$20,000 or \$10,000. Under the previous legislation that's what was happening. That's what was being permitted in this province.

I'm glad that this government has stood up, presented new legislation where now the maximum that an individual can give every year is \$4,000. That's how we clean up, that's how we make our system more democratic, that's how we make elections about ideas and not about who has the deepest pockets. That's how we do it, and I'm really proud of what we've done. While members of the opposition hurl insults, I'm proud of the work that we've done in this House.

I want to echo again my hon. colleague the Member for Edmonton-Whitemud, who was talking about how this levels the playing field because – again I'm going to go back to speaking about how under nominations and leadership races we can't control how much money is coming in from those same wealthy individuals that under the previous legislation were being allowed to contribute up to a maximum of \$105,000 in an election cycle: preposterous, that we would continue to do that, to permit that. By accepting this amendment, we would be providing that loophole for these individuals to do exactly that. Madam Chair, under my watch that's not going to happen. Under our watch that's not going to happen.

That's why I want to say to all the members of this House that I strongly encourage you to vote against this amendment because this is about accountability, this is about Elections Alberta having the ability to look and see who is contributing to leadership races, who is contributing to nomination races, and providing that opportunity so that we can make our electoral system more democratic, more accountable. At the end of the day, that's what our objective in this

House should be always, to strengthen our democracy. Again, I'll remind members: elections should be about ideas, not about who has the deepest pocketbook, okay?

With that, again I urge all members to strongly vote against this amendment. Thank you, Madam Chair.

The Deputy Chair: Thank you, hon. member.

The hon. Member for Calgary-Northern Hills.

Mr. Kleinsteuber: Thank you, Madam Chair. I'd just like to speak as well against the amendment, and I'd like to just clarify a point, I think, made by the Member for Cypress-Medicine Hat where he was talking about political contributions. I think he was mentioning that they were more valuable than the charitable donations credit, but it's not, in fact, true, and I've got a few statistics here. The cost of the political contributions tax credit is around \$3.6 million, and that's pretty minimal relative to that of the charitable contributions credit, which is \$302.3 million. Now, the political credit is capped at the maximum of \$1,000 for any one individual. In contrast, individuals can make charitable donations and receive a tax credit on the donations equalling up to 75 per cent of their income.

Madam Chair, I believe that the political contributions credit helps to encourage a healthy and competitive political environment, a cornerstone of our democratic system, in fact, just as a charitable donation credit helps to encourage donations to charitable organizations, organizations that provide significant benefits to our province.

I'd like to add those statistics to the record and just mention that I will not be supporting the amendment.

The Deputy Chair: Thank you, hon. member.

Mr. Clark: Well, this is fun. No one suggested that we should raise the \$4,000 donation limit. No one suggested that we should change the current rules that require leadership campaigns to fully disclose all of their donors. The Member for Edmonton-Ellerslie should know that as a member of the Select Special Ethics and Accountability Committee. That was a recommendation of that committee, and it also was in the legislation that this House passed last fall or it might even have been last spring. Nothing in this amendment would hide who donates to political campaigns or leadership campaigns. Nothing in this amendment would raise the \$4,000 limit or put big money back into politics.

You know, it's interesting. In year 1 of this government their theme was, "We're taking big money out of politics," every single thing. What day of the week is it? "We're taking big money out of politics." Today, well, what's the temperature outside? "We're making life better for Albertans."

Dr. Turner: Two pipelines.

Mr. Clark: Oh, "Two pipelines." I'm sorry. Thank you very much, Edmonton-Whitemud. I'd forgotten about two pipelines. There was one in the middle there.

I think year 3, speaking of pipelines – I imagine the theme for next year is going to be "Hoping to goodness the price of oil goes up," and the theme in year 4 is just "I'm sorry about that." I think that this government's theme next year is going to be "Sorry about that."

Look, let's just be very clear on what the purpose of this is. Nobody asked for political parties' leadership contests to be eligible for tax receipts. No one. It didn't come in any of the written submissions to Select Special Ethics and Accountability. Absolutely no one anywhere in my constituency has asked me for that. I

strongly suspect, if we're all honest with ourselves, that not a single Albertan has asked us for that particular change, but here it is.

Let's talk about money in politics. The changes this government made allow just three people donating the maximum \$4,000 to a constituency association over four years to fund an entire campaign. If we want to have less influence in politics, I think we would all agree that having one MLA's seat beholden to just three people is not a good thing. But that's effectively what this government has done.

The other thing that this government has done, perhaps inadvertently, perhaps deliberately, is to enable or compel or even require the rise of super PACs, or political action committees, because so many restrictions have been placed on political contributions and political parties that the only possible way anyone can express their views is through a political action committee. So what do PACs do? Well, PACs attack. We see that all the time. It's already happening in this province, and, heaven forbid, it's going to happen in the next election. I don't like it. I wish it wasn't that way. It's one of those unintended or possibly intended consequences of the electoral changes that this government has made.

I just want to speak to the comments from the Member for Calgary-Northern Hills. He talked about the total amount of money that was refunded for political contributions versus charitable contributions. That may very well be the case, that political contributions and charitable contributions are similar in terms of gross dollars, but I'd love to know: how many actual contributions? How many actual Albertans contributed to charity at the lower, I believe it's 20 per cent rate versus the higher, 75 per cent rate of political contributions? The numbers, I'm sure, are wildly different. Albertans are incredibly charitable and generous people, and I know that they will donate, tens and hundreds of thousands of Albertans. I know it. Millions of Albertans, I suspect, will donate to charity every year, and far fewer will donate to political parties, yet the numbers are similar. That exactly proves my point that what we need to be doing is lowering the political contribution tax limits, raising the charitable contribution tax limits, and not sneaking in and, through an omnibus bill, expanding political contribution tax credits to places no one wants them. That's what this amendment seeks to fix.

4:00

Let's be very clear that this has nothing to do with reducing transparency, that this has nothing to do with putting big money back into politics. This only has to do with this government trying to sneak in changes that nobody wants for no good purpose that I can see except for some possible way of sticking it to the opposition for the process it looks like they're about to go through.

With that, I would return to my seat and encourage all members of the House to please support this amendment. Thank you.

The Deputy Chair: Thank you, hon. member.

Are there any other members wishing to speak to the amendment?

Seeing none, I will call the question.

[The voice vote indicated that amendment A1 lost]

[Several members rose calling for a division. The division bell was rung at 4:01 p.m.]

[Fifteen minutes having elapsed, the committee divided]

[Ms Sweet in the chair]

For the motion:

Barnes Gotfried Loewen

Clark Hanson Panda
Ellis

Against the motion:

Babcock	Kazim	Miranda
Carlier	Kleinstauber	Nielsen
Carson	Larivee	Piquette
Connolly	Littlewood	Rosendahl
Coolahan	Loyola	Schmidt
Cortes-Vargas	Luff	Schreiner
Dach	Malkinson	Shepherd
Drever	Mason	Sucha
Feehan	McCuaig-Boyd	Turner
Goehring	McKitrick	Westhead
Horne	McLean	Woollard
Jansen	Miller	

Totals: For – 7 Against – 35

[Motion on amendment A1 lost]

The Deputy Chair: We are now back on the original bill, Bill 15. Any other members wishing to speak to the bill? The hon. Member for Calgary-Northern Hills.

Mr. Kleinstauber: Well, thank you, Madam Chair. I'd like to take a moment to speak to Bill 15, Tax Statutes Amendment Act, 2017, in Committee of the Whole here. As we move forward as a government, making lives better for Albertans, there are aspects to our democratic system that constantly need adjustments and some tweaks to keep our legislation up to date and relevant. This is why, as the Minister of Finance and Treasury Board stated earlier in the debate, it is necessary to update tax statutes on a yearly basis. Not only is this necessary to implement government policy decisions in a fair and equitable way, but it's also to make sure that our legislation is in alignment with federal tax legislation.

[Mr. Sucha in the chair]

To be specific, within this legislation there are three programs that will be primarily affected by this act. Number one, the Alberta child benefit; number two, the Alberta family employment tax credit; and number three, the carbon levy rebate. I might add, Mr. Chair, that I've heard from residents at the doors in my riding that these are very helpful for many families. Many of us know that these programs were introduced to make life more affordable for Albertans, and we are seeing that these policies are having a positive effect on the finances of Albertans with families and for those with lower incomes.

A few months ago, Mr. Chair, I thought it was extremely unfortunate to hear that some families when facing the loss of a loved one were also affected when the Canada Revenue Agency requested that some of those carbon levy rebates had to be returned. That's why I'm glad that this bill will take immediate action and request that the CRA stop that practice. I've heard the opposition parties criticize this irregularity with the carbon levy as well, and now it's being corrected with this legislation. I'm hopeful that we will have their support to ensure the passage of this bill as soon as possible and to ensure that this practice does not continue further. After all, these programs were put in place to help people, not cause them added stress.

4:20

Another reason I support this proposed amendment is because it ensures that big money is out of politics. More specifically, this act extends the political contribution tax credit to leadership campaigns and nomination races, which will encourage participation in the

political process and help guide a healthy and competitive political environment. I heard a little bit about this previously with the previous amendment there, and I think we can move forward with that point of view at this point.

Mr. Chair, further changes from the bill, Bill 15, will be to the Personal Income Tax Act. The Tax Statutes Amendment Act, 2017, will also make changes to the Alberta Corporate Tax Act. As many are aware, Alberta continues to collect our own corporate taxes, and each year we have to amend our tax legislation so that it aligns with the federal government's Income Tax Act. When federal changes to the Income Tax Act are applied, this results in technical changes to our legislation to ensure that there is an alignment. In 2016 the federal act was changed to reduce misuse of the preferential small-business tax rate. In Alberta we intend that our 2 per cent small-business tax rate applies to small businesses on their first \$500,000 worth of income.

Mr. Chair, there was a loophole in the system, and a very small number of companies were designing certain business structures that allowed them to apply that rate to more of their income. I think many of us here believe that this was unfair to the other small businesses that were applying the rules properly and to the Albertan taxpayer, so I think many of us can agree that this irregularity should be corrected. Again, this bill will accomplish that.

Finally, Mr. Chair, there are proposed changes that include an amendment that will apply to the Tourism Levy Act. For those following at home, this can be found on page 21 of the bill.

5(1) The Tourism Levy Act is amended by this section.

(2) Section 5 is amended by adding the following after subsection (1.2):

(1.3) If an operator has filed a waiver in a form established by the Minister within 4 years from the end of the calendar year in which a tourism levy became payable and

- (a) the operator has not revoked the waiver, the Minister may, in accordance with the terms of the waiver, assess the amount of the tourism levy payable under this section at any time, or
- (b) the operator has revoked the waiver, the Minister may, in accordance with the terms of the waiver, assess the amount of the tourism levy payable under this section within 6 months after the Minister receives notice of the revocation.

These changes will allow levy collectors – and by levy collectors I'm referring to the accommodation operators – to file a waiver to extend the assessment period when an assessment is issued against them. This will provide operators additional time to resolve issues if there is a dispute over the amount of tax owing and also aligns administrative processes along Alberta's tax statutes.

So just to wrap up, Mr. Chair, I just wanted to compliment the Ministry of Treasury Board and Finance on their ability to keep up with these changes with an excellent level of dedication and detail and to make sure that Alberta is up to date with both the federal government and other provinces. I'd also like to thank the Minister of Finance for his diligent work on this file.

I'll be supporting this bill at Committee of the Whole, and I hope many other colleagues in this Legislature do the same. Thank you.

The Acting Chair: Any other members wishing to speak to Bill 15? The hon. Member for Edmonton-McClung.

Mr. Dach: Thank you, Chair. The legislation before us is not necessarily simply housekeeping or enabling legislation; it is the mechanism through which the legislation actually lives. It's been fascinating to see this process move forward as we move forward to make life better for Albertans. There are aspects in our democratic

system that constantly need adjustment and renewal, and income taxes and commodity taxes are some of them.

Now, where this particular piece of legislation touches me most pointedly is around the political contributions component that the bill seeks to implement. I do recall during debates, particularly in committee, when members of the opposition were quite vehement in that they felt that, and almost to quote them, political parties were not subject or should not be subject to the light of day. They called them private clubs and that political parties, as such, as private clubs shouldn't be scrutinized by the government or the state or be subject to the types of political contribution limitations that the legislation encompasses.

That was a very telling statement to me, when members of the opposition would get up and very, very clearly articulate how they thought that political parties were private clubs and that the very entry point at which an individual would become first eligible to either run for a party or enter into a leadership race was a bit of private information that the public, the government, people of this province had no right to scrutinize. I disagree with that absolutely wholeheartedly. When a person does put their name forward for nomination, when you decide you're going to enter into a leadership contest, your private club stops right there, and that's when public scrutiny should definitely be part of the process.

This legislation, by bringing the political financing act in to encompass those two levels of political engagement, is well past time. I'm very pleased particularly to see these two elements encompassed into legislation and enter into the realm of public scrutiny. That, for me, is one of the largest highlights of this legislation and one of the reasons I'm most pleased to support it.

With that, I'll conclude my brief remarks on this portion of the legislation as it affects me most pointedly and invite other members to join the debate, add their remarks and comments. I look forward to passage of the legislation.

Thank you.

The Acting Chair: Are there any other members wishing to speak to Bill 15? The hon. Member for Edmonton-Whitemud.

Dr. Turner: Thank you, Mr. Chair. I, too, rise to speak in support in the Committee of the Whole of this bill. You know, these amendments are going to ensure that our government's policy decisions are implemented and our tax legislation continues to be aligned with the federal situation.

The sort of headline part of this bill is, really, compassion. What is happening here is that, due to an unfortunate situation where a relatively unthinking and uncomprehending federal tax system was utilized in order to save administrative costs and other expenses in getting this rebate out to Albertans – and it had some unintended consequences of us trying to save Albertan taxpayers some money. It's a relatively small number, but that number did have – when the situation occurred to families who had lost a loved one, it was devastating, I'm sure. This legislation is well designed on a going-forward basis to prevent that unfortunate situation.

We do care about Albertans. We care about all Albertans. We want to make sure that the benefits of the rebate of the carbon levy are not a concern to Albertans. You know, one of the things that I'm particularly pleased with and what the Minister of Finance has done is that he's announced that the government will be forgiving the amounts currently owed in the situations that I've described. I think this is very compassionate, and I'm proud to be associated with a government like that.

4:30

You know, there are two other programs that are a part of this system, too, the Alberta child benefit and the Alberta family employment tax credit, and we're going to be able to regularize the situation if some unfortunate event occurs related to those.

You know, the part of the bill that I wanted to speak to, actually, is one of its more arcane parts, I think. It's something that I actually have a fair bit of experience with, being the parent of two children who, I can proudly say, were very successful at their university education. For about 10 years or so I was able to avail myself of the education tax credit that could be transferred from a child to the parent, and this was an important part of my tax planning. I'm not sure that my children appreciate the fact that I took those tax credits, but I did try to explain to them that they were actually not making very much money and that I could use that benefit better.

Basically, section 16 is being amended, and, you know, we're going to make it easier for parents or grandparents of persons taking education, whether it's in a college or an institution like NAIT or SAIT or at a university, to improve their financial situation. This relates to the unused tuition and education credits and how they're calculated.

As I said, it sounds kind of arcane, but in fact, having just come through filing my income tax on April 30, I do have, actually, very good memories of seeing that positive credit that I used to get after I had transferred that. I think many of you will know that you actually have to get your child to file their income tax and claim the amount that's going to be transferred.

Again, this is an example where the Minister of Finance and minister responsible for the Treasury Board is making sure that all Albertans are going to be able to get that credit, and that will actually improve the situation for those of us that are lucky enough to have children that are pursuing their education.

I'm also pleased with the changes that are being made to the corporate tax situation. I have to declare some conflict of interest in that I do have a professional corporation, as, I would assume, some other members of this House do. The way that the corporate tax is being reorganized is a good thing, and I'm pleased to support this bill in this regard.

You know, what's the government doing for families who had to return benefits they received under the Alberta child benefit or the other situations? Basically, what is being suggested in this act is that we would deal with those things similar to the way the carbon levy rebate is being dealt with. The processes are going to be improved. The Canada Revenue Agency is going to implement change that's going to allow parents of deceased children to keep rebate amounts. This is going to apply in cases of children who passed away on or after January 1, 2017. Families who receive a notice of reassessment in this situation after the specified date don't have to return the money. Again, it's a very compassionate approach and one which, I'm sure, all members of this Legislature will support.

In summary, this might be called a housekeeping bill, but the housekeeping that's being done I think is vitally important, not only on the carbon levy situation but on several other taxation measures, and I would encourage all members of this House to support this bill.

The Acting Chair: Are there any other comments, questions, or amendments in relation to Bill 15? The hon. Member for Sherwood Park.

Ms McKittrick: Thank you, Chair. I think the MLA for Edmonton-Whitemud and, I believe, a number of us spoke to the fact that a tax statutes bill appears to be a very boring bill, but when you start to

look at it, you realize that the Minister of Finance and Treasury Board spent quite a bit of time putting a bill together to benefit families.

I think I might have said earlier in this Assembly that I really very much respect how quickly the government realized that there was some problem with the way the rebate for the carbon levy was handled and that they immediately worked with CRA and then ensured that there would be a bill introduced in the House to ensure that any challenges that had been created by the collection of the carbon levy would be finished. I think that that not only shows that the government is always trying to make things better for Albertans but also that we understand the importance of the rebate to families.

But this bill doesn't just do this. This bill doesn't just allow families to receive their carbon levies in four equal payments and ensure that no rebate has to be returned for the carbon levy and for the other two provincial programs that families benefit from, including the child tax credit. This is only one part of the bill. In this House this afternoon we discussed some other parts of the bill. The Member for Edmonton-Whitemud talked about the tuition tax credit, and I also have used that tuition tax credit in the past when my young children went to university.

But what I really wanted to talk about today, again, was the issue that we just discussed a little bit around an amendment. I don't know about other members, but it seems to me that when leadership contests do happen – and we are seeing this currently federally with the leadership contests in both the Conservative Party and the NDP Party – the stakes are very, very, very high. I haven't had a chance to look at the discrepancy, for example, in money raised by the two leadership contestants in the PC Party, Mr. Kenney and the Member for Vermilion-Lloydminster. I know from experience that leadership contests tend to draw a lot of money, and as has been pointed out in this House a number of times this afternoon, what the government did from the first bill that it introduced in this place was that we wanted to remove big money from the election process.

I'm really thankful that we did because the idea is to ensure that everyone feels that they can contribute to a process and that no election process, including leadership contests, is influenced by so-called big money. I think the Member for Edmonton-Ellerslie spoke about the fact that in the past people donated over \$105,000 for a leadership contest and how crazy that was.

4:40

I wanted to just reinforce the fact that the political contributions tax credit makes life better by encouraging a healthy democracy and by providing financial support to individuals participating in the provincial election process. The Alberta government has worked to make important changes to election financing to get big money out of politics, including banning corporate and union contributions. The political contributions tax credit will encourage Albertans to participate in the political process. I understand that there might be a leadership contest happening for a party that is proposing to be formed, and I think we're all going to be really happy to know that big money has been removed from that leadership contest.

The cost of the political contributions tax credit is estimated to be \$3.6 million, which is minimal relative to that of the charitable contribution credit, which is \$302.3 million. I know that the Member for Calgary-Elbow spoke to that earlier on and was wondering why the political contributions tax credit was higher than the charitable contributions tax credit. The thing is that there are a lot more tax credits given for charitable contributions than political contributions. The political credit is capped at a maximum of \$1,000 for any one individual. In contrast, individuals can make charitable donations and receive a credit on donations equalling up to 75 per cent of their income.

As we're talking about charitable donations, I'm really hoping that each member of this House is as supportive of the charitable sector as Albertans are and that we are all taking the opportunity to earn tax credits by making a lot of charitable donations because I know that the charitable sector really relies on donations.

The political contributions credit helps to encourage a healthy and competitive political environment, a cornerstone of our democratic system. I wanted to speak a little about that because I think some members of this House, like myself, have lived in places where the political environment is not as healthy as ours, where the processes are not as open, not as democratic, and don't give everybody the opportunity for a chance. One of the things that I've always appreciated in Canada is that everybody has the opportunity to present themselves for election, to be part of the democratic system, to vote, to debate, to be engaged, and I think we really treasure this. That's why the proposed changes that are made through Bill 15 are really part of this government's support for a healthy and competitive political environment, the cornerstone of our democratic system, where everybody can participate and everybody can contribute to their ability.

Consistent with the Fair Elections Financing Act, any leadership race that was ongoing at the time of that act's passage is exempt, so I wanted to reassure the people who were involved in the leadership races before this bill has passed – I believe that there are two political parties who have been involved in the leadership race – that this bill exempts them at this point. Future leadership and nomination contests will be subject to that act and this one if passed.

We have about two years to get used to working under this act if it's passed in the House. I'm hoping that everyone in this House considers this bill and that they fully understand the way that the bill is going to benefit families by ensuring that no one is asked to return their carbon levy rebate or the child tax credit if there is an unforeseen death in the family. This bill also supports the government's agenda to ensure that the democratic process is fair and allows everybody to contribute.

Mr. Chair, I really urge everyone to support this bill. I once again want to thank the minister for quickly reacting to the problem that was identified around rebates and ensuring that each family that does receive a rebate where there is a death in the family does not have to return the rebate.

Thank you.

The Acting Chair: Are there any other members wishing to speak to Bill 15?

Seeing none, are we ready for the question?

[The remaining clauses of Bill 15 agreed to]

[Title and preamble agreed to]

The Acting Chair: Shall the bill be reported? Are you agreed?

Hon. Members: Agreed.

The Acting Chair: Opposed? That's carried.

Bill 14

An Act to Support Orphan Well Rehabilitation

The Acting Chair: Hon. members, are there any questions, comments, or amendments on Bill 14? The hon. Member for Stony Plain.

Ms Babcock: Thank you, Mr. Chair. Bill 14, An Act to Support Orphan Well Rehabilitation, is amending the Oil and Gas Conservation Act, and it should be starting to move our economy

before the end of the year. As you know, the federal government allocated \$30 million in its recent budget to support our efforts to reclaim orphan oil and gas wells. The government of Alberta is working on options to leverage that money to assist the Orphan Well Association in the best way possible using that \$30 million. Right now the OWA is unable to use the orphan fund to do anything other than pay for the suspension, abandonment, and reclamation costs in respect to orphan wells and sites, nor is the OWA legally allowed to accept a loan.

As you can see, legislation amendments are required to the Oil and Gas Conservation Act to enable a loan as well as to repay a loan. Specifically, the Oil and Gas Conservation Act needs to be amended in section 70(1), which sets out the uses for the orphan fund and the powers, duties, and functions that are delegated by regulation to the OWA. This will enable the OWA to pay back a loan. Amendments are also needed to add a new provision in section 76 to allow Alberta to provide a loan to the OWA as required by section 42(2) of the Financial Administration Act. Mr. Chair, these changes will give the government of Alberta the legal authority to provide the OWA with the support it needs to support further orphan well rehabilitation.

I'm confident that the plan that the government of Alberta will bring forward will adhere to the key principle of polluter pays. Simply put, Mr. Chair, Albertans should not be on the hook to clean up oil and gas sites – the previous government failed to ensure that companies were held properly accountable for their actions – and whatever actions we take as a government and a Legislature to support orphan well rehabilitation should not change that.

Mr. Chair, with whatever actions we take to reduce the current inventory of orphan wells around the province, the fact is that we need a better approach to the question of liability for these sites going forward. In too many cases the question of liability for closure costs arises only when an operator is getting ready to shut down a well, and by that time it may be too late. The operator in question may be running out of money and may be unable to afford the cost of abandonment, remediation, and reclamation. Too often the burden of that liability is borne by others in the industry through the Orphan Well Association. In many cases landowners are bearing the brunt of this as well, and some, like freehold mineral rights holders, are worried about the potential liability for themselves and their families going forward.

Mr. Chair, the whole system needs a thorough review, and I'm pleased to see that the government is doing just that. On May 10 the province announced that they would be working with industry and experts to find better ways to protect Albertans and the environment by improving policies for managing old oil and gas facilities.

4:50

This was quoted in the *Calgary Herald* on May 9.

Alberta Launches Review of Aging Oil and Gas Wells

The Alberta government says it's moving to tackle the growing problem of orphaned and aging oil and gas wells by drafting a new strategy to manage liabilities.

Starting Wednesday, the government and Alberta Energy Regulator will meet with industry, landowners and other interested groups to begin work on a policy to address the costs associated with the cleanup of aging energy infrastructure across the province.

Energy Minister Marg McCuaig-Boyd said changes are needed to protect Albertans from the financial and environmental costs associated with well remediation.

"Landowners are worried, the industry itself is worried, so it's time to take some action," she said in an interview.

The province currently works under a polluter-pay principle, where industry is responsible for the abandonment and

remediation of old wells. However, as low oil prices and the recession have forced more companies into bankruptcy, more inactive wells are left without an owner.

"I'm a bit disappointed that when oil and gas was booming nobody took this seriously, and now that we're in a downturn there's not the mechanisms in place," said McCuaig-Boyd, who expects the review to be completed by the end of 2017.

The Acting Chair: Hon. member, remember that referring to a member . . .

Ms Babcock: I'm quoting.

The Acting Chair: You still can't refer to members by name.

Ms Babcock: Okay. I apologize.

Responsibility for the remediation of orphaned wells – those without an active owner – has fallen to the Alberta Orphan Well Association. The industry-funded organization has more than 2,000 orphan wells on its books, more than double from a year ago. Last year, it managed to close 185 wells.

"We think it's critical to open the dialogue with Albertans and jointly develop a framework that improves the management of unproductive upstream oil and natural gas assets," Brad Herald, chairman of the Orphan Well Association, said in a statement.

Mr. Chair, this is why I'm pleased to say that this liability management review isn't a one-sided consultation, the way reviews have often been in the past. We believe that the best solutions are found when you engage individuals who don't normally agree on an issue and encourage them to work together to find that common ground. That, of course, is an approach that is new since 2015 in this House. Before 2015, their approach was to fix on one solution, no matter how ill considered, and then put together a group of people who agreed with them.

Mr. Chair, I'm very proud of the work the government is doing to ensure that we hear a range of opinions and perspectives on this very important issue, an issue that we see too often in rural Alberta. The government has engaged representatives of the oil and gas industry, the oil field services sector, agriculture, landowners, freehold mineral rights owners, environmental organizations, lenders, insolvency professionals, principal organizations, surety companies, and lawyers who represent landowners. In the coming weeks those stakeholders will be delving more deeply into the technical issues around fiscal policies and programs, inventory management and legacy sites, and postregulatory closure.

There is one other part of this liability management review process that is worth highlighting, sir. I'm proud of the work that our government is doing to renew our relationship with Alberta's indigenous peoples. Too often in the past governments ignored their responsibilities to meaningfully engage with First Nations and Métis communities, so I'm pleased to note that there will indeed be a parallel engagement with the First Nations and Métis communities on this very important topic, starting in June. These engagement sessions will be taking place in different parts of the province to ensure we hear from a good cross-section of people. It's critically important that indigenous perspectives be included in this debate, and, Mr. Chair, they will be.

Mr. Chair, I'm excited to see that the funding in question will address about a third of the OWA's current and projected inventory in just three years. That's the kind of meaningful progress that my constituents and Albertans have been calling for.

It's also important to note the number of jobs that this program will create, 1,650 jobs over three years. That's approximately 550 jobs per year. The increase in annual jobs is equal to about 10 per

cent of the number of current jobs in the waste management and remediation services industry.

It's important to remember here that the economic benefits of this bill go beyond the sheer number of jobs created. This initiative will help keep skilled workers in a dynamic sector employed here in Alberta, workers whose particular skill set will be in great demand as the recovery in the energy sector takes hold.

There's every reason to be confident that the polluter-pay principle will be respected no matter what happens in the years to come in the industry. The OWA is funded from an industry levy imposed on oil and gas companies. Moreover, the government of Alberta has regulatory tools and other legal remedies to require individual companies to pay their industry levy. The Alberta Energy Regulator can issue penalties on the outstanding levy owed and ultimately issue closure or abandonment orders or cancel approvals of licences if levy payments are not received. The Minister of Energy can also refuse to issue an agreement or register a transfer if debts are owed to the Crown in right of Alberta or the AER. Those are extraordinary tools, Mr. Chair, and frankly, given the size of the industry and the small percentage of industry revenues that this represents, it is difficult to imagine a scenario where such actions would be necessary.

Bill 14 enables the government to take long-overdue action to reduce the inventory of orphan wells in our province. It ensures that hundreds of sites that pose a risk to the health and safety of Albertans and our environment will be cleaned up in a short period of time.

Again, to quote Brad Herald, chairman of the Orphan Well Association, he says:

Environmental protection and safety of communities is paramount to our industry. We think it's critical to open the dialogue with Albertans and jointly develop a framework that improves the management of unproductive upstream oil and natural gas assets. As part of our commitment, we will take part in that conversation and support solutions to improve policy and manage these [unproductive assets.]

They want to take part in the conversation with us.

This puts hundreds of Albertans back to work. It keeps skilled workers in our province, that we will need as the energy sector recovers, and it does so while maintaining the principle of polluter pay. This is the kind of work that Albertans sent us here to do.

I'm pleased to support Bill 14, and I urge all of my colleagues in this Assembly to do the same. Thank you.

The Acting Chair: Are there any other members wishing to speak to Bill 14? The hon. Member for Cypress-Medicine Hat.

Mr. Barnes: Thank you, Mr. Chair. I appreciate the chance to rise as well. I, too, would like to co-operate and support Bill 14. Three principal reasons come to mind. I remember about a year and a half ago when Premier Brad Wall first announced this idea in Saskatchewan and the great support it had throughout Alberta. It was maybe at the start or the front of the downturn, and we were concerned about Alberta families. We were concerned about Alberta communities and Alberta individuals. It was absolutely clear that Albertans were in favour of some support for our good oil and gas workers and of what the Conservative Premier to the east of us had suggested.

So I'm grateful that, you know, the federal government has come to the plate to clean up some of their legacy stuff from prior to the '50s, and I hope that as this bill goes through, the NDP government will get it right to ensure that the maximum employment happens, the maximum cleanup happens, and Albertans are honoured constituents.

Cypress-Medicine Hat – my goodness – was a leading part of the gas and the oil and gas industries in Alberta. We're blessed with the Suffield Block just to the west of Medicine Hat, which is now maybe mostly famous for the fact that some side of approximately 10,000 British soldiers annually come and train there. But initially it was where Alberta energy got its start. It's where so many southeastern Albertans learned the trade, built wealth, and made things happen for the province of Alberta.

When I talked to constituents about orphan wells and about where we are at, many of them pointed out that in spite of some years of oil and gas companies having huge revenues, they were paying huge royalties. They were paying huge lease payments to the citizens of Alberta. My goodness. They were providing prosperity and wealth and opportunity for their employees, for employees' families and communities. Of course, you know, the oil and gas business is an expensive business to be in a lot of times, and a lot of times capital was a problem. What they were telling me was that a necessity or an opportunity to have more capital could go a long, long way in their desire to speed up the cleaning, to get their liability risk rating in order, to ensure that they could continue to employ Albertans, that they could continue to hire subtrades. So this appears to be a shot in the arm, you know, for a lot of our industry to get the capital that they need to do the job that they want to do.

5:00

We can't forget what the oil and gas industry has done for Alberta, and we also can't forget that they, too, are responsible for the cleanup of these wells. They want to be responsible for the cleanup of these wells, and of course they are, through their payment into the fund. Again, you don't have to go far in Cypress-Medicine Hat to talk to somebody that hasn't had a good quality of life, hasn't had part of rural Alberta developed, whether it's roads or electricity, because of what the oil and gas industry has brought to Alberta. Again, they absolutely want to be responsible for their own cleanup. They absolutely want to ensure that they are the best corporate player possible.

I'm looking to co-operate on and support this bill and hope that that will continue, but I do have some questions of the government that I hope they can answer. Parts of this bill just haven't been fully explained and expanded upon yet, and as this moves through the stage, you know, of Committee of the Whole onto the next stage of reading, I'd like to know some things like: of course, industry will be responsible for this loan, as it should be, but what mechanism and consultation have occurred to ensure that industry is in favour of taking this loan?

You know, has the government only met with industry advocacy groups? Will the government be meeting with individual players as well? Mr. Chair, as we have seen in the past, we all know that industry groups at times have ignored the voice of smaller players in favour of larger players. Possibly, probably the number one thing that I've heard in my two years since the government changed and in my three or four months as energy critic is about the four or five companies that were on the stage with the Premier and the socialism entrepreneurship that that is and the fairness and the unfairness that that may lead to. I would just hope that this government doesn't create a situation where small players are disadvantaged, where all companies aren't treated as fair as possible. We're going to have to get some answers on that.

One of the questions that's hanging out there for me is the repayment timeline. When the liability risk rating was changed, it especially affected smaller oil and gas companies, I think, three or four years ago, when that happened. Yes, it's important – it's important – to ensure that industry cleans up their residual, absolutely, for future generations and the environment, but it's also

important to make sure that there's a mechanism for appeal, there's a mechanism for employment, there's a mechanism for growth. So unless we know the repayment timeline, Mr. Chair, for some smaller companies, maybe even some bigger companies, you know, who run into some bad luck drilling wells or whatever – maybe a longer timeline is important. So I'd like to hear what the industry has to say on that.

Thirty million dollars, I believe, we got from the feds. Will that cover the full cost of the interest on this, or will there be interest that will potentially have to be picked up by industry? Do we know what the mechanism will be for that?

What will be the level of increased activity due to the administration size of the Orphan Well Association? As we start to clean up more and more wells, will the size of the association increase? You know, how much will it increase by? Who will bear the cost of that? I would hope that this government has fully, fully consulted with our industry to make sure that the level is set with their agreement – this is their association; this is their cleanup – and is not going to be a hardship. Then, of course, I hope this government has a plan for decreasing the administrative body once the work is complete.

One of the main criticisms I hear about this government, of course, is how the size of government has grown and grown and grown while the private sector has had hardship and difficulty in the oil and gas business. I was talking to one of my friends the other day who's gone from over \$30 an hour to \$15 an hour and less pay when he's out of town and stuff like that. Mr. Chair, I would just ask: don't put too big a tax burden on these young families as they start to recover.

I'm also hoping and wondering: will the minister be tabling a timeline detailing the remediation schedule? Are we going to see, you know, exactly how this is going to be done?

I've also met with industry people, Mr. Chair, that talk about some situations where productive wells are in the middle of some orphan wells or some abandoned wells or some low-producing wells. Are we going to have a mechanism to possibly, you know, return some of these productive wells to the pool and an opportunity for creditors, for subtrades, for people like that to have an opportunity to participate in the Alberta advantage again?

It's also interesting: I understand that the skills for well reclamation on oil and gas works are not directly transferable from drilling or fracking or servicing a well, so maybe we have to ensure that we can meet the labour demand and the labour skills with what needs to be done to make sure that we can meet this timetable.

Mr. Chair, in summary, I'm glad that the feds stepped up to the plate to help us. I'm glad that they've taken some ownership on the legacy well problem, that is their responsibility. I'm hopeful that the government will get it as right as possible when it comes to ensuring that the environment gets maximum cleanup but that we give Albertans, employees and companies, the maximum opportunity to take advantage of this. I hope that I can get some of these questions answered during the Committee of the Whole.

Thank you very much.

The Acting Chair: The chair will recognize the Member for Calgary-Mountain View.

Dr. Swann: Thanks very much, Mr. Chair. I'm pleased to speak in committee on Bill 14, An Act to Support Orphan Well Rehabilitation, clearly a win-win, with the federal government offering to front the interest, at least, on a significant loan to industry. At the same time we're going to create jobs and clean up some important liabilities for all Albertans, particularly our children and grandchildren, with the Orphan Well Association. Presently the orphan

well fund can only be used to pay for suspension, abandonment, and related reclamation costs in respect of orphan well facilities and sites.

The bill also proposes to authorize the President of Treasury Board and Minister of Finance to make loans. In its current form the Oil and Gas Conservation Act does not specifically allow that. This is obviously enabling legislation that will potentially be a win-win for employment, our economy, and these important delayed and deferred cleanup costs, that hold a potentially fairly large liability for future generations. The government is making the changes to allow a \$235 million loan to the Orphan Well Association, to allow the fund to repay the loan.

As has been stated, there are 83,000 inactive wells and 69,000 abandoned. In March of this year the Orphan Well Association had an inventory of 2,000 orphan wells to go through closure activities. It managed only 185 wells last year with an annual budget of \$30 million. It's scheduled to increase to \$60 million in the 2019-20 fiscal year. This will entirely be covered by industry levies.

I have only a few questions that don't appear to be clear in the current bill. It authorizes the loan money to the Orphan Well Association but doesn't specify a loan ceiling or a repayment schedule apart from the 10-year, full repayment. It's not clear how that's to be shared, especially with companies that are perhaps struggling financially, and whether, in fact, at the end of the day, we will see the big companies stepping up with their share and the smaller companies again deferring and declining. Those are some specific details, but it seems to me that Albertans deserve to know how and in what manner the loans will be repaid, and we have a right to know at the start just what those terms of repayment are in the interest of protecting taxpayers from undue risk. They should be written into the bill.

5:10

This loan should also be a one-time deal, and it should reflect that, that this is not a pattern for future decades. While Premier Notley insisted that the \$235 million loan doesn't replace the orphan levy or the polluter-pay principle . . .

The Acting Chair: Hon. member, refrain from using names.

Dr. Swann: Sorry?

The Acting Chair: Refrain from using names. You used the Premier's name.

Dr. Swann: Oh, thank you. Yes.

Bill 14 is worded in such a way that the door is being left wide open for government to make future loans. That needs to be addressed, too, I think. In terms of honouring the polluter-pay principle, we need to ensure that is clear, that this is not setting a pattern for future defaults, I guess, by the industry.

Bill 14 is also not prescriptive about what any loans to the orphan wells can be used for. I guess, if the price of oil happened to jump by double, I would wonder whether some of this money already given could then be used for other purposes besides the purposes of abandonment and reclamation. Without it being more specific, I wonder if we are again not quite holding them sufficiently to account.

Finally, I think there is a reason to call for this bill to have a review process, to within one to two years report back to Albertans to let us know how this fund is being used and how effectively it is accomplishing the goals it set out to do. It's part of due diligence, accountability. It also, in my view, should be written into the bill, certainly, before any future lending is given. It seems to me that

within the next one to two years it would be good to know what's working and how well it's working.

Those are some of the concerns in an otherwise laudable bill, that, as I say, is a win-win for Albertans, for our environment, and for our workplace. Thank you, Mr. Chair.

The Acting Chair: The chair will recognize the hon. Member for Edmonton-McClung.

Mr. Dach: Thank you, Mr. Chair. I'm very pleased to stand to speak to this piece of legislation, which is going to be, as noted by previous speakers, a win-win situation for many people in this province, people in the oil and gas sector, people in the environmental sector. Economically, for the province it's a means of addressing a problem that only gets worse over time if it doesn't get attention paid to it.

Now, in my constituency of Edmonton-McClung I have no oil and gas sites that need remediation. There are, in fact, no oil or gas wells that I know of unless somebody drilled one in the last half an hour. We do however have a pipeline. The existing Kinder Morgan pipeline goes smack dab through the constituency, crosses the river from Edmonton-Whitemud and comes in through the Edmonton-McClung riding. They had been very, very attentive to the community's needs when they were addressing how indeed they would ensure that that pipeline right-of-way was kept safe and clear of vegetation and trees that needed to be removed. There's been an ongoing, long-term process. Kinder Morgan has been involved deeply with the community in discussing how that gets done.

However, with respect to the situation regarding oil and gas wells, abandoned versus orphaned, I learned early on, when I had an opportunity for one summer to work in the oil patch, about the difference between these two terms. I often wondered even as a rig hand, when I worked for one summer on service rigs, how indeed – when I was doing service work around Redwater and St. Paul or Fort Saskatchewan, mostly northeast of Edmonton, you'd hear that some of these wells, even back then in the 1980s, in a field that you thought was a productive oil field, the Redwater oilfield in particular, were only producing one or two barrels a day. They were still operational, but you'd think: oh, how can this be economical? Even as a rig hand you wondered how that was possible. In fact, of course, it wasn't.

Back then they would do certain things to try to increase the productivity of the wells. There would be a process called a cement squeeze, which was basically a process where high-pressure fluids were pumped down a well in order to raise the fluid level of the whole underground resource. The water and oil, in particular, would all be raised up so that oil could be pumped once again. That was an afternoon of heavy, intense activity and quite a lot of excitement, actually, when the trucks from companies like Schlumberger would come in and pump those fluid levels down under such high pressure and get that oil to come up. And not always did it work. Now we may end up seeing other procedures used like hydraulic fracking, which may be more successful.

But even with today's technology not all wells can be remediated. A lot of them are owned by small oil companies, which end up not being able to sustain the well. Rather than being abandoned, as has happened with some of the larger companies, smaller companies simply orphan the well. That ends up in the lap of the Alberta taxpayer. This is what's happened with a lot of these wells that we're going to be employing people to remediate over the next number of years with this program under Bill 14.

I was actually shocked and impressed by the large number of wells that have been drilled in our province. Over half a million wells have been drilled since drilling activities began. Over half of

those wells, or close to 285,000, are still deemed to be operational. However, a hundred thousand of those wells are not currently active. Eighty-one thousand wells have been reclaimed and remediated, leaving somewhere around 87,000 abandoned wells that require reclamation and remediation. Only a small portion of these sites are actually recorded in the inventory of the Orphan Well Association. As of March 2017 they held 2,084 orphan wells that still need to go through closure activities. In addition to that, there are some 1,700 pipeline segments that need attention.

The problem, Mr. Chair, is large. It's something that we've been aware of for a long, long time in this province, and the can has just been kicked down the road. Even back when I worked in the oil patch, there were lots and lots of wells where you'd see that the pumpjack wasn't working. Parts of it were not even there, or sometimes it would just be a hunk of steel sticking out of the ground, and you wondered: gee, that used to be a well site; what's happened to that? Well, they are nonfunctional orphan well sites. Some of them have been sitting there for decades, and now we're finally addressing the issue.

I'm proud to be part of a government that has Alberta's back on this and is finally doing something significant about it. For too long the problem was allowed to grow. This has affected thousands of Alberta residents, people like farmers who have these sites on their land, many of which can be seen. Just drive northeast of Edmonton through Thorhild county or up in Fort Saskatchewan, and you'll see them. Many of these farmers have sites on their land or municipalities have these unclaimed sites in their areas and can't work around them. It didn't happen overnight or even during the course of the last five years, when the economy was in a downturn. It's been building up for many years.

As I mentioned, in the '80s, when I worked in the oil patch, it was a known difficulty, a known problem that hasn't really been addressed over the years. Now we're finally doing something about it. In doing so, we're putting Albertans back to work, keeping the skill set in this province that is necessary and, as other people have alluded to, perhaps even creating a resource of individuals with specialized skills for addressing this problem in Alberta over the long term as we continue to pay attention to the issue of orphaned wells and not let it get to the point where there's a backlog of wells over time that ends up facing us as an overwhelmingly difficult problem but one that we have no choice but to dig into and solve now.

5:20

These orphan wells are wells, facilities, or pipelines where the original owner or the licensee is not capable of paying for the required closure processes. It can happen for any number of reasons, but quite often it means that the licensee has gone bankrupt, as I alluded to before, quite often a smaller company who ends up not being able to afford or have any funds left to remediate the well site. If they aren't going to close the facility properly, they're not going to be able to pay for remediation or reclamation either, and that's where the Orphan Well Association comes into play.

The OWA, the Orphan Well Association, is a not-for-profit organization funded by the oil and gas industry through the orphan levy fund. It's run by an independent board of directors and has done a lot of good work over the years. They have decommissioned over 1,100 orphan wells, and they have reclaimed another 700 orphan wells. Public safety is one of the key things they are concerned with. They examine the risk of every project to help to determine which wells will be cleaned up. But the 700 orphan wells they've cleaned up to date is not enough when we have another 2,000 or more that need attention.

We need to do more to assist them in their job, and we need everyone to recognize the seriousness of the situation. We can't continue to put off the problem. I think that's a question that I asked myself even working in the oil patch in the '80s: why are these just allowed to sit there? Now we're finally doing something about them. But they never should have been allowed to sit and have the problem fester for decades. I hear it all the time from my constituents, and I'm sure my colleagues in the Assembly hear the same thing: why was this problem allowed to fester, and why did it grow so large?

However, at the same time, Mr. Chair, we have a huge number of skilled oil field service workers ready and willing to go, many of whom will be employed in this project over the next three years, 1,650 of them who will be developing a significant and unique set of skills to address the problem of orphan wells. It's a set of skills that we hope to maintain in this province as we solve the backlog. Hopefully, we don't end up having a large backlog. We maintain this skill set and these individual crews so that as wells do become orphaned and the OWA seeks to address the problem, they'll have their valuable skills available to us on an ongoing basis, a team of skilled people to protect Albertans from the harm of possible abandoned and orphaned wells. So we want to keep them available for the near future. We need to keep them working now.

I know when talking with constituents at a recent school function, who were involved in the oil patch, they were really quite pleased to hear about this program. Some of them weren't aware of it. Those that I know who are also involved in the oil field supply service are quite excited about it as well. Those that are making hoses and pumps and all the other pieces of equipment that are necessary in the servicing industry and the specialized equipment that will be needed for the remediation of well sites and the orphan wells are only going to add to the level of economic activity that we already see beginning to happen in the oil patch. We look forward to as many individuals as possible of the 1,650 being employed in this rather specialized field of remediation of the orphan wells.

With that, I conclude my remarks and encourage all members to support this win-win-win legislation. Thank you.

The Acting Chair: The chair will recognize the Member for Athabasca-Sturgeon-Redwater.

Mr. Piquette: Well, thank you, Mr. Chair. I'm happy to rise in the House today to support Bill 14, An Act to Support Orphan Well Rehabilitation. You know, specifically, as opposed to those who spoke earlier, we can talk about the decision of our government to provide a loan for the Orphan Well Association, as other members have discussed. I'm very happy to support this bill because I think it strikes a very good balance between some competing interests. As well, it speaks to a real need for employment for rig hands in our province. I think it's one of these win-win situations.

Now, as the hon. Member for Edmonton-McClung alluded to, there are indeed a lot of old well casings, rusting pumpjacks. It's hard to tell when you look at a well whether it is an orphan well, whether it's an abandoned well, or whether it's a well that, you know, in theory is still in production.

I do know that you do see a lot of these in and around Redwater, one of the oldest oil fields in the province, in fact the second oldest, and also up into Thorhild county, I think, with several, actually, around Boyle and around Athabasca. I know there are some within Lac La Biche county in my neighbouring riding. As well, Lamont county has quite a number of them.

Of course, these wells are a hazard while they remain in place if they are indeed orphan and the proper steps haven't been taken. It's kind of ironic in a way, you know, a lot of the concerns that some

groups have around hydraulic fracturing, when the main risk for water contamination from that is surface water spills. Meanwhile you have these old well casings in place, where the older they get and the less they're being maintained and looked after, the greater the chance you are going to have cracks in the casing and, actually, indeed, potentially contaminated groundwater as well as contaminated soil, and of course there's the ongoing nuisance for farmers where it makes parts of their land unusable, sometimes for decades. Obviously, it's not an acceptable situation.

This has been a debt that we've been accruing over decades. It's, unfortunately, part of the pattern of our previous administrations. They almost sort of worked counter to common sense. A common-sense approach to problems like this is when you've got the labour available, when you have the workers looking for work, when you don't have a lot of competition for them so you can get them fairly reasonably, so willing and able to work at a reasonable cost. In the past, because that happened during a downturn, that tended to be precisely the time when, you know, previous administrations would actually cut back, and then during the boom time, when wages would be skyrocketing and you'd actually be competing with private industry for production for these types of things, that's where they'd start to ramp up. I'm very happy that I'm part of a government that understands that that's when people want these types of things, when they're unemployed, and with the fact that we can do this in a way that's going to address the unfortunate backlog of the past, I mean, it's really nice. To have in three years one-third retirement is actually pretty significant, but we can also do that while maintaining intact the principle of polluter pay.

In talking about striking the right balance, I'm really impressed by that because definitely we're in a dilemma. I'd have people approaching me, as I know many members would as well. I mean, you had people from PSAC coming, and not only that, but you would have individual companies and just individuals, farmers, concerned residents. They were pushing: "Well, now is the time to do that. I mean, it just needs to be done. We have workers here." But at the same time, you have others who could say, "But it's unfair that we should have to pay for industry, you know, perhaps not setting aside enough money or just basically for problems in liability management from the industry." I think this strikes a good balance.

We're not actually spending taxpayers' money directly. What we're doing is that we're using money from the federal government to leverage loans over time – they will be paid back – in order to get these things accelerated, so I think this is a win-win-win. It's the best bang for the buck we could get, I think, for that money if we wanted to shut in as many abandoned wells as possible. It keeps principles intact and puts people back to work when they need it.

With that, I guess that's good. I hope everybody votes for it and that we get unanimous consent on this.

Thank you.

The Acting Chair: Any other members wishing to speak to Bill 14? The hon. Member for Calgary-Fish Creek.

5:30

Mr. Gotfried: I'll keep it brief, Mr. Chair. I'd also like to speak in support of this bill. I think that the opportunity is there. In my conversations with many different organizations – the Petroleum Services Association of Canada, the Canadian Association of Oilwell Drilling Contractors, CAPP, and, of course, the Orphan Well Association – there was universal support of the principle that industry must pay for the cost of well reclamation. However, I think

we're in an opportunity right now where we would like to see this accelerated during a time period where we actually have excess capacity in the industry, and actually we can accelerate this process through the loan process, again respecting the principle that industry will pay it back. So this is an opportunity for us to invest in reclaiming these and doing the right thing in terms of the environmental impact of these wells, the fact that they are orphan wells. Otherwise, it will take much longer for us to address that concern. But, again, that financial commitment is there from the industry to do so.

The other thing is that we still have a lot of unemployed oil field workers out there who can be retrained to do this reclamation work. We also have a lot of idle equipment as well. There's going to be a great opportunity to ensure that this land not only is reclaimed but that it's put back to productive use within our economy. If some of that land can be utilized again in terms of the agricultural impact that it can have, it can reduce the land that is taken out of production for those purposes.

As I said, I will keep this short and sweet. It looks like everybody is very much in support of this bill. I'd like to add my support and encourage everybody to support this bill and move forward to allow the industry to take care of an issue which will help many, many people, I think, in terms of employment and reclamation.

Thank you.

The Acting Chair: Are there any other members wishing to speak to Bill 14?

Seeing none, are we ready for the question on Bill 14?

[The clauses of Bill 14 agreed to]

[Title and preamble agreed to]

The Acting Chair: Shall the bill be reported? Are you agreed?

Hon. Members: Agreed.

The Acting Chair: Opposed? That's carried.

The hon. Deputy Government House Leader.

Mr. Carlier: Thank you, Mr. Chair. I'd like to move that the committee rise and report.

[Motion carried]

[Mr. Sucha in the chair]

The Acting Speaker: The hon. Member for Calgary-East.

Ms Luff: Thank you, Mr. Speaker. The Committee of the Whole has had under consideration certain bills. The committee reports the following bills: Bill 15, Bill 14. I wish to table copies of all amendments considered by the Committee of the Whole on this date for the official records of the Assembly.

The Acting Speaker: Does the Assembly concur in the report?

Hon. Members: Aye.

The Acting Speaker: Opposed? So ordered.

Mr. Westhead: Mr. Speaker, I move that as we've made some good progress, we call it 6 o'clock and adjourn until tomorrow morning.

[Motion carried; the Assembly adjourned at 5:34 p.m.]

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