

Kevin Taft Speaking Notes
Red Deer Regional Leader's Dinner

October 12, 2006

Check against delivery

Thank you for inviting me here tonight.

My work involves a lot of travel around the province, and especially through central Alberta as I go up and down highway two. This is such a beautiful land to watch as the seasons change. It's great at this time of year to see the harvest pretty much in the bin, though I hear the yield is a bit uneven.

I've done rather well by central Alberta. My wife Jeanette's family farms in the Ponoka area, and I will say without hesitation that the best thing I ever did was to marry her.

I'm a city boy, but even so, harvest season has some vivid memories for me because of Jeanette's farm.

Jeanette and I met at university. Maybe that's why I'm such a big fan of post-secondary education.

She was the perfect country girl; I was the born-and-bred city boy... So when I'd visit the family farm, being the city boy made me fair game for all kinds of tricks:

Like one harvest... when I'd come out to "help":

Jeanette's dad climbed up into their enormous combine; her brother scaled this huge tractor, and they started them up. What a roar; what power. Then above that din, her dad threw me down some keys and shouted, "Go 'round back of the barn and get the John Deere!". Cool! I fairly sprinted around that barn: The John Deere!

That was respect. That was trust. That... was the John Deere Riding Mower.

The very first evening I was ever visiting the farm, they brought me out to collect eggs from the henhouse. It was dusk. Everything was quiet. "Just gently reach under the hens and feel for an egg," they said, and pointed me off to one particular corner of the hen house.

I took my basket and reached under the first bird I saw, felt something round and warm - though a bit smaller than I'd imagined - and it seemed stuck, so I pulled... and hard.

Turns out they were roosters.

- Word of advice: Don't ever collect eggs from roosters -- but if you do, make damn sure you're wearing heavy gloves.

And unlike a hockey fight, keep the gloves on.

A few weekends later, Jeanette's brothers were showing me around some fields. A bale had fallen off a truck in the next field, so they asked me to climb over the fence and get it.

They did not mention... it was an electric fence.

I walk up to it, grab the top wire with both hands to push it down: So I could get over. Nothing happened.. After all; by then I had taken to wearing heavy duty leather gloves. Didn't want any trouble from those killer chickens. Anyways... I swung my leg over the wire, like you're supposed to.

And straddling the wire, I happened to glance up at my... future in-laws.

In retrospect, I don't think they expected it to get this far, cause by this point, their faces had suddenly turned rather anxious. I took consolation from that after the fact, because it showed that deep down they had a conscience. Very deep down, but present.

So there I am, straddling an electric fence and everything might have turned out fine, until I leaned just a little bit too far forward.

They don't make jeans with *nylon* zippers. I wish they did then, and I still do today, but no;

As fate - and clothing manufacturers - would have it, my jeans had a metal fly.

Ever since that electric moment, I've been utterly committed to the Canada Health Act!

You know, as the pioneers found out, Alberta is the land of opportunity.

This may well be the most abundant piece of real estate on the planet. We have a major agriculture sector. Extensive forests. We've got mountains, water, tourism, high tech; a young, highly-educated workforce that's the hardest working in the country; we live in peace and security next to the largest, richest economy in the world. We have centuries worth of coal reserves, and we're one of the world's largest exporters of natural gas, AND we own oil reserves that rival Saudi Arabia. All of it to be shared among a population equivalent to... *Seattle*.

The question is, are we taking full advantage?

As Leader of the Official Opposition, part of my job is asking tough questions, holding the governing party to account. But you want to hear something strange coming from an Opposition

Leader? We don't believe in criticism for its own sake; without ideas... criticism is simply... fault-finding.

We don't just want a government... that sees the opportunities.

We want to form a government... that *seizes* the opportunities.

Because we have to remember: though we may have *unparalleled* opportunities, we don't have *unlimited* opportunities. If Alberta doesn't have a plan, and the discipline to stick with it, we'll make the same mistakes again. We'll need to re-issue that infamous bumper sticker about "Dear God; Let there be another oil boom, and this time I promise I won't piss it all away." And I say that not as the Leader of the Opposition, or Leader of the Alberta Liberals, but as an Albertan who loves this province.

I'm not saying the sky is falling; I *am* saying we owe it to our children... and their children... to proceed... with care.

Because in the midst of the unreal growth and the unreal provincial budget surpluses, we as Albertans need to do a reality check.

Because of the government's lack of planning... there's a problem brewing right now, and it's big and it's scary and it's a looming threat to our way of life.

It's what I call the Sustainability Gap. The Sustainability Gap.

In the simplest terms:

Last year the Alberta government spent *85 hundred dollars per citizen* on its programs, easily the highest among the major provinces.

But it *took in... less than 64 hundred* in sustainable funding, things like taxes, fees, federal transfers, premiums, and gambling.

Let me repeat that: the Alberta government spent \$8500 per citizen, but only had sustainable revenues of about \$6400 per citizen. That gap has been widening for years now.

The difference of over 21 hundred dollars per Albertan came from...? You guessed it: Non-renewable resource revenue, essentially royalties and land sales from the oil and gas sector. That's not income; that's *capital*.

Non-renewable resource revenue gave this government a free-ride of over 2 *Thousand dollars... Per Person*. Like selling off the family inheritance - rather than *investing* it. And once it's gone, it's gone.

That gap cannot be sustained.

What happens the unthinkable day... when energy revenues – for whatever reason - drop?

Deficits. Program reductions. Higher taxes. A huge deterioration of our way of life.

15 years ago... All Over Again.

With this current resource bonanza comes a rare chance for a government; a chance to plan for a secure future.

We need to get the province's finances on a sustainable footing while we have the chance. We need to close that sustainability gap. Watching the Tory leadership race, mostly what I see are promises that cannot possibly be kept in the long haul.

So here's *the Alberta Liberal* plan for Funding Alberta's Future;

We have run it by academics, industry, media, and good ol' regular Albertans, who all say the same thing:

This... *works!*

It's the same principle that financial planners teach individuals—tuck away a little money from every paycheque before you spend anything. Pay yourself first! My mother tried to teach me that when I was young, and I wish I had listened.

Under our plan, the Alberta government would take 30% of all royalties and land sales off the top, and invest it. Of that ...A quarter would go to infrastructure, until the infrastructure debt was paid.

About one-third more would go into a post-secondary endowment fund, to immediately expand and improve our Universities, Colleges and Technical Schools.

5% would go into a fund for Humanities, Arts and Social Sciences. In three years that would be capped at \$500 million.

The rest, a huge investment, would go to the Heritage Fund. By 2021, the Heritage Fund will have grown to the equivalent of 120 Billion dollars in today's funds. Or

9 times what it's worth today. And it would have a clear purpose: the revenues from it would be used to keep our taxes competitive and to stabilize provincial finances. In other words, to close the Sustainability Gap.

In two decades the Alberta government would earn more from investments than from oil and gas. We would break free from this crazy cycle we are on now.

You want the details of how this would work? We've got all that. We've done our homework. And though you'll hear bits and pieces of our hard work taken by various candidates for the Tory Leadership... *we* put this together, and *we're* the ones who know how to make it work.

Just like we've got great plans on everything from health care and education to electricity deregulation.

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I have a real soft spot for Red Deer. Ten years ago this fall I was invited to speak in the auditorium in the basement of the Red Deer public library. At that time I had never considered running for office, but I had become an outspoken critic of this government. The auditorium filled nearly to capacity, and I proceeded to give a talk on how the Tories were misleading Albertans about government finances, about how the drastic cuts to public services were both unnecessary and destructive.

I even showed overhead slides of internal government graphs showing that spending in Alberta was far below the Canadian average. When I was done one woman in the audience said, “You should write a book about this.”

Well, a few months later I did. It was called *Shredding the Public Interest*, and it became a major Canadian bestseller.

That night in Red Deer helped launch me on the path that led me to speaking here tonight as Leader of the Liberal Opposition.

Members of our caucus are in Red Deer a lot. We are working hard, so that there will be Liberal MLAs from this area in the next legislature. About a month ago the Advocate ran a huge headline on their front page after interviewing me, that read: “Liberals Want Red Deer.” Believe me, we do. We are working this hard because we are determined to earn the right to form the next government of Alberta.

A story that is just beginning to develop, underlines how the Alberta Liberals can work with the people of Red Deer and central Alberta. This past August, just a couple of months ago, the Tories recalled the legislature to pass a bill for extra spending. Tucked in this bill was one line that described several million dollars being allocated to help pay for a water treatment plant for a new racehorse track just north of the Calgary airport.

When we looked into that we realized that this was an absolutely huge development, much more than a racetrack. It would include a mall intended to rival West Edmonton Mall, a hotel and casino, and a large industrial park. In legislature debate, the Deputy Premier described the project as probably the largest in Alberta outside the oilsands.

Here is the twist: the City of Calgary refuses to supply the water, so the water is to be transferred from the Red Deer River. That struck us as odd, so we began to phone people in central Alberta. Guess what! Red Deer City Council didn't know about this. Innisfail didn't either. Neither did the Red Deer River Watershed Alliance, or the newspapers in Drumheller, even though the water will be drawn from there.

Now I'm not anti-horse racing, though some people portray me that way. And I don't mind shopping malls: my oldtimers hockey team's home rink is the Ice Palace at West Edmonton Mall.

But I do have tough questions about interbasin water transfers.

And I have even tougher questions, about why so few people who depend on this river knew about this. Because once that water is allocated to that massive development, it's not going to be available to the people of central Alberta, ever again.

You won't find this government's MLAs asking those kinds of questions. And though central Alberta is the heartland for this government's support, people here are starting to understand that that support is getting taken for granted.

You know, Albertans always tell the world... we're *mavericks*. We're the free-thinker; independent, ready-to-adjust - change - at a moments notice.

And yet, have you ever considered this?

In the last seventy-one years, since Social Credit was elected in 1935, this province has had but *one change of government*. The Tories in 1971. Seventy-one years, a *lifetime*, and only one change of government. That's not free-thinkin'... that's pathological!

Can we do better? It's time to find out. Think of the next election as a... once in a lifetime opportunity. *Your* lifetime.

Our chance as Albertans is right now, right here.

It will take all your support, and much more besides, but it can be done.

Join with us, and it WILL be done.