



## AB Today – Daily Report November 6, 2019

### Quotation of the day

“At Johnny Bright School, students literally had to walk through mud pits every single day to get to class.”

*NDP Infrastructure critic **Thomas Dang** criticizes the province’s return to a public–private partnership funding model for school infrastructure.*

### Today in AB

#### On the schedule

The legislative assembly will reconvene at 1:30 p.m. on Wednesday and could sit into the evening again.

Two bills could be debated at committee stage:

- **Bill 19**, Technology Innovation and Emissions Reduction Implementation Act; and
- **Bill 20**, Fiscal Measures and Taxation Act.

**Bill 21**, Ensuring Fiscal Sustainability Act, could continue to be debated at second reading.

All-party committees will [continue to discuss](#) the main estimates of various ministries.

#### Tuesday’s debates and proceedings

Two bills were debated at committee of the whole on Tuesday evening:

- **Bill 19**, Technology Innovation and Emissions Reduction Implementation Act; and
- **Bill 20**, Fiscal Measures and Taxation Act.

**Bill 21**, Ensuring Fiscal Sustainability Act, also faced second-reading debate.

### **Premier watch**

Premier **Jason Kenney** cancelled a news conference on Tuesday, where he was scheduled to discuss his recent trade mission to Mexico City. Instead he will talk to reporters during a rural crime announcement scheduled today.

Meanwhile, *AB Today* obtained a detailed daily itinerary of the premier's trip to New York and Ohio between September 16 and 18.

While many of the meetings were redacted, the schedule — released via a Freedom of Information request — provides a greater glimpse into the business interests Kenney met with.

While in the Big Apple, Kenney met with investment and asset managers at KKR and Co., Eurasia Group and Point 72, as well as **Tom Claugus** of GMT Capital Corp., **Tim Schneider** of Luminus Management LLC, **Todd Heltman** and **Jeff Wyll** of Neuberger Berman Group LLC, **Robert Tichio** of Riverstone Holdings LLC, and **William McSweeney** of Blackrock Financial.

During his September 17 meetings, Kenney held court at the 21 Club, a historic speakeasy in midtown Manhattan decorated with ornamental jockeys.

Kenney also met with **John Catsimatidis**, a billionaire talk radio host and CEO of Red Apple Group, and sat down with major real estate firms including Blackstone Real Estate and Barclay's.

Further meetings were held with **Matthew Lucey**, president of PBF Energy, a New Jersey-headquartered refiner and unbranded supplier for products for the energy sector; and **John Horsman** of AltaCorp, a subsidiary of ATB Financial.

While in New York, Kenney said investors told him the re-election of **Justin Trudeau's** government would mean a continued freeze on investment in the country.

### **UCP bringing back P3s for schools construction**

The Alberta government announced Tuesday that five new schools will be built using public-private partnerships (P3s), a model scrapped by **Dave Hancock's** Progressive Conservative government in 2014.

"Given the fiscal conditions we're in, we're looking at alternative delivery methods and alternative financing options," Infrastructure Minister **Prasad Panda** told reporters on Tuesday.

Panda said building infrastructure via P3s will decrease provincial debt because “it won’t be on our balance sheet.”

The schools earmarked as suitable for P3 delivery were originally announced last week but, according to Panda, the school boards were not informed of the P3 plans at that time.

Two public elementary schools are on the docket, one each in Calgary and Edmonton, as well as Catholic elementary schools in Cochrane and Edmonton and a francophone school in Legal. Requests for qualifications will be issued in the spring.

Panda would not say whether the UCP planned on using P3s for further school capital projects.

NDP Infrastructure critic **Thomas Dang** said P3 models have been tried in Alberta and they have failed.

“It’s going to be a disaster for this area, it’s going to be a disaster for Albertans,” Dang said.

Education critic **Sarah Hoffman** said the funding strategy serves private interests, not kids, noting that it was a PC government who scrapped P3s because they did not have a strong return on investment.

“There were giant trenches in school yards that the contractors failed to fix,” Hoffman said.

## Today’s events

### November 6 at 8:15 a.m. — *Red Deer*

Agriculture and Forestry Minister **Devin Dreeshen** will highlight support for rural Alberta in the 2019 budget at the Cambridge Hotel and Conference Centre.

### November 6 at 8:30 a.m. — *Edmonton*

The United Conservative Party government’s resource and sustainable development committee will meet in the cabinet room of the legislature.

### November 6 at 11:30 a.m. — *Fort McMurray*

Finance Minister **Travis Toews** will speak at the Fort McMurray Chamber of Commerce luncheon at the Quality Hotel.

### November 6 at noon — *Wetaskiwin*

Premier **Jason Kenney**, Justice Minister **Doug Schweitzer** and Environment and Parks Minister **Jason Nixon** will announce the government’s rural crime plan at a private ranch.

### November 6 at noon — *Edmonton*

Culture, Multiculturalism and Status of Women Minister **Leela Aheer** will declare “Alberta Book Day” with some of the province’s book publishers in the Federal Building.

### **November 6 at 3 p.m. — Edmonton**

The UCP government’s jobs and economy committee will meet in the cabinet room of the legislature.

### **Upcoming events**

### **November 7 at 11 a.m. — Edmonton**

Speaker **Nathan Cooper** will host a Remembrance Day ceremony in the rotunda of the legislature. Premier **Jason Kenney**, NDP Leader **Rachel Notley**, Consul General of Korea **Byung-won Chung**, and Salvation Army Major **Margaret McLeod** will participate in the ceremony.

### **Topics of conversation**

- The Alberta Federation of Labour, which is affiliated with 29 unions representing 180,000 workers, launched a campaign calling on Albertans to “Join the Resistance” against the province’s recent budget and use hashtags **#KenneysCuts** and the **#KenneyRecession** on social media.
  - “Cuts of the magnitude being planned by the Kenney government will turn a weak economy into a full-blown recession,” said Alberta Federation of Labour president **Gil McGowan** in a news release. “**Jason Kenney** promised jobs and economic growth. But he’s delivering the exact opposite. This is an economy-destroying agenda, and we’re encouraging Albertans to stand up and push back.”
  - The labour group also launched a website, [www.kenneycuts.ca](http://www.kenneycuts.ca).
- China [announced](#) it will again begin importing Canadian beef and pork. The ban was brought in last December amid a diplomatic standoff between Canada and China, following the arrest of a Huawei executive in British Columbia in compliance with a U.S. extradition request.
  - Alberta’s agricultural exports to China took a major hit following the ban, which took effect in late June.
  - Exports to China fell 11.8 per cent in the first eight months of the year compared to January to September of 2018, with the sales of agricultural products to China down 32 per cent, or \$574 million.
  - The canola and soybean ban has yet to be lifted.
- The recent Keystone XL pipeline spill pushed the oil price differential between West Texas Intermediate and Western Canadian Select to its widest level since December, the *Globe and Mail* [reports](#).

- The company turned off the pipeline following a 1.5-million litre crude oil spill in North Dakota last week, pushing WCS down to roughly \$34 per barrel, far lower than WTI's \$56.54.
- The Ministry of Culture, Multiculturalism and Status of Women has absorbed management of the Alberta Historical Resources Foundation, CBC [reports](#).
  - The foundation's grant budget will be reduced by eight per cent and the 13-member board will be dissolved as part of the change.
- By the end of 2019, cabinet should be ready to make a decision on whether to continue funding organizations that run supervised consumption sites, according to Associate Minister of Mental Health and Addictions **Jason Luan**. That is when the findings from the committee reviewing supervised consumption sites will land on the cabinet table.
  - "We'll be making decisions on the future of the service," Luan said. "Our cabinet is going to get the first read of this. Whatever is decided will be after that time."
  - NDP Democracy and Ethics critic **Heather Sweet** said she is concerned the minister's answer means the sites will not be funded past March.

## **News briefs — Governmental**

### **Indigenous Relations minister talks social and economic issues in Treaty 6**

Indigenous Relations Minister **Rick Wilson** met with Treaty 6 Grand Chief **Wilton Littlechild** and other First Nations leaders in Maskwacis to discuss homelessness, poverty and the need for economic development.

"Our communities need to be self-sufficient, not dependent on funding from other governments," Littlechild said in a government-issued news release. "We have a partner in the Alberta government that is listening to our needs and working to make improvements that will benefit this generation and those to come."

The minister touted the UCP's recent budget commitments on the Indigenous relations files, including \$6 million in operational funding for the Alberta Indigenous Opportunities Corporation, \$5 million for legal action from the Indigenous Litigation Fund, and \$1.2 million for the Employment Partnerships Program.

## **News briefs — Non-governmental**

### **NDP says school boards facing millions in shortfalls from June budget estimates**

The NDP tabled a series of budgetary documents outlining school boards that are facing millions in shortfalls.

School boards submitted budgets in June for the upcoming school year based on the UCP's summer promise to maintain or increase education funding — but according to the NDP, that promise did not come to pass.

The Calgary Board of Education was projecting to receive \$1.3 billion in funding, but received roughly \$164 million less.

Edmonton Public Schools expected to take in \$1.095 billion, but received \$1.016 billion.

The Calgary Catholic School District got \$97.4 million less than expected while the Edmonton Catholic School District got \$51.8 million less. In Lethbridge, the school board received \$22.8 million less than planned. Boards in St. Albert and Fort McMurray received over \$3 million less than budgeted.

## **Funding announcements**

### **Ministry of Community and Social Services**

- Community and Social Services Minister **Rajan Sawhney** announced Residential Access Modification Program funding will be increased by \$800,000 in this year's budget, making the annual grant worth \$3.5 million.

### **Emissions Reduction Alberta**

- Emissions Reduction Alberta [announced](#) a new \$50 million grant called the Natural Gas Challenge that will fund innovation in the natural gas sector.

## **Appointments and Employments**

### **Northern Alberta Development Council**

- UCP MLA **Tracy Allard** (Grande Prairie) was appointed as board member and chair of the Northern Alberta Development Council until November 4, 2021.

### **Alberta Investment Management Corporation**

- **Roger Renaud** was appointed as a board member of the Alberta Investment Management Corporation until November 4, 2022.

### **Alberta Gaming, Liquor and Cannabis Commission**

- **Vincent Vavrek**, **Angela Tu Weissenberger** and **Tongjie Zhang** were appointed to the board of the Alberta Gaming, Liquor and Cannabis Commission until November 4, 2022. **Craig Corbett** and **Gerard Curran**'s appointments were rescinded.

## **Question Period**

### **NDP kickoff**

- NDP Leader **Rachel Notley** led off question period by accusing the government of coming close to triggering a recession through corporate tax cuts.

- “Every indicator is down. Business activity: down. Energy sector: down. Household spending: down. Labour markets: down. This premier can now lay claim to Alberta’s worst monthly economic performance since mid-2016.”
- “Why not cancel your corporate handout, reverse your cuts, before you trigger a second recession?” Notley asked.
- Premier **Jason Kenney** said the UCP government inherited the mess from the NDP.
  - “It’s pretty clear that in the first two quarters of this year under NDP mismanagement we were probably in a technical recession,” Kenney said. “We are doing everything we possibly can to turn that around with real action, to demonstrate that Alberta is open for business, for investment, to create jobs.”

### Other NDP questions

Notley used her second set of questions to ask about cuts to the youth transitioning out of government care.

NDP Environment and Parks critic **Marlin Schmidt** asked Environment and Parks Minister **Jason Nixon** to conduct a review and put in an immediate ban on plumbing fixtures containing lead, following a recent nationwide [investigation](#) by the *Toronto Star* into lead levels in tap water.

Opposition MLAs asked about cuts to school funding, housing supports, anti-racism grants and rural physician pay.

### UCP friendly questions

- UCP MLA **Angela Pitt** rose to ask what the UCP government is doing about the frustrations Albertans are feeling towards the federal government.
  - “What does this government say to those that are struggling to wave a Canadian flag in this beautiful province?”
- Transportation Minister **Ric McIver** responded by promising the UCP government would stand up for Albertans and “fight for fairness within Canada on equalization, on access to Canada’s coastlines, and a number of other issues.”
  - “I would say to the honourable member that Alberta now has a government that hears them, that will fight for them, and will take action,” he added.

UCP backbench MLAs asked about the transition from the screen grant to a film tax credit, how school projects are prioritized, the drop in municipal funding, and how badly the NDP mismanaged the province’s finances.