Alberta's Premier Review of Politics and Government Vitality from ALBERTA COUNSEL





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ALBERTA'S PANDEMIC RESPONSE – AGGRESSIVE AND DELIBERATE

Aaron Singleton

The world has changed in dramatic ways since the last issue of The NEWS was published. When we released Issue 102, Alberta had fourteen confirmed cases of COVID-19. At the time of writing this article, we have more than 300 cases including our first virus-related death. People returning from international travel were not required to immediately self-isolate. Today, our borders are closed to all international travelers (other than citizens, permanent residents and a few other exceptions) and Canadians must undergo a fourteen-day isolation period. Events of all sizes were advised to do risk-assessments of guests before proceeding. Now, Alberta's state of public health emergency prohibits all events with more than fifty guests and has shut down numerous businesses while reducing capacity sizes of others. The situation around the world is evolving more rapidly than we have witnessed in most of our lifetimes.

Led by Alberta's Chief Medical Officer, Dr. Deena Hinshaw, the province has provided daily updates on the number of Coronavirus cases in addition to the fiscal and legal measures being taken to combat the virus. On the medical side, we would be remiss to not applaud the work being done by Dr. Hinshaw in addition to her public-facing responsibilities and updates. It is impossible to know if the steps taken to date have been enough to start flattening the curve, but the aggressive action that has been taken at her direction shows how seriously this pandemic is being taken. No one will accuse her of not having done enough. Her ability to remain calm, cool, and collected in the wake of widespread public hysteria is something to be lauded.

The UCP administration has also been hard at work over the last two weeks as they try to put Albertans in the best position possible to rebound fiscally when this pandemic is all said and done. Although a recession seems imminent, the provincial government has a duty to ensure that we see as little economic damage as possible. In that light, Jason Kenney's team has directed significant resources towards businesses to keep them afloat during these trying times.

Economic Recovery Council

The calling card of the UCP government has been the appointment of expert panels to further various policy initiatives that fall under the province's jurisdiction. Premier Jason Kenney's most recent assembly of the minds was convened under the mandate of guiding the province through the mid and long-term obstacles Alberta's economy will face. Make no mistake, this will not be an overnight fix. We knew some time ago that the panel's chair would be Dr. Jack Mintz, the high-profile economist based at the University of Calgary's School of Public Policy. The remaining members were announced by the Premier late last week, and it is an all-star cast, depending on your political leanings.

Budget balances should be countercyclical in light of transient changes in national output.

Stephen Harper. Former Prime Minister of Canada

The reason political ideology is raised here is one of the appointees is the former Prime Minister of Canada, Stephen Harper. For those of us who spent a great deal of focus on the previous government not led by Justin Trudeau, Jason Kenney was a member of Harper's cabinet. Although there may very well be political motivations to bring on Canada's last Conservative Prime Minister, it is important to give credit where it is due.

In 1991, Harper completed his master's thesis in economics. The Keynesian language from his thesis paper is nearly identical to the public statements being made by Alberta's Premier today. "...Budget balances should be countercyclical in light of transient changes in national output". They key word being countercyclical, a concept that Jason Kenney has advocated for ad nauseum during this crisis. So perhaps this move is more practical than political in nature. However, another of the appointees is Zainul Mawju, President of Telus Home Solutions. In case you missed the news, Telus recently announced a \$16 billion investment that covers a variety of projects in Alberta, including the controversial Babylon healthcare app which has been criticized by Alberta's healthcare professionals. So perhaps there are more politics involved than meets the eye with some of the appointments.

The Mintz-led council is comprised of business leaders across the province. Most have led large corporations including West Jet and Alberta Investment Management Corporation (AIMCo). Premier Kenney has likened the current situation to that

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AARON SINGLETON Policy Analyst

During the second year of his Political Science degree at the University of Alberta, Aaron worked as the campaign manager for a candidate in the 2011 federal election. He was able to translate that experience into a public service career that includes various positions with Service Alberta and Justice & Solicitor General. He also served as the Foreign Policy Advisor for Security Council at the University of Alberta's HSMUN conference where he developed his understanding of pragmatic policy analysis.



of the Great Depression, and he may not be stepping out of line making that comparison either. Oil is currently selling at near-record lows at a time when the province is already struggling financially. The council will be tasked with finding new ways to diversify the economy once this pandemic finally ends, because it does not appear as though oil will be able to rebound expeditiously or sufficiently enough to invest in the energy sector alone.

Measures to Help the Homeless

Last week, Edmonton Mayor, Don Iveson, made a public plea to the provincial government to decide on how to address how to protect the homeless population during the COVID-19 outbreak. During a public address, Iveson said that the City had made arrangements for temporary shelters to protect Edmonton's vulnerable populations but required assistance from Alberta Health Services (AHS) to ensure everyone involved was adequately protected and all necessary measures are taken. "Self-isolation is almost impossible for those living on the streets and shelters have had to reduce their capacity due to social distancing directives". Self-isolation is almost impossible for those living on the streets and shelters have had to reduce their capacity due to social distancing directives.

Don Iveson, Mayor of Edmonton

The UCP government responded to the public outcry rather

quickly. The provincial government had committed \$60 million to support municipalities and civil society groups, although this particular measure was announced previously. Half of that money was designated to womens' and homeless shelters. Premier Kenney also confirmed that the province would provide AHS staff to provide the requisite support. In Edmonton, the supplemental space identified was the Edmonton Expo Centre.

The province has put together a guidance handbook for shelter operators for operating procedures. In order to access funding, shelters are instructed to contact their Family, Community and Social Services program to check on grant availability as well as the necessary steps required to be completed to receive funding.

Bill 9 – Emergency Management Amendment Act

After unanimous consent of MLAs to expedite the reading process of Bill 9, it came into force and effect on March 20th. The act (which happens to also cut red tape surrounding the issue of emergency management) was written in a way that gives municipalities more authority in implementing their own emergency measures when the provincial government also enacts a state of emergency. During the second reading of the bill, House Leader Jason Nixon said "Municipalities deserve the freedom and the opportunity to make the choices that fit them best based upon their detailed knowledge of their communities".

The legislation will effectively amend three things in the current Emergency Management Act. As it previously was

Municipalities deserve the freedom and the opportunity to make the choices that fit them best based upon their detailed knowledge of their communities.

Jason Nixon, UCP Government House Leader

written, any municipal state of emergency was over-ridden when the provincial government invokes the Emergency Management Act. With the new amendments in Bill 9, local and provincial states of emergency are now able to coexist with one another. The benefit of this is providing the authority to municipalities to implement specific measures they believe their communities need while allowing the provincial government to approach large-scale emergencies with a wider umbrella. The hope is that all potential gaps in emergency policy will be filled by allowing multiple states of emergency to coexist.

The second change, as presented by Nixon, will give local emergency authorities the ability to implement their responses at the local level when a state of emergency has been called. Currently, only the managing director (or another official designated by the Minister) is responsible for the co-ordination and implementation of plans and programs across the province. However, section 22(3) stipulates that in any dispute between a local authority and Managing Director, the prevailing decision belongs to the Managing Director. Third, it simply helps to clarify the responsibilities that will befall municipal and provincial governments. The amendment act is subtle, but the hope is that the changes will eliminate duplicitous red tape and allow municipalities to better serve their people in times of emergency.



ALBERTA COUNSEL COVID-19 POLICY SERVICE

The ever-evolving pandemic currently affecting the province presents a variety of challenges for all businesses and organizations. Government policy has been changing rapidly in an effort to flatten the curve which can create additional stress and confusion for everyone. It is for that reason that Alberta Counsel is providing a new free service dedicated to answering your questions about COVID-19 related policy in Alberta. We have a number of government relations experts on staff who are able to answer these questions. You have enough on your mind as you learn to adapt to this new normal. Let us help you along the way. **This is a free service we are happy to offer to all, not just clients. You can submit your question on the form provided at albertacounsel.com/covid.**





ZACK ZIOLKOWSKI Associate

After graduating from MacEwan University, Zack started working for the former PC government as a political staffer and moving into a role as the Director of Research and Communications for Government Members prior to the 2015 election. He also has an extensive policy background including work surrounding the Municipal Government Act on behalf of the Alberta Urban Municipalities Association.



Source: Linkedin.com

KEY INFLUENCER PROFILE

President of the Rural Municipalities Association Councillor, Mountain View County Zack Ziolkowski

Al Kemmere is the long-standing President of the Rural Municipalities Association (RMA). In fact, he has held this position since 2014, back when it was still the Alberta Association of Municipal Districts and Counties. He has worked on behalf of rural municipalities through multiple premiers and ministers of Municipal Affairs.

Kemmere has been involved in municipal politics for even longer, winning a seat on the Mountain View County council and becoming Reeve in 2004. Prior to politics he ran his family's dairy operation and a mixed farm until he retired in 2007.

Rural municipalities, and the province as a whole, are fortunate to have such a strong advocate in Kemmere. He is passionate about municipal issues and ensuring that rural voices are heard at the provincial table. Through the vast challenges faced by municipalities he has remained a staunch advocate for issues facing our agricultural and small communities. To this day he works alongside the AUMA and other municipal leaders to bring forward policy ideas to strengthen rural Alberta.







PASCAL RYFFEL Director of Government Relations

After completing his MA in Media and International Development, Pascal spent four years with the Alberta NDP Caucus. Pascal has been directly involved in Alberta politics for almost two decades, including as a candidate in 2008, and has a deep and current knowledge of Alberta politics. Pascal has been with Alberta Counsel since 2015.





UCP GOVERNMENT HAS EYE ON ECONOMIC STIMULUS Pascal Ryffel

March 9th seems almost like a lifetime ago now. The province was facing a plunge in oil prices due to the double-whammy of a price war between Saudi Arabia and Russia, as well as the quickly spreading impact of the COVID-19 virus. Only seven instances of the virus had been confirmed in Alberta at that point in time, but it was clear that this was only just the beginning. Without a doubt, an incredible amount of economic pain and suffering was to come. "The challenge posed to this province and Canada could not be more serious," Kenney said.

Immediate help for individuals and businesses to weather the storm would clearly be required, and much of that has been rolled out over the past couple of weeks by announcements from all levels of government. But it was also clear that the medium to long-term economic health of Alberta would be severely impacted. In response, Premier Kenney announced on March 9th that he would be convening an emergency economic panel, which would be called the 'Alberta Economic Recovery Council'.

Not much information was available about the Council until last Friday when Jason Kenney announced its members. It is to be chaired by well-known economist Dr. Jack Mintz and includes heavy hitters such as former Prime Minister Stephen Harper, former President and CEO of West Jet Clive Beddoe, and CEO of ATCO Nancy Southern. The Council met for the first time on March 18th and in terms of parameters, "all options will be on the table" for consideration according to Premier Kenney. It was quickly clarified by the Premier however that he thinks the idea of a PST is "dumb," so it would be fair to say that at least one option is in fact no longer on the table. But what other potential recommendations can Albertans expect from this panel?

As the chair, Dr. Mintz will certainly have substantial influence on the ultimate recommendations that emerge from the council, as will Stephen Harper given his experience in dealing with a global economic recession during his tenure as Prime Minister. These are likely to be some of the recommendations brought forward to Premier Kenney:

- · Continuing with scheduled cuts to the corporate tax rate
- · Fiscal stimulus focused on infrastructure spending
- Setting up an arms-length body that will analyze the cost effectiveness and economic impact of projects to avoid government 'picking winners and losers'
- . Focus on projects that have significant private money attached to them or can galvanize significant private dollars.

Among all the gloomy news surrounding the COVID-19 outbreak and plummeting oil prices, the Economic Recovery Council may well provide a glimmer of hope for municipalities who have shovel-ready projects in their back pockets. Premier Kenney has said that the UCP Government is open to borrowing more to increase spending if it is necessary to save or create jobs.

One of the keys to stimulus spending is that the money needs to be able to flow fast in order to be effective in bringing an economy back to life. While we do not know the exact recommendations to come from the Economic Recovery Council, we can be certain that it will be wise for all municipalities to take another look at all of their proposed infrastructure projects to determine how shovel-ready they are, or how long it would take to make them shovel-ready. Projects that had been rejected for ICIP funding could be brought back to life, for instance. Broadband or irrigation projects may also be prime candidates for consideration.

Alberta Economic Recovery Council Members Jack Mintz, chair Clive Beddoe – former chair, president and CEO, WestJet Robert Blakely – Canadian operating officer, Canada's Building Trades Union Brent Belzberg – founder and senior managing partner, TorQuest Partners Bob Dhillon – founder, president and CEO, Mainstreet Equity Corporation Chris Fowler – president and CEO, Canadian Western Bank Hon. Stephen Harper – Canada's 22nd prime minister Peter Kiss – owner and president, Morgan Construction and Environmental Zainul Mawji – president, Telus Home Solutions Nancy Southern – chair and CEO, ATCO Ltd. Kevin Uebelein – CEO, AIMCO Mac Van Wielingen – founder, ARC Financial

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BRONTE VALK Senior Associate

After graduating from the University of Alberta with a Political Science degree, Bronte pursued her passion for politics by working on the campaigns of numerous progressive political candidates. This experience combined with her in-depth knowledge of Alberta's political affairs, drew her into advocacy work. Bronte has worked as a case worker in the Honourable Sarah Hoffman's constituency office as well as the MLA for Edmonton-Ellerslie's. Her connections with government caucus and strong advocacy skills make her a great asset to our team.



AT A GLANCE

In the Media

State of Public Health Emergency

The Alberta government has declared a state of public health emergency in response to the rapidly increasing number of COVID-19 cases around the province. The province opted to not use the state of emergency available to them in the provincial Emergency Measures Act as the powers given to the government become much more far-reaching than deemed necessary at the time of declaration.

Politics and Government Vitality

The declaration serves to further enforce social distancing measures in an effort to slow the spread of the virus across the province. Events of fifty people or more have been cancelled, recreational facilities and businesses have been ordered to close temporarily, and the few restaurants permitted to remain open are now subject to reduced capacity.

Oil Stock Crashes

In addition to the economic impact of COVID-19, a breakdown in discussions between Russia and OPEC nations has resulted in an oil price war between the two sides. Saudi Arabia elected to increase production despite global demand declining. The result was oil seeing its largest single-day collapse in price since the Gulf War in 1991. Some economists have estimated that each dollar per barrel drop will cost Alberta's economy about \$350 million.

Premier Jason Kenney has announced the creation of an emergency economic panel in response to the price of oil as well as the rest of the rapid economic decline. The province announced that the panel will be chaired by University of Calgary economist, Dr. Jack Mintz. For this fiscal year, Alberta projected that the cost of oil was expected to hover around \$58 per barrel.

AUPE Supreme Court Application Denied

A Leave to Appeal application to the Supreme Court of Canada has been denied in relation the Bill 9 injunction from last year. The bill had delayed wage reopener negotiations between the province and the Alberta Union of Provincial Employees. An injunction had been awarded in favour of the union by the Court of Queen's Bench but was ultimately overturned by the Alberta Court of Appeal.

The AUPE and Government of Alberta continue to negotiate the next collective bargaining agreement as the current one is set to expire at the end of the month. In

January, an arbitrator awarded AUPE employees a 1% retroactive salary increase to April 1, 2019. The government has asked that union staff take a 1% rollback in the first year of their new agreement followed by a salary freeze.

Oil and Gas Aid Package Coming

In a report released by the Globe and Mail, federal officials have come forward on a confidential basis to say that Ottawa is working with Alberta on a financial aid package for the struggling oil and gas sector. While the details have not yet been released, it is rumoured that the financial support will be around \$15 billion. It is expected to be announced the week of March 23-27.

This would come as welcome news to an increasingly desperate energy industry. This week, oil has been selling at some of its lowest prices in history due to the ongoing pandemic and an increase in production from Saudi Arabia despite declining demand around the world.

First Alberta COVID-19 Death

Unfortunately, the province has suffered its first casualty of the Coronavirus pandemic. A male in his 60s from the capital region passed away from the virus and other underlying conditions, according to Chief Medical Officer, Dr. Deena Hinshaw. It was also reported that a Canadian had passed away in Japan as a result of the virus.

Premier Jason Kenney has said that projections indicate the province's COVID-19 crisis will peak in around four weeks, so this situation could continue for some time yet. Dr. Hinshaw reminded Albertans to take this crisis seriously and to maintain good hygiene and social distancing habits to prevent the spread of the virus.

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PHIL JOHNSON Associate

With over 11 years of political experience in Alberta, Phil most recently held the positions of Ministerial Assistant to the Minister of Energy and Chief of Staff to the Minister of Indigenous Relations in the NDP government. He has also enjoyed various positions with the NDP Opposition. He holds an Honours Bachelor of Science from the University of Toronto. A skilled public relations advisor, policy analyst and project manager, he understands what it takes to build strong networks and effectively advocate on both economic and social issues.



OP-ED: POST-SECONDARY EDUCATION STRUGGLING TO KEEP UP WITH MULTIPLE THREATS IN ALBERTA

Sadiva Nazir. Chair of the Council of Alberta University Students

The COVID-19 pandemic is shuttering universities across the globe. In Alberta, concerns over post-secondary education go far beyond rescheduling exams.

A sharp decline in the price of oil combined with a slowdown of economic activity due to the coronavirus will exacerbate Alberta's economic crisis. If we hope to get ahead of the economic headwinds facing our province we should be investing in our strengths, not undermining them. This means not only helping students and post-secondary workers through this current health crisis but giving them the tools they need to support our economic recovery going forward.

Alberta's post-secondary institutions continue to be vital to the economic success of our province. They provide the skilled labour and research we rely upon for job creation, economic development, and diversification. Some of the world's leading professionals, academics, and entrepreneurs in areas like healthcare, biotechnology, engineering, business and art have come from Alberta's post-secondaries.

A strong, well-funded, affordable and accessible education system is essential to attracting the talent, investment, and industry partnerships we need in our economy.

Instead of investing in our strengths, the Government of Alberta's short-sighted budget cuts to post-secondary education have been much deeper than anyone was expecting, and Alberta's economy will suffer for it.

Massive budget shortfalls are forcing universities to put thousands of people out of work and pass on millions of dollars in debt to students and families when they can least afford to. Tuition is increasing by up to 22.5% over the next three years, student loan interest rates have gone up and hundreds of millions of dollars worth of education and tuition tax credits families rely on to pay for education have been eliminated.

Given that student debt is often family debt, Alberta families are likely reconsidering sending their children to school at all next year. This is especially terrible given the fact that we need these students now more than ever as we look to build a robust economic recovery.

Making things worse, students will be some of the hardest hit by the economic slowdown caused by COVID-19. Students and their families are worried that even once the virus threat subsides there won't be enough jobs. They are wondering "how will students make money over the summer?" or "how will student loans get repaid after graduation?". This uncertainty has students and their families petrified. With countless Albertans already struggling to make ends meet, many are wondering how they will pay tuition next year which has increased thanks to the UCP budget.

If the Alberta government is serious about supporting all Albertans through this crisis and building a strong economic recovery, then immediate action must be taken to address the needs of students.

This means ensuring that students do not abandon their areas of study by addressing the student employment crisis we will have this summer. It also means supporting recent graduates with measures like that recently taken by the federal government to put a pause on student loan repayments and interest until September.

This also means reversing the massive and short-sighted budget cuts planned to post-secondary education. Indeed, doing so could not only save thousands of jobs today, it may also save thousands of jobs in the economy of tomorrow.