



AB Today – Daily Report September 24, 2019

Quotation of the day

“Just watch me.”

*Premier **Jason Kenney** addressed budget cuts with a famous line by **Pierre Elliott Trudeau**, which the former prime minister [uttered](#) in 1970 during the height of the FLQ crisis.*

Today in AB

On the schedule

The House is adjourned for two more weeks of summer recess. MLAs will reconvene on Tuesday, October 8.

Premier **Jason Kenney** announced Monday his United Conservative government will deliver its first budget on October 24 — three days after the federal election is held.

In the Legislature

During an Indigenous prayer at an interfaith candlelight climate vigil on the legislature grounds Sunday, a man was caught by a TV camera mocking Indigenous dancing and shouting “Make Canada great again.”

The man, who [told](#) CTV Edmonton his name was **Mike Kirk**, called the idea that Europeans stole Indigenous land “ridiculous.”

“I believe that the native people were violated,” Kirk told CTV. “But I don’t believe they were exterminated and colonized.”

Premier watch

Premier **Jason Kenney** and Indigenous Relations Minister **Rick Wilson** were at Blackfoot Crossing Historical Park in the Siksika Nation Monday, to renew a government-to-government protocol agreement with chiefs of nations within the Blackfoot Confederacy.

Kenney, who returned home to Calgary following a trade mission to the U.S. and New Brunswick, told reporters at a morning news conference that won’t be the last time he heads south of the border.

He announced plans to travel to Texas in November to encourage companies in Houston and Dallas to strike up business in Alberta, touting its low corporate tax and the “most competitive regulatory environment in North America.”

Kenney was responding to [brochures](#) that surfaced in the province, luring employers from Alberta, British Columbia and Saskatchewan to the Lone Star State.

“Texas — it’s on,” Kenney said.

Kenney also said he plans to head to San Francisco to promote Alberta’s tech sector.

Cuts expected when budget is unveiled October 24

Premier **Jason Kenney** repeated his vow to maintain spending levels for health and education, after announcing his government will introduce its first official budget one month from today.

The premier told reporters Monday the budget, to be tabled on October 24, will lay a foundation for balancing Alberta’s books by 2022-23 — and will include spending cuts.

“We will respect our election commitment not to reduce budgets of the health and education departments,” Kenney said. “There will be some savings in both departments to deal with the cost pressures. There will be some re-profiling from low-priority or wasteful spending in those areas to high-priority frontline services for the public.”

The deficit on the province’s \$56.1-billion annual budget was \$6.7 billion in the 2018-19 fiscal year, while the deficit in the first quarter of 2019-20 was \$835 million.

Kenney said his government wants to “minimize any potential layoffs” in the public service by maximizing attrition and “re-profiling” positions that can be moved internally.

A [report](#) from KPMG that informed the work of the **Janice MacKinnon**-led blue ribbon panel on finances, whose report was released earlier this month, paints a picture of the level of attrition the province is looking at.

As of June 20 the province employed 26,718 core government workers, with an annual attrition rate of seven per cent — four per cent voluntary and three per cent via retirements.

Currently there are more than 3,600 public sector employees eligible for retirement. An additional 2,500 workers will qualify for a golden handshake over the next four years.

Additionally, Alberta Health Services, the agency responsible for health-care delivery in the province, has more than 5,000 employees who will be eligible for retirement in the next four years. AHS's attrition rate is lower than the broader public service at four per cent.

Rather than cut from frontline health and education services, Kenney said the government plans to force those sectors to reduce their administrative costs.

The MacKinnon report recommends greater collaboration among school boards to achieve efficiencies, such as lowering procurement costs by combining the purchasing power of several boards and by sharing expenses related to busing and infrastructure, which could be achieved by operating public, Catholic and francophone high schools out of one building, for example.

AHS boasts among the lowest health-care administrative costs countrywide.

According to Canadian Institute for Health Information data cited in the KPMG report, Alberta spends \$37 per capita on health administration compared to \$56 in B.C. and \$39 in Ontario. Administrative costs are higher than Quebec, where the province spends an average of \$30 per capita.

UCP's political future will be defined by keeping fiscal promises, not slashing spending: Premier

Kenney is not worried about voters punishing his party for making cuts, noting that the Progressive Conservatives were rewarded with larger mandates after carving out a path to balance in the 1990s.

"I don't think the public needs an attitude adjustment; I think the political leadership does," Kenney said.

Kenney blamed the toppling of the former PC dynasty on its failure to stick to a sound financial plan. He called on Albertans not to take his word for it, but to hold the UCP to account.

"I'm not asking people to trust us," Kenney said. "I'm not asking them to give us a blank cheque in terms of public confidence. We will be judged by this. Barring some global financial

catastrophe, if we do not balance this budget by next election, I would expect many Albertans to hold us to account.”

However, Kenney said the budget will not be a repeat of 1993, when the PC government — led by **Ralph Klein** — made an 18 per cent cut to spending.

NDP Finance critic **Shannon Phillips** accused Kenney of holding the budget release until after the federal election to protect federal Conservative Leader **Andrew Scheer** from any political fallout, but the premier denied the characterization and said Scheer has more important things to worry about than provincial budgets.

Instead, the premier claimed the UCP’s decision to conduct a deep-dive into the province’s finances is the reason the budget is coming down the pipe slower than the NDP’s first budget did in 2015 — and because the former government was willing to raise taxes, rather than make tough decisions.

“If you’re responsible, you don’t make up a \$50-billion budget on the back of a cocktail napkin,” he said. “We’ve had a lot of know-it-alls tell us since the Mackinnon report that all we should do is sink our hands deeper into the pockets of Albertans and tax them more.”

An [online survey](#) that asks Albertans for suggestions on how to balance the budget will be open until October 11.

Meanwhile, the NDP is halfway through its town hall meetings on its planned shadow budget. The party has already made stops in Edmonton, Grande Prairie and Red Deer, with planned stops in Lethbridge on Tuesday, Fort McMurray on October 1 and Calgary on October 5.

Today’s events

September 24 at 10 a.m. — Edmonton

The UCP cabinet will meet in the cabinet room of the legislature.

September 24 at 12:30 p.m. — Edmonton

Premier **Jason Kenney** will speak at an event at the Art Gallery of Alberta where TELUS is announcing a “landmark investment” in Alberta.

September 24 at 1:30 p.m. — Edmonton

The UCP caucus will meet on the 10th floor of the Federal Building.

Topics of conversation

- During a Monday appearance on CBC's *Power and Politics*, federal NDP Leader **Jagmeet Singh** said, if elected prime minister, he would give all provinces [veto power](#) over national infrastructure projects.
 - "I would not impose a project on any province and that means there has to be social acceptability," Singh said.
 - On Twitter, Premier **Jason Kenney** called Singh's promise "stunning" and noted it would violate the constitution, which decrees that interprovincial infrastructure falls within federal jurisdiction.

- LGBTQ+ advocates say fewer students are joining gay-straight alliances this school year for fear of being outed under new rules brought in by the UCP government, the *Star Calgary* [reports](#).

- Time for a new truck! The province's latest economic highlights [show](#) a 0.7 per cent increase in the number of new vehicles purchased between July 2018 and July 2019, bucking the national trend of a 1.3 percent decrease during the same time period.
 - Provincewide, the overall sales of passenger vehicles were down 12 per cent year over year, but the sale of trucks was up 3.1 per cent.
 - In July, 85.8 per cent of all vehicles purchased in Alberta were trucks.

- Meanwhile, Alberta's consumer price index (CPI) rose 1.3 per cent in August compared to last year.
 - The cost of energy dropped 10.6 per cent and transportation dropped 0.4 per cent — which could be attributed to the UCP's repeal of the carbon tax on June 4 — but all other categories in the CPI calculations increased.
 - In July, 50,440 Albertans received regular Employment Insurance payments, a decrease of 1.7 per cent year over year, according to Statistics Canada.
 - This number could have dropped because people have found work or because they have been out of work long enough for their EI benefit period to run out.

- The UCP's proposed referendum on equalization will be scrapped if the next federal government agrees to give the province a fair deal on equalization, allows a coastal pipeline to be built, and repeals **Bill C-48**, which bans tanker traffic off the coast of B.C., and **Bill C-69**, which updated the environmental assessment process.
 - "I think the chances of that are about the same as a snowball's chance in hell," Kenney said Monday, adding that he will work with whoever is democratically elected.
 - 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.

- When asked by reporters to respond to photos of Liberal Leader **Justin Trudeau** in blackface, Kenney said it is becoming more clear every day that Canada needs a prime minister who understands the lives of ordinary Canadians — like **Andrew Scheer**.
 - “I found the revelations about the prime minister’s penchant for blackface frankly bizarre,” Kenney said. “He is trying to blame this on society. That ‘we’ must learn from it. No, prime minister, this is about you. Not us. I’m 51, I have hardly led a sheltered existence, and I have never seen anybody ever do that.”
- Edmonton Public School board trustee **Michael Janz** is proposing students who attended the Global Climate Strike protests on Friday receive academic amnesty, but Education Minister **Adriana LaGrange** says that’s not up to him. In a [statement](#) to *CityNews*, the minister said “parents and guardians — not an activist school board trustee — can determine whether they want their children to miss class.”
 - Janz [fired back](#), reminding Albertans that LaGrange was a trustee on the Red Deer Catholic Regional Schools board when it [approved](#) busing students from that city to Edmonton for the “March for Life” anti-abortion rally.
 - The Edmonton Public School board is scheduled to hear Janz’s motion at its board meeting on Tuesday.

Funding announcements

- The Indigenous Relations ministry is giving \$200,000 in funding to the Blackfoot Confederacy to carry out the new terms of [renewed protocol agreement](#) between the three First Nations and the province.