



## AB Today – Daily Report October 28, 2019

### Quotation of the day

“The fact that [**Jason Kenney**] is bringing this forward when he railed against it for so long shows how sneaky and backhanded he’s being.”

*NDP MLA **Rakhi Pancholi** weighs in on the UCP government’s move to de-index personal income tax exemptions, meaning they will no longer increase with inflation.*

### Today in AB

#### On the schedule

The house is scheduled to reconvene at 1:30 p.m. on Monday to discuss private members’ business.

MLAs could debate third reading of UCP MLA **Mike Ellis**’s proposed legislation **Bill 202**, Child, Youth and Family Enhancement (Protecting Alberta’s Children) Amendment Act, which would impose penalties for people who do not notify authorities of child abuse.

The government is expected to introduce three bills to support the implementation of the budget:

- **Bill 19**, Technology Innovation and Emissions Reduction Implementation Act, from Environment and Parks Minister **Jason Nixon**;
- **Bill 20**, Fiscal Measures and Taxation Act, from Finance Minister **Travis Toews**; and
- **Bill 21**, Ensuring Fiscal Sustainability Act, also from Toews.

There are several Opposition motions on the order paper, including one from NDP Indigenous Relations critic **Richard Feehan** asking the province to adopt the United Nations Declaration on the Rights of Indigenous Peoples.

NDP MLAs have also tabled a series of motions for returns, calling on the UCP government to release documents related to various actions it has undertaken since taking office.

Information sought in those motions includes a list of all ministerial orders issued by the new cabinet; copies of documents forecasting the impact of the corporate tax cut; receipts for the purchase of any new office furniture; and briefing documents on highway maintenance contracts, vaping, the superlab cancellation and medical device reprocessing.

In the evening, MLAs are expected to debate **Bill 18**, Electricity Statutes (Capacity Market Termination) Amendment Act, which cancels the NDP's transition away from an energy-only market.

### **Premier watch**

Premier **Jason Kenney** popped by the [Carvel General Store](#) in Carvel, AB, during small business week on Saturday.

He [shared a photo](#) of a note left under the windshield of his truck reading, "We know you have Alberta's back. Let's put our energy back on the map! AB chose conservative, we chose blue! Let's get that pipe in the ground!"

It was signed "proud AB oil worker."

### **NDP slams end of indexation of personal income tax**

The United Conservative Party budget revealed a promise made, promise broken, according to the official Opposition.

At a news conference on Friday, NDP MLA **Rakhi Pancholi** said the UCP's plan to de-index personal income tax from inflation represents a tax hike of \$600 million over four years.

Earlier this year, Alberta Premier **Jason Kenney** said he wouldn't raise taxes or [make any changes](#) to personal income tax rates if his party won government.

While Kenney's government technically didn't raise rates, Pancholi and NDP Finance critic **Shannon Phillips** both argued the de-indexation amounts to a tax increase.

"This is nowhere in the UCP platform," Pancholi said.

Pancholi said when Premier **Jason Kenney** was head of the Canadian Taxpayers Federation (CTF), he called the move “bracket creep.”

Under the NDP, the basic personal exemption grew from \$18,214 in 2015 to \$19,369.

The NDP said the move will cost the average taxpayer \$300 more over the next four years, or \$600 for the average two-income household.

“The bulk of Albertans who are hit the most are lower-middle income Albertans,” she said.

Pancholi said indexing was supported across the political spectrum, from the fiscal hawks at the CTF to anti-poverty advocates.

In response, the UCP [circulated](#) an image that stated it is not a tax hike because if an individual’s income remains the same, so will the tax exemption.

## Today’s events

**October 25 at 8:30 a.m. — Edmonton**

The UCP caucus will meet in the Windsor Room of the Federal Building.

**October 25 at 11:15 a.m. — Edmonton**

Premier **Jason Kenney**, Advanced Education Minister **Demetrios Nicolaides**, UCP Skilled Trades Caucus chair and Fort Saskatchewan —Vegreville MLA **Jackie Armstrong-Homeniuk**, and representatives from CAREERS: The Next Generation will make an announcement on skilled trades education at the Silent-Aire manufacturing facility.

**October 25 at 3:30 p.m. — Edmonton**

Finance Minister **Travis Toews** will hold a news conference laying out the pieces of legislation required to implement the budget.

## Topics of conversation

- Finance Minister **Travis Toews** told a Calgary Chamber of Commerce luncheon on Friday that economic diversification aimed at getting Alberta off of the oil and gas revenue roller coaster is a “luxury” that will have to wait until the budget is balanced, the *Canadian Press* reports.
  - Toews said, long-term, the government should look at becoming less dependent on the volatile resources sector for royalties, but that right now the priority is cutting spending and not raising taxes.
  - Meanwhile, Toews said the UCP will “strengthen” the strategic direction of Crown corporation ATB Financial to get maximum profits for Albertans, a move hinted at

in the budget — but [told reporters](#) Friday he is not considering selling or privatizing the ATB “right now.”

- Former Progressive Conservative Alberta premier **Alison Redford** said she’d be willing to help Prime Minister **Justin Trudeau** mend the relationship between Ottawa, Alberta and Saskatchewan, in an [interview](#) with CTV’s *Question Period*.
  - The comments come amid rumours Trudeau is mulling the appointment of a special Western advisor, after his party won no seats in Alberta and Saskatchewan in last week’s federal election. Redford said she hasn’t been approached for the gig.
  - Calgary Mayor **Naheed Nenshi**, who Trudeau name checked several times during his first post-election media availability, also said he hasn’t been approached by the prime minister, but said the two had a “firm and frank exchange of views” about what will happen next.
- In the first 10 months of cannabis legalization, \$170 million worth of bud was sold in the province. In August alone, \$24.8 million worth of pot was sold, which amounts to about 0.3 per cent of all retail sales provincewide, according to Statistics Canada.
  - The provincial Alberta Liquor, Gaming and Cannabis commission issued more than 280 retail licences for cannabis stores, a number expected to grow to 500 by 2021.
  - Alberta’s legal cannabis market makes up 19.5 per cent of national sales, despite the province holding just 11.6 per cent of the population.
  - Ontario accounts for most of the sales, 33.8 per cent; Quebec accounts for 26.8 per cent; and British Columbia sold 11.9 per cent.
- The Alberta Teachers’ Association (ATA) said the UCP’s move to shift the management of the \$18-billion Alberta Teachers’ Retirement Fund to the Alberta Investment Management Corporation (AIMCo) “feels like a hijacking.”
  - Announced deep within last week’s budget, AIMCo will now manage the pensions of teachers, Alberta Health Services and the Workers’ Compensation Board.
  - Teachers have co-managed the fund since its creation more than 80 years ago.
  - “Why didn’t they talk to us?” ATA president **Jason Schilling** [asked in a news release](#). “Individual teachers contribute half of the money that funds the plan and now will have no say over the management of those funds. Making this decision without consulting teachers at all makes this feel like a hijacking.”
- The province [opened an online survey](#) as part of its review of tobacco, smoking and vaping laws. The survey is open until November 29.

- Video game developers and investors expect the UCP's move to scrap the Interactive Digital Media Tax Credit will be a hot topic at the Reboot Develop Red conference in Banff this Wednesday, CBC [reports](#).
  - The grant covered 25 per cent of staff salary and bonuses, and an additional five per cent for employees from under-represented backgrounds.
  - The UCP is axing tax credit, as well as other NDP-era boutique credits, in favour of an across-the-board corporate tax cut.
  
- Climate Justice Edmonton [released a parody video](#) in reaction to the Alberta budget, lampooning its pro-oil policies.
  - Throughout the video, the finance minister is referred to as "Old Boots," a reference to the two-year-old cowboy boots he wore on budget day.
  - "You see cowkids, our new budget will put people back to work with the tried-and-true method of trickle-down economics," the actor in the video states. "That's where we give tax breaks to the wealthy and they take a piss on the working class, and their piss trickles down your face while we laugh. Economics."
  
- Former PC finance minister **Ted Morton** [wrote a pro-Wexit op-ed](#) in the *Calgary Herald*, calling on Premier **Jason Kenney** and Saskatchewan Premier **Scott Moe** to take lessons from separatist movements in Lombardy, Italy, and Barcelona, Spain — and ride the wave of Wexit views that have been expressed online in recent weeks to win political concessions for the province while also considering separation.
  
- The Health Sciences Association of Alberta (HSAA), which represents 27,000 health-care workers, says the UCP is lying about its budget's cuts to health care.
  - Per the HSAA, overall health funding will be \$6.6 billion lower by 2021 than previously forecasted; health facility and equipment spending will be \$876 million lower by 2023; and the ambulance service budget will drop by \$152 million by 2021.
  - The organization also slammed the elimination of cash for the south Edmonton hospital funding and the two-year delay in funds for the Calgary Cancer Centre.
  - "You've made your cuts and privatization agenda clear," HSAA president **Mike Parker** said in a news release, directing his comments to the premier. "You've decided to attack front-line health-care workers by going after our pensions. And you've made it clear patient care means nothing to you. Well, it matters to us. Get ready for the fight of your life."

## **New briefs — Governmental**

### **UCP highlights budget commitments**

Following last Thursday's budget, the government is highlighting its various spending commitments:

- The government is consolidating two tax credits into the Alberta Child and Family Benefit, which will be re-tooled to focus on lower-income families. Starting in 2020-21, government says the program will give \$290 million in benefits to 190,000 families.
- While post-secondary institutions are facing cuts, the government is spending an additional \$23 million on trades education, including a program to get more women involved in skilled trades.
- The budget allocates \$40.5 million for research funding, with a focus on artificial intelligence and machine learning, as well as \$75 million for attracting investment from outside the province. That money will begin flowing next year.
- Existing grant-based agreements for the province's film industry will be replaced with a new tax-credit program.

## New briefs — Non-governmental

### Office of the Information and Privacy Commissioner of Alberta

**Jill Clayton**, the province's information and privacy commissioner, [penned a letter](#) to Solicitor General **Doug Schweitzer** and Service Alberta Minister **Nate Glubish** calling on the government to fill the "legislative void" over how police manage data obtained through routine police record checks.

Clayton's concern stems from a [complaint](#) against the Edmonton Police Service after it accessed information from a man's youth criminal record and gave the information to his employer without his consent.

Clayton said she was waiting to write to the government until it was clear whether the Edmonton Police Service would appeal a recent Alberta Court of Queen's Bench decision on the matter. (EPS did not appeal.)

The decision found there are unresolved issues over the use of police information checks and vulnerable sector checks, which many people have to obtain for employment purposes — an issue that has surfaced in British Columbia, Ontario and Manitoba. Ontario passed a law reforming how private information could be shared in 2015, which Clayton included in her letter.

"I urge you to regulate [police information checks] and [vulnerable sector checks] in Alberta, through legislation," Clayton wrote. "I recommend that you consider legislation similar to that of Ontario's *Police Record Checks Reform Act*."

## Appointments and Employments

### Credit Union Deposit Guarantee Corporation

- Former NDP energy minister **Marg McCuaig-Boyd** was appointed as a board member on the Credit Union Deposit Guarantee Corporation until October 23, 2022, replacing **Tongjie Zhang**.

### **Municipal Government Board**

- **Peter Obiefuna** and former UCP candidate **Laurie Mozeson** were appointed as members of the Municipal Government Board until October 31, 2022.
- Mozeson lost to NDP MLA **Lorne Dach** in Edmonton—McClung in the spring election.

### **Travel Alberta**

- **Linda Southern-Heathcott** was appointed chair of the Travel Alberta board until October 23, 2021.
- **David McKenna** and **Suromitra Sanatani** were also appointed to the board for the same time frame.
- **Kiren Singh** was re-appointed as a board director until January 30, 2022.
- The government rescinded the appointments of board directors **Anubhav Chaitanya**, **Geoff Powter**, **Nicole Robertson**, **Margot Ross-Graham**, **Karl Schwonik** and **Charmaine Toms**, as well as the appointment of board chair **Tracey Scarlett**.

### **Alberta Enterprise Corporation**

- Alberta Enterprise Corporation vice-president **Alice Reimer** and board member **Jim Gibson** have been removed from the board.

### **Audit Committee**

- **Michael Goodwin** was appointed to the Audit Committee, effective January 1, 2020.
- **Dr. Akolisa Ufodike** was also appointed as a member of the committee.