

Ric Dolphin's

Insight

into Government

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**INSIGHT IS TAKING A SPRING BREAK
NEXT WEEK. WE RETURN APRIL 7TH.**

INSIDE THIS WEEK

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ALL ABOUT OIL

SMILING JOE UNVEILS A FAITH-BASED BUDGET

Like last year's budget, the 2018 version keeps spending and resists cuts. But this time around Finance Minister Joe Ceci has a "path" to slaying the deficit in 5 years; it involves racking up a \$96B debt and praying hard for pipelines and an oil boom.

In what must be described as a budget based on hopes and prayers, Finance Minister Joe Ceci laid out his "path to recovery" Thursday, and was greeted with much scepticism from reporters, pans from every opposition party, and exasperation from Alberta's business leaders. Even the NDP's pals in the unions weren't without their criticisms (though generally for different reasons.)

There are three main points of contention:

1: By the time the deficit is projected to be eliminated in 2023, the total debt will have risen to \$96B. If current interest rates remain, that will mean annual debt payments of \$3.8B. But many economists (outside of the gov't) are predicting an end to the low rates we have enjoyed for the past couple of decades. If they should double—rising from around 2% to 4%—the debt payments on that \$96B will be north of \$7B. But of course a rise in interest rates in the interim will also stretch out the deficit pay-down period because more money will have to be allotted to debt repayment. A longer period of deficits means the debt will also grow.

2: The fiscal plan projects no reductions or further freezes to civil service wages (non-union salaries were frozen last year), no elimination of programs or services, and no reduction in overall gov't spending, which Ceci claims will be held to 3% this year.

Past experience, however, suggest Joe's spending projections might be a little shy of the mark. The 2017-18 budget, for example, called for increase in expenses of 3.2%; but the latest forecast projects an 8% increase in expenses. The 2016-17 budget promised a 4.5% increase in expenses, but came in at 8.4%.

And even if this year's 3% target is met, critics are asking why spending could not have been kept to zero. Joe's answer is that the increase is in line with expected inflation and population increase.

Continued on next page...

POLITICAL PULSE

BYELECTION BUILD UP

UCP WANNABES MULTIPLY IN INNISFAIL BUT NOT CONKLIN

While Premier Rachel Notley has yet to announce a date for a byelection in the west-central riding of Innisfail-Sylvan Lake vacated on Feb. 2 by UCP MLA Don MacIntyre (see p. 4), the rush for nominations is on.

This being a rock-ribbed conservative enclave, a UCP nomination win is tantamount to election to the Legislature. Thus the rush. The line-up of potential candidates has grown to six, the latest being Victor Sloboda of Sylvan Lake, a plumbing & gas inspector with the city of Red Deer who also coaches minor league football.

He joins Mike Walsh, 39, Penhold councillor, junior high school teacher, and former co-president of the UCP constituency association; Devin Dreeshen, 30, a fifth generation farm owner and son of local federal Conservative Party MP Earl Dreeshen; Sylvan Lake realtor and former town councillor Joan Barnes, 47; Red Deer lawyer; former nurse Gayle Langford, 60; and Christine Moore, 54, a Red Deer County councillor and former chairwoman of the Red Deer Catholic Regional Schools board.

So far there are no declared candidates for the other main parties, although Patricia Norman, 58, a mental health worker who ran for the NDP in 2015 and placed a respectable third with 23%, is thinking of running.

"I believe we did well (in the last election) but we're in the heart of Conservative country," Norman told the *Innisfail Province*. "It's been blue in the province for 44 years."

The NDP does not have an active constituency association in the riding, and Norman doubts the intentions of voters have changed much since 2015. In that election she was beaten by Wildroser MacIntyre (48%) and PC incumbent (and Wildrose floor-crosser) Kerry Towle (28%). This time around the conservative vote won't be split.

On the plus side, Norman says she could expect a lot more support from NDP MLAs (and cabinet ministers) this time around. "That's a real positive."

And even if their candidate is nothing more than cannon fodder, the Dippers can hardly sit out the byelection. It would send a defeatist message heading towards the general election, which—presuming Notley calls the byelection for mid-May, and assuming the general election will actually occur in the spring of 2019—will come less than a year later. (We still think the NDP might find an excuse to delay the general election until the spring of 2020.)

Both the Alberta Party and the Liberals claim they will be nominating candidates for Innisfail-Sylvan Lake, but so far no candidates have stepped up. One wonders why they'd waste their time and money, but one supposes that not contesting the riding would only feed the perception that the parties were not serious contenders.

And we almost forgot the only nominated candidate: Randy Thorsteinson. Randy, 61, is the Red Deer Mormon who's been kicking around right-wing fringe parties for a couple of decades and who ran as the leader of the fringe Alberta Alliance party in the riding in 2004 (getting 20% of the vote). He has announced he'll run for the fringe Reform Party, which he cre-

Turn to Political Pulse on pg. 5...

But the more probable reason for an NDP gov't is the mollification of its pals in labour. For although two of the big public service unions—the nurses and teachers—accepted two years of wage freezes in their latest contracts, those contracts are retroactive to 2017 and 2016 respectively. This means the Alberta Teachers Association will be back at the table in August, and the United Nurses of Alberta will be looking for a raise in April of next year—right around the time the election is supposed to occur.

Meanwhile the biggest public sector union, the Alberta Union of Provincial Employees, is in the process of thrashing out contracts for about 65,000 of its 90,000 members—contracts that expired a year ago—and the word is that they are holding out for more than zeros.

3: Here's where the leap of faith comes in and the most vociferous of the criticism derives. In short: Joe's path to recovery relies on the both the output and price of oil rising steadily over the next five years. And on the price differential—the discount on Alberta heavy crude applied by the American refineries—softening from its current high of around US\$26.

This hopeful scenario relies on the ability to get the increasing production of oil (mostly bitumen) to market (mostly in the US) by pipeline. And this will require a belief that the all of the pending pipelines—notably Kinder Morgan's Trans Mountain expansion, which has lately acquired the snazzy monicker, "The TMX"—go ahead.

As we have outlined on these pages in the past, completion of the TMX remains in doubt, with the BC gov't

between Hardisty and Steele City, Neb. (830K bbl/day)—could, according to Alberta Energy figures, handle all of the heavy oil Alberta is predicted to produce over the next six years. (Current production of about 2.5M bbl/day is forecasted to reach 3.5M bbl/day by 2024).

The Notley gov't touts the TMX as a means of getting our oil to tidewater and then to Asian markets where we can get the higher world price and reduce our dependency on the American customer and the differential. But from what we've heard and read, the smaller tankers that would be allowed access to Burrard Inlet and the Kinder Morgan terminal are not of a size used for the trans-Pacific voyage. Rather they would be used to transport oil south to American refineries where it would be subject to the same discounted prices.

Thus those new pipelines to the Midwestern distribution hubs would be just as beneficial to Alberta as the TMX. Assuming, of course, that they get built. The Line 3 is under construction in Canada and Wisconsin, but has been delayed by the state of Minnesota, which is currently considering an environmental analysis.

The long-delayed Keystone XL, vetoed by Obama, but resurrected by Trump a year ago, faced opposition from Nebraska landowners whose protests resulted in the state's Public Service Commission approving an alternate route for the pipeline in late November.

Since then TransCanada has been reviewing the proposed route and assessing its viability. A decision has yet to be made on whether to proceed.

Whether or not it's actually needed, however, the TMX has assumed great political importance to Premier **Rachel Notley**, who continues to attribute its approval by the federal gov't to her Climate Leadership Plan and is deriving political capital from her defence of the project in the face of BC opposition. The pipeline's cancellation would make the reelection of her gov't—already a long shot—a virtual impossibility.

And, getting back to the budget and the path to recovery, the cancellation of the project would hobble plans to slay

the deficit by 2013.

This is because Notley has said that Alberta would not apply the additional carbon tax required by the Trudeau gov't, starting in 2020, if the Trans Mountain isn't built.

The feds require that Alberta increase its \$30/tonne levy to \$40/tonne in 2020-21, but the extra revenue is returned to the province. The finance ministry estimates that will add \$146M to provincial coffers.

In short, despite token efforts by the NDP to "diversify" the economy" through minor investments in oil upgrading, petrochemical plants, alternative energy, and boutique industries like craft beer and video game development, we're still on the proverbial resource rollercoaster.

And our finance minister, like his predecessors is reduced to praying to God (or perhaps Saint **Tommy Douglas**) for another oil boom with the promise that he won't piss it all away this time... *And please make it happen before the next election.*

PATH TO BALANCE: THE SIX YEAR PLAN

Fiscal year	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Total revenue	\$47.9B	\$50.6B	\$53.8B	\$57.8	\$62.3B	\$66.3B
Resource Revenue	\$3.8B	\$4.2B	\$5.0B	\$6.8B	\$8.6B	\$10.4B
WTI oil price (US\$/bbl)	\$59	\$60B	\$63B	\$68B	\$70B	\$73B
Light-heavy differential	\$22.4B	\$21B	\$22.3B	\$20B	\$19B	\$18.40
Tax revenue	\$22.9B	\$24.5B	\$26.0B	\$28.0B	\$30.2B	\$31.7B
Surplus (Deficit)	(\$8.8B)	(\$7.9B)	(\$7.0B)	(\$4.3B)	(\$1.4B)	\$0.7B

determined to use every trick in the book to kill it by delay, and the very real possibility that the Federal Court of Appeal will find in favour of the various groups that have applied to have the National Energy Board's approval of the project overturned. (A decision is imminent.)

The protests at the Burnaby terminal have intensified in recent weeks, and on Friday federal Green Party leader **Elizabeth May** joined them and was proudly arrested for having contravened a court order barring protesters from coming within five metres of the site.

And what happens if the TMX doesn't get built, asked a heretical reporter during Thursday's pre-budget presser? "Oh, it will be built!" declared Joe stentoriously, looking like was hoping for an "amen."

Actually, if the TMX project is scrapped, the other two pipelines that are in various stages of development—Enbridge's Line 3 replacement between Hardisty and Superior, WI (760K bbl/day) and TransCanada's Keystone XL

DATA bank ...

BUDGET HIGHLIGHTS

The full budget documents can be found at:
<https://www.alberta.ca/budget-documents.aspx#18-19>

ASSUMPTIONS

(For more details see p. 92 of budget document)

ITEM	2016-17 Actual	2017-18 Budget	2017-18 Forecast*	BUDGET 2018-19	Change from 17/18 to 18/19	2019-20 Target	2012-21 Target
Av. Oil price (WTI, US\$/bbl)	\$45	\$55	\$54.00	\$59.00	9.3%	\$60.00	\$63.00
Light-heavy differential (US\$/bbl)	\$13.93	\$16	\$14.50	\$22.40	54.5%	\$21.00	\$22.30
Natural gas price (C\$/gigajoule)	\$2.01	\$2.90	\$1.90	\$2.00	5.3%	\$2.90	\$3
Nominal GDP	\$314.6B	\$325.3B	\$336.3B	\$352.2B	2.6%	\$316.5B	\$332.2B
Number employed	2.26M	2.29M	2.29M*	2.33M	1.8%%	2.32M	\$2.4M
Unemployment rate	8.1%	8.0%	7.8%*	6.8%	-13%	7.1%	6.3%
Population	4.18M	4.32M	4.25M*	4.32 M	1.7%	4.43M	4.49M

SELECTED REVENUES

(For full details see p. 142 of the budget)

Personal income tax	\$10.76B	\$11.17B	\$10.86B	\$11.39B	1.65%	\$11.98B	\$12.66B
Corporate income tax	\$3.77B	\$3.92B	\$3.85B	\$4.55B	4.88%	\$5.29B	\$5.72B
Resource revenue	\$3.10B	\$3.76B	\$4.54B	\$3.83B	18.18%	\$4.18B	\$5.0B
Gaming/lottery revenue	\$1.43B	\$1.45B	\$1.38B	\$1.44B	-15.64%	\$1.47B	\$1.51B
Liquor/cannabis revenue	\$855M	\$876M	\$867M	\$794M	4.35%	\$784M	\$859M
Climate Change & Emissions Fund	\$163M	\$196M	\$210M	\$541M	-8.42%	\$649M	\$977M
Carbon Levy	\$250M	\$1.04B	\$1.01B	\$1.36B	157.62%	\$1.38B	\$1.55B
Other taxes	\$5.40B	\$5.63B	\$5.49B	\$5.49B	34.65%	\$5.89B	\$6.11B
TOTAL REVENUE	\$42.29B	\$44.926B	\$46.88B	\$47.88B	2.13%	\$50.62B	\$53.85B

SELECTED EXPENSES (BY MINISTRY) (For details, see pp. 21-35 & 143 of budget document)

Health	\$19.18B	\$19.91B	\$19.97B	\$20.57B	3.00%	\$21.19B	\$21.82B
Education	\$7.78B	\$7.84B	\$7.83B	\$8.0B	2.17%	\$8.24B	\$8.47B
Advanced Education	\$5.34B	\$5.47B	\$5.46B	\$5.61B	2.75%	\$5.76B	\$5.98B
Community & Social Services	\$3.25B	\$3.32B	\$3.49B	\$3.65B	4.58%	\$3.82B	\$3.93B
Justice & Solicitor General	\$1.39B	\$1.39B	\$1.43B	\$1.47B	2.80%	\$1.49B	\$1.51B
Transportation	\$463M	\$454M	\$461M	\$450M	-2.39%	\$450M	\$449M
TOTAL OPERATING EXPENSE	\$46.04B	\$46.77B	\$46.95B	\$48.80B	3.94%	\$50.19B	\$51.49B
DEBT SERVICING COSTS	\$438M	\$619M	\$594M	\$1.03B	73.40%	\$1.36BB	\$1.69B

SELECTED CAPITAL SPENDING (For full details, see pp. 59-70 & 146 of budget document)

Municipal Affairs	\$1.48B	\$1.47B	\$2.22B	\$892M	-59.82%	\$890M	\$1.29B
Health	\$667M	\$1.13B	\$990M	\$1.34B	35.35%	\$1.38B	\$1.55B
Education	\$1.39B	\$1.40B	\$1.16B	\$744M	-35.86%	\$636M	\$835B
Transportation	\$1.27B	\$2.59B	\$2.26B	\$1.49B	-34.07%	\$1.26B	\$1.19B
Infrastructure	\$203M	\$282M	\$233M	\$224M	-3.86%	\$259M	\$308M
Climate Leadership Plan	\$7M	\$214M	\$420M	\$616M	46.67%	\$687M	\$409M
TOTAL GOV'T CAPITAL PLAN	\$6.58B	\$9.18B	\$9.17B	\$6.44B	-29.77%	\$5.88B	\$6.03B
TOTAL REVENUE	\$42.29B	\$44.926B	\$46.88B	\$47.88B	2.13%	\$50.62B	\$53.85B
TOTAL EXPENSE	\$53.08B	\$54.92B	\$55.95B	\$56.18B	0.41%	\$57.83B	\$59.82B
DEFICIT	\$10.78B	\$10.50B	\$9.10B	\$8.80B	-3.30%	\$7.91B	\$6.97B
DEBT	\$33.30B	\$45.80B	\$43.33B	\$54.22B	25.13%	\$65.85B	\$77.17B

*2017-18 estimates based on figures extrapolated on the fiscal year to Feb. 7.

en passant...

Among the positive news delivered at this week's convention of the Rural Municipalities of Alberta (RMA; formerly the Alberta Association of Municipal Districts & Counties) in Edmonton was Transportation Minister Brian Mason's assurance that snow-ploughing and other winter maintenance of provincial highways would continue until the end of April, despite the January bankruptcy of Carillion PLC. Carillion Canada, the Ontario-based branch of the British-based multinational, operated in Ontario and Alberta and was under contract to maintain about 40% of Alberta's roads. It was granted creditor protection in January and is expected to be liquidating its assets. Mason says the gov't will be shelling out \$8.9M to keep Carillion, which controls 300 snow-plows and employs 500 workers, operating through the province's wintry spring. But he said the money would not allow Carillion Canada to make a profit. Although Mason did not say what would happen after the end of April—Carillion was also responsible for summer road maintenance—some RMA delegates speculated that the NDP would absorb its operations into the public realm. Carillion, after all, is the only one of the six provincially contracted road maintenance companies that is unionized (and by none other than the Alberta Union of Provincial Employees), making it unlikely that any of the five non-union contractors would want to absorb its operations if the union was part of the deal and even more unlikely that the NDP would agree to a contract whereby the union—especially the biggest public sector union with whom it is currently having difficult negotiations—was not part of the deal. Ticklish times ahead.

Another piece of good news for the RMA—which was being pronounced “Arma” by some delegates despite president **Al Kemmere's** insistence that the three initials be separately enunciated—came from unlikely lips of Environment Minister **Shannon Phillips.** She's the partially lapsed eco activist, whose green-minded restrictions on the use of public land and ground water makes her one of the least popular of ministers among rural folk who rely on these resources for their livelihoods and recreations. For some years now, Shanny's department had been pursuing a plan to add 1.8 million hectares of land, mostly in northern Alberta, to the 3.1 million hectares already set as protected rangeland for the Woodland Caribou—which is classified a “species at risk” under federal regulation. At a recent series of stakeholder consultation meetings, however, the Alberta Environment officials faced much resistance to the proposed measures, which would have turned as much as 50% of some northern municipalities into caribou sanctuaries and severely curtailed petroleum and forestry development. Phillips' announcement to the RMA—which the uncharacteristically sheepish-looking minister had delivered, sotto voce, in the Legislature earlier in the week—was that the Alberta gov't would be “suspending consideration of conservation lands” and asking the federal gov't for assistance in conducting “a full socioeconomic impact assessment” before proceeding any further.

The good news was conveyed during the regular “Ministers' Forum” at the RMA convention where, in past years, delegates had been vocally hostile to NDP politicians, seen by many as urban snowflakes who neither understand or care about rural issues where their political representation is sparse. This year, with the NDP having lately

thrown some cash at the sticks, there was no overt unpleasantness, though two concerns seemed to dominate, judging from the questions posed to the minister by those who took to the microphone: rural crime and cannabis legalization.

The increases in property crime in recent years (discussed in last week's *Insight*) and the slow or non-existent responses of RCMP officers have been worrying rural residents for a year or more and were expected to be a main topic for the UCP in the spring Legislature.

Justice Minister **Kathleen Ganley** warded off some of the opposition outrage two weeks ago when she unveiled a \$10M plan to hire 39 new rural RCMP officers and 40 new office staff to handle the paperwork, allowing officers more patrol time. There is also a push to increase the number of crown attorneys and thus reduce court backlogs.

She presented this plan to the RMA audience, who generally appreciated her efforts. But many still have concerns. For instance, it's all well and good to talk about hiring 39 new officers, but according to the RCMP deputy commissioner there are already more than 200 unfilled positions in Alberta. Ganley had no real solution for the problem, but RMA members are encouraged that Conservative MP **Shannon Stubbs**, who represents the east central riding of Lakeland, will be introducing a motion in the House of Commons on Tuesday. It calls for the Standing Committee on Public Safety and National Security to undertake a study on rural crime across Canada and come up with solutions to problems like the police officer shortage and the reoccurrence of crimes by repeat offenders undeterred by the leniency accorded them by the courts.

In regards to cannabis legalization, which may or may not come into effect this year (depending on how quickly the two relevant bills move through the Senate), the rural municipalities, like their urban cousins, believe they should get half of the tax revenue received by the gov't. This money would pay for the enforcement of by-laws and Alberta Gaming & Liquor Commission regulations around retail stores and growing facilities. The provinces have been promised 75% of the 10% tax that the federal gov't will apply to marijuana sales. We also learned during this week's budget briefing, that since Alberta has no sales tax and the other provinces do, the feds will be applying an additional 10% tax to sales of cannabis in Alberta, which it will return to the province. Thus Alberta will, in effect, have a sales tax for the first time since the 1930s. But it will only be charged on weed. Ganley and Finance Minister **Joe Ceci** were non-committal on the share of the tax that will be passed on to the municipalities, saying that many of the fine details around provincial regulation are still being worked out. According to the budget document, the AGLC, which will wholesale cannabis to retail outlets, expects to post net losses of \$43M and \$47M during the first two years of legalization “as set-up costs and product acquisition exceed revenue.”

Former UCP MLA Don McIntyre, who resigned his Innisfail-Sylvan Lake seat on Feb. 2 after being charged with sexual assault and sexual interference, has again had his case put over. He did appear at his scheduled hearing in Red Deer Provincial Court on Thursday. Lawyer **Maurice Collard**, acting as agent for MacIntyre's Calgary lawyer, **Ian McKay**, requested the adjournment to April 19 when the accused will appear before a justice of the peace at the Case Management Office (CMO), a quasi court that cannot hear pleas, but can set trial dates or adjournments. The charges against MacIntyre—who was married last August in a ceremony officiated by former Wildrose leader **Brian Jean**—are believed to stem from events involving a minor that occurred more than eight years ago.

People ...

DM Shuffle...

● Deputy Minister **Andre Corbould** has moved from Environment & Parks to Agriculture and Forestry, replacing **Bev Yee**, who becomes DM of the newly recreated ministry of Intergovernmental Affairs (something to do with pipelines?) Meanwhile, **Eric Denhoff**, who has served as Deputy Minister responsible for the Climate Change Office, now also assumes DM duties for Environment & Parks.

Corbould joined the gov't in 2012, having retired as Brigadier-General with the Edmonton-based 1 Canadian Mechanized Brigade Group following a 28-year military career. He has since served as deputy minister of several ministries.

Yee, a former highschool science teacher, joined the gov't in the early '90s, and spent about 20 years in the Environment ministry, where she rose to ADM of Integrated Resource Management Planning. She was appointed DM of Agriculture & Forestry in October 2015.

Denhoff, who was hired to head the Climate Change Office in September 2016, came from British Columbia, where he had served as DM of Aboriginal Affairs and Chairman and CEO of BC Transit for the provincial gov't from 1987-92, and later worked as a negotiator with First Nations for the federal gov't and BC Hydro. When he was hired by the Alberta gov't, Denhof was president and CEO of the Canadian Hydrogen & Fuel Cell Association in Vancouver.

Appointments...

● **Steve Blakely** as CEO of the Agricultural Financial Services Corp. (AFSC), replacing the highly compensated **Brad Klak**, who, along with two other executives and the entire board of directors, was jettisoned from the 700-employee, \$365M/p.a. crown corp in the fall of 2016.

The purge followed an independent audit that uncovered all sorts of lavish expenses (long distance limousine rentals, a share in an Oilers' luxury box, a \$5K dinner for four in Tokyo) along with the big compensations (Klak pulled in \$800K in his final year). An RCMP investigation resulted in no criminal charges being laid.

The AFSC's CFO **Darryl Kay** served double duty as interim CEO while the board sought a new chief.



Blakely (pictured), who has more than 40 years of experience in the financial industry, was most recently chairman of the board of the Deposit Insurance Corporation of Ontario, a regulator and deposit insurer for Ontario Credit Unions. Previous positions have included: CEO of Servus Credit Union in Edmonton, CEO of Credit Union Deposit Guarantee Corporation of Alberta, and Calgary regional director for ATB Financial. His salary will be \$301K p.a.

The AFSC, a provincial Crown corporation, provides farmers, agri-businesses and other small businesses with loans, crop insurance and farm income disaster assistance.

● **Giselle Abt**, formerly the manager at Edmonton Law Libraries Association, as the Queen's Printer for Alberta, replacing **Mark Diner**, who had held the position for the past four years. The Queen's Printer is the official publisher of provincial laws, the *Alberta Gazette*, and other gov't publications.

● **Tongjie Zhang**, a Calgary cyber-security expert, as a public member to the council of the College of Alberta Dental Assistants for a two-year term.

● **Gene Marie Shematek**, a Calgary occupational health & safety consultant, and **Garrett Tomlinson**, the Peace-River-based Regional Consultation Coordinator for the Métis Nation of Alberta, as public members to the council of the College of Alberta Psychologists, each for a three-

year term

● **Julie Davis**, a service manager with an Edmonton security alarm company, as a public member to the College of Dietitians of Alberta for a three-year term

● **Dr. Sandra-Ann Colbourne**, an Edmonton geriatrician, as chairwoman of the Board of Governors of NorQuest College.

● **Robert (Bob) Wyatt**, an Edmonton marriage commissioner, as a member of the board of the Alberta Gaming and Liquor Commission for a three-year term.

POLITICAL PULSE ... from Page 1

ated in 2016, and which he insists will field candidates in all 87 ridings in the general election.

Meanwhile in Fort McMurray-Conklin, competition for the seat vacated by UCP MLA and former Wildrose leader **Brian Jean** three weeks ago (*Insight*, Mar. 10), is not quite so fierce among Unicorns, with just two candidates having declared their intentions to date.

This may have something to do with the boundary changes that come into effect for the general election. Fort-McMurray-Conklin will be eliminated and its current territory will be split between the expanded riding of Fort McMurray-Wood Buffalo to the north and the new riding of Fort McMurray-Lac La Biche to the south.

The big northern chunk of Conklin (stretching from Fort McMurray to the NWT border) will become part of Fort McMurray-Wood Buffalo, where incumbent UCP **Tany Lau** is virtually guaranteed the nomination.

The southeasterly portion of Conklin will be expanded further south into the new Fort McMurray-Lac La Biche constituency, taking in a piec of what is currently Lac La Biche-St. Paul-Two Hills.

But that riding is being eliminated and is among six ridings that are being melded into five new ones. Thus a refugee incumbent from one of those merged ridings might have the advantage in the Fort McMurray-Lac La Biche nomination for the general election.

One of those refugees could be a loser in the nomination for the hybrid riding of Bonnyville-Cold Lake-St Paul where this game of electoral musical chairs is playing out between two UCP incumbents: **Scott Cyr**, currently MLA for Bonnyville-Cold Lake, and Lac La Biche-St. Paul-Two Hills MLA **Dave Hansen**.

All this geek-speak having been spoke, we do have two UCP nomination candidates for the ephemeral Fort-McMurray-Conklin riding. They are: Wood Buffalo councillor and Fort McMurray Public School District deputy superintendent **Phil Meagher**, 56, (who everybody thought of as liberal), and political backroom gal **Laila Goodridge**, 30, (who no one mistook as anything but conservative.) She was a former constituency assistant for Calgary Conservative MP **Joan Crockatt**, worked on Brian Jean's first campaign as a conservative MP in 2003, and recently worked in Edmonton as a "Legislative Outreach Assistant" for the Wildrose and UCP. Not sure what that is, but it sounds pertinent.

Insight into Government

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Talk ...

... in the Corridors

MLGay Connolly: official Kenny-baiter...

● Calgary-Hawkwood NDP MLA **Michael Connolly**, the bratty young LGBT activist who was particularly vociferous in his criticism of the absent **Jason Kenney** during last fall's debate on the gov't's GSA bill (*Insight* Nov. 11), got his first opportunity to needle the UCP leader to his face on Monday.

In a member's statement, Connolly, 24, began by declaring that he and fellow "MLGay," (as they like to call themselves), Tourism & Culture Minister **Ricardo Miranda**, would be attending a forum organized by University of Alberta Chancellor **Doug Stollery** (also gay) focused on the 20th anniversary of the Supreme Court's **Delwin Vriend** decision.

In 1991 Vriend was fired from his job as a lab instructor at an Edmonton Christian college because his open homosexuality clashed with the school's religious doctrine. The Alberta Human Rights Commission refused to hear his discrimination complaint because sexual orientation was not then a protected ground. Vriend appealed the commission's decision to the Court of Queen's Bench and won, but the province successfully appealed to the Alberta Court of Appeal, whose ruling was highly critical of what it saw as creeping judicial activism in countermanning legislation.

Vriend's lawyer **Sheila Greckol** (now an Alberta Court of Appeal justice), whose legal team included Stollery (scion of the family that co-founded PCL Constructors), appealed to the Supreme Court. On April 2, 1998, the court found against the province. It ruled that provincial gov'ts could not exclude protection of individuals from human rights legislation on the basis of sexual orientation. Vriend became a hero of the gay rights movement, with which Connolly is very much aligned.

"The leader of the UCP was an MP at the time. In fact, he was my MP," Connolly continued, his dudgeon heightening. "He often spoke about his extreme views on LGBTQ2S rights. He said he didn't support the Vriend decision. He called on Alberta MLAs to fight the Supreme Court's ruling because it was, quote, a virus. A virus, Mr. Speaker. It's hard to fathom why he called LGBTQ2S rights a virus, but I bet he wasn't talking about the flu." (The gay alphabet soup seems to expand with each outing.)

He went on to talk about how politicians like Kenney had caused harm "by fighting against our human rights for decades" and finished his statement with an invitation:

"But I want to give him a chance to state why he thought it was okay to fire a person for being gay, and I welcome him to apologize to Alberta's LGBTQ2S community for his degrading comments. In fact, I welcome him to join me at tonight's public event and make that apology." Of course Connolly got neither apology or another attendee at the Vriend-fest. We doubt he expected either. His role in the Dipper caucus appears to be the casting of Kenney as a scary social conservative, and we can expect more vitriol in the same vein and with the same tentative relationship to the facts.

Kenney, who was quoted in the *Edmonton Journal* in advance of the anticipated Vriend decision in 1998, was not calling gay rights a virus, but rather was referring to the "virus" of judicial activism and calling on the Klein gov't to invoke Section 33 of the *Canadian Charter of Rights & Freedoms*—the notwithstanding clause which allows provinces to exclude laws from Supreme Court diktat.

"If the court rules to enforce gay rights, and the Alberta gov't rolls over, they will clearly be implicated in the decision," he told the *Journal*. "If, on the other hand, they have the courage to invoke Section 33, they will have begun the recovery of democracy. This will test the mettle of Alberta's representatives." The gov't did not invoke the clause.

Scrummed outside the chamber, Kenney couldn't recall his comments of 20 years ago, but pointed out that in 2016 he supported a motion to remove the traditional definition of

marriage from federal Conservative party policy.

"I have friends in gay marriages and I wish them well," said Kenney, who has studiously avoided discussing his own sexuality—something else Connolly seems to be trying to provoke, although likely in vain.

In his short time in the Legislature, Kenney has demonstrated composure and control that sets him apart from virtually every other member. It's unlikely that the hectoring provocations of a grandstander like Connolly will disrupt this sang-froid. It's also doubtful that the baiting will cease.

Horgan bests Rachel...

● There is good news and bad for **Rachel Notley** in the latest Angus Reid poll of the approval ratings for Canada's ten provincial premiers (conducted online between Mar. 6 & 15). The good news is that her approval rating has risen to 33% from the 29% in September, moving her from eighth to sixth place—her highest rating since February 2016, the last time it was 33% (having dropped from 50% in Aug. 2015).

The bad news is that her pipeline opponent, BC NDP Premier **John Horgan** polled 52% and is tied for first place with **Scott Moe**, premier of Saskatchewan.

Moe, who replaced the perennially popular **Brad Wall** in January's Saskatchewan Party leadership race, is still in his honeymoon period, the happy time when even Notley hit 53%.

Horgan, however, has been in office nine months, and his approval rating *rose* from the 48% he polled in October. It could have had something to do with the goody-filled budget; or might it have been his valiant opposition to Alberta's dirty oil pipeline?

Meanwhile Ontario Liberal **Kathleen Wynne** remains the cellar-dweller at 19%, ten points lower than second-to-last finisher, New Brunswick Liberal **Brian Gallant**, and unchanged since January, despite the clown car that has been the Progressive Conservatives' leadership muddles.

In fact, as they head towards the June election, the Tories still look poised to win. Angus Reid's survey of Ontario voters in mid-March, put the PCs at 43%, the Liberals at 27%, and the NDP at 23%.

The weeks ahead...

Mar. 26-30—The Legislative Assembly takes its first spring break, giving MLAs a chance to cogitate on Thursday's budget & prepare for debate when business resumes on the afternoon of **Apr. 3**.

Mar. 29—The Alberta Party holds a panel discussion on "Alberta's education ecosystem," with panelists **Mary Martin**, president of the Alberta School Boards Association, **Adriana LaGrange**, president of Alberta Catholic Schools Trustees' Association, **Ken McNeill**, founding member of Calgary Arts Academy Society (Charter School), and **John Jagersma**, executive director of the Association for Independent Schools & Colleges of Alberta; 6:3--8:30 pm, Crowfoot Public Library. For more info and to submit questions for the panel, go to: <https://leadership.albertaparty.ca/Alberta-Education-Forum>

April 6—**Thomas Dang**, the youngest MLA, celebrates his 23rd birthday with a \$65-a-head fundraiser for his riding of Edmonton-South West with an appearance by Labour Minister **Christina Gray**. At Devaney's pub on the UofA campus, starting at 7 pm. For tickets: <https://act.albertandp.ca/mladansbirthdaybash>

April 7—Alberta Liberals hold their AGM & policy convention at which they'll stare into the abyss... sorry, at which they'll prepare themselves for the 2019 election—albeit without a single incumbent (Calgary-Mountain View MLA **David Swann** is retiring), an unelected leader (**David Khan**), & a serious challenge to their base from the ascendant Alberta Party. At this point, it is not unreasonable to expect an electoral shutout for the Liberals—something not seen since the early 1980s. The AGM takes place at the Coast Plaza Hotel & Conference Centre, 9 am-6 pm. For registration & more info: https://www.albertaliberal.com/2018_agm