

Alberta Liberal Leader's Dinner
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Speaking Notes

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Alberta Liberal Leaders Dinner - Calgary May 30, 2007

Can you believe it!?

This dinner marks three full years since I've been Leader, and kicks off the beginning of the fourth.

Those years go so fast!

For those of you who have been here every time, thank-you for your steadfast support.

And for those of you who are newcomers,

I want you to know that when I started as Leader, I had a full head of hair.

Three years ago we had to face the challenge of rebuilding an indebted and struggling political party across this province, from top to bottom.

Today we have a solid financial picture; 15 MLAs; over 30 nominated candidates; and terrific organizations at both the party and the caucus. And something else remarkable has happened too. The Alberta Liberal team are the veterans now, a genuine team with a clear purpose, going up against a rookie cabinet, an unproven premier, and a divided Tory caucus.

We're feeling strong... and it feels good!

In three short years the tides have changed dramatically.

I'd like to take the credit, but I can't. There is an amazing group of people who are involved, a team that is growing every day.

But even they can't take all the credit. Sometimes I think there is a force at work, far greater than anything we can harness. Call it history. Call it the stars all lining up.

Suddenly, big parts of Alberta that have always seemed rock-solid Tory are now restless. Calgarians are open to us like never before. In Drumheller-Stettler, where we couldn't even find a candidate to run in 2004, just a couple of months ago we had a town hall meeting, and it was standing room only.

Now, we have a great candidate for the by-election there, Tom Dooley, as well as for the by-election in Calgary Elbow, Craig Cheffins.

Everywhere we go - and believe me; Jeanette and I and our MLAs go many places - there is a buzz of concern. There is the sense of change in the air.

People are looking for options. People know Alberta is an incredibly wealthy place, but they aren't convinced that that wealth is being used wisely.

They worry this government is acting like the big lottery winner you read about in the newspaper, the one who wakes up one morning a year or two later only to realize it's all gone, the party is over, and there's a big mess to clean up.

The unbelievable thing about Alberta, though, is our good fortune. We have drawn more winning tickets than a lottery retailer in Ontario! We've won the grand prize three times.

We had the conventional oil boom from the late forties to the early 1980s. Then, as conventional oil began to decline, we had a natural gas boom in the 1990s, when gas produced far more wealth than oil. And now we are into the oilsands boom, maybe for the next 10 years.

The big question is: Is Alberta managing its good fortune with the long-term in mind? OR are we like the lottery winner who lurches along without a plan until it is too late?

The stakes are so high. Earlier this year, the University of Calgary confirmed what many of us suspected: 50% of Alberta's economy depends directly or indirectly on one commodity-based industry: oil and gas. Fifty percent of jobs. Fifty percent of personal prosperity. Fifty percent of government revenues.

Take away oil and gas, and whole swaths of Alberta become ghost towns. If we as Albertans blow it this time, we'll never get another chance. And we won't deserve one. We'll be left wondering where it all went.

But if we get it right, our future can be amazing. We can have permanent prosperity and a flourishing society, for generations to come.

So we *must* get it right. We need to be smart, far-sighted, and tough-minded.

Alberta needs leadership. And Alberta needs a plan.

Let me ask you this: If *you* won a huge lottery, what is one of the first things you would do? I bet you'd hire a financial planner to help answer some key questions:

How much can I spend?

How much can I give away to my family and all my new friends? What do I want to achieve?

You'd want a financial strategy.

Astonishingly, in Alberta, this government has never done that.

In Alaska, the people decided on a strategy to save money and pay themselves personal dividends each year.

In Norway, they decided on a strategy to keep taxes where they were, participate directly in the oil industry through a huge state oil company, and put oil royalties in the bank with an obsession. In 15 years the Norwegians, with a population not much bigger than Alberta's, have built up a savings account twenty times the size of our Heritage Fund. Almost \$300 billion US and climbing by billions a month!

In Dubai, when they realized oil was running out, they launched a strategy to turn their dusty desert kingdom into a global financial, retail and tourist centre.

None of those are exactly right for Alberta, but the thing is: THOSE PEOPLE HAD A STRATEGY.

THOSE PEOPLE HAD A PLAN.

And today they have something to show for it.

And what have we done here in Alberta? In Alberta, the Canada West Foundation has found the provincial government has spent 93% of all oil and gas royalties it has received in the past 25 years. Our Heritage Fund has actually lost significant value in the past twenty years. In real terms it has shrunk!

In Alberta, our government is spending our wealth as fast as it comes out of the ground. And tell me, as you drive these roads, and wait in the hospitals, and deal with all those other things governments are responsible for... what do we have to show for it?

Earlier this year, I spoke to the AGM of the Alberta Chambers of Commerce, and I asked anyone there to raise their hand if they could tell us the strategy of the Alberta government. No one lifted a finger.

Our provincial government is frighteningly like the big lottery winner who fritters it all away.

This Alberta government is adrift. They have five platitudes they repeat endlessly, but platitudes are not a plan.

And regardless of how you feel about your mayor, on this score your mayor is right: Calgary is *not* like Edmonton... That needs to be recognized, and decisions have to be made. In fact, Calgary needed some decisions a long time ago, and the Tories weren't making those, even *when* the Premier was from here. In fact: under the Alberta Liberals, the hospital in south Calgary would have been built and open years ago. In fact: there wouldn't be dozens of neighbourhoods without schools.

Can someone please tell me how we could afford schools in the 50s and 60s and 70s and 80s, and suddenly... we can't afford them anymore? We're richer than we've ever been - probably the wealthiest jurisdiction on the continent - but for the past fifteen years, we can't afford to build schools? How is that possible?

Calgary... needs... schools.

And while we're at it... Calgary needs decisions on land use.

Calgary needs decisions on water policy.

Calgary needs decisions on municipal funding and on housing.

Officially, this province has a government,
but without a *plan*... What. Are. They. *Doing?*

I'm not being facetious - that's a real question. *The* question.

Because; let me tell you, *we* have a plan. The Alberta Liberals know where *we* want to take Alberta. We know where we want to take its wealth. We know where we want to take its people. We know where we want to take its environment. And we know where we want to take its democracy.

First, let's start with the wealth.

In a nutshell, our plan is to bank thirty percent of all non-renewable resources revenues. Most of the money would go into the Heritage Fund. In turn, the Heritage Fund would be given a clear purpose. Everyone knows it as the rainy day fund, but the problem is - no one can agree when it's raining.

We want it to be an investment fund that pays annual dividends to the provincial government to keep taxes permanently competitive and public services permanently good.

A further portion of the thirty percent of revenues that we set aside would go into an endowment for post-secondary education, to lift our technical schools and colleges and universities to the highest levels anywhere.

Other funds would go into paying the infrastructure debt, and into an endowment for the arts and humanities.

The details are in a brochure on your table. But the effect of this would be that in twenty years the Alberta government would earn more from investments than from oil and gas, freeing us from the boom and bust cycle of resource-based economies; Alberta would be a global leader in post-secondary education and research; and our public infrastructure would be at a level we could be proud of.

If you think it is impossible, let me remind you of what places like Norway and Dubai have done--- BECAUSE THEY HAD A PLAN, AND THE CONVICTION TO STAY WITH IT.

If one priority for the Alberta Liberals is managing Alberta's wealth, the next is looking after people. People and money. It doesn't get more fundamental than that.

So, what priority do the Alberta Liberals propose for Alberta's people? Well, I've already given you a big clue, when I said we would create a huge endowment fund for post-secondary education.

To us, education is the key to the future. Nations around the world that have leapfrogged to the top have done it largely through education. I'm thinking of Ireland; of Finland; of Singapore and South Korea. All these countries have prospered because of long-term commitments to education.

The Alberta Liberals take the idea of Alberta as a "learning society" seriously. Starting at the youngest ages, at pre-school, we cannot go wrong by helping kids learn. Educators today can predict with almost perfect accuracy, the specific children who will drop out of high school, by checking to see if a student in grade three or four is below grade level in reading and arithmetic.

So let's bring those kids up to grade level. Let's give them a boost.

At the other end, we see a future in which the universities of Calgary and Alberta and Lethbridge and Athabasca rank with Cambridge and Harvard and Stanford; where NAIT and SAIT rank with MIT; where people come from around the world for the privilege of studying at our colleges.

Because long after our oil and gas has lost its value, education will carry Alberta forward.

We've got strategies for our wealth and money.

Next comes the environment.

As Leader of the Alberta Liberals, I have often said publicly that in the medium to long-term, the issue that will overtake all others will be *climate change*.

So what would an Alberta Liberal government do?

Right now, Canada is worst among developed countries in addressing climate change, and Alberta is worst among the provinces. We need to move, and move fast to improve.

Our position is that Alberta needs to begin achieving real reductions in greenhouse gas emissions in five years. This sets a clear, firm target, but also gives everyone time to begin making the changes and investments that will be required.

And while we have lots of specifics, here are five highlights:

1: We'll aggressively implement a strategy to capture Carbon Dioxide from major sources and sequester it deep underground in old oilfields. The technology to do this is proven, and working with industry we can have this operational in 5 years.

2: We'll green up our electricity. In ten years, we can make enough electricity from zero-emissions sources like wind and solar to power the equivalent of every home and farm in Alberta.

3: We'll transform the natural gas rebate to a building retrofit program. Why subsidize waste when we can reduce the use?

4: We'll establish a Premier's Strategic Council on Carbon Emissions and Climate Change, and harness the brain power here to reduce carbon emissions and protect the environment. Only the Premier's Strategic

5: We'll develop a province-wide transportation strategy once and for all. Transit, train, road, air travel... all working together.

Alberta's petroleum sector watches the debates on climate change with great anxiety, which I can understand, because the stakes are high and there has been so much confusion.

So let me speak for a moment directly to Alberta's petroleum sector.

Alberta's petroleum sector is nothing less than an astonishing success story. We're global, we're competitive, we're comprehensive, and we're fully integrated. Because of Alberta, Canada is to the world's petroleum industry what Germany is to the world's automobile industry. We are that important, that successful, that big.

For productivity, for expertise, for *leadership*, the world's petroleum industry turns to Alberta. There is no other sector in Canada - none - that has the same global product reach, the technological edge, the complete integration from research and development to product delivery... and every single step in between.

The fundamental end-product may be Carbon-based energy.

But our real export is know-how.

So... to the petroleum industry I say, *work with us*. Let's seize this opportunity to collaborate. The carbon assets that you rely on are the carbon assets that make the people of Alberta prosperous. Let's harness the ingenuity, the creativity, the leadership that brought us to this point... to get us to the next; to drive us to the world-wide goal of a more carbon neutral economy with all the energy we can muster.

With the astonishing skills and expertise this province possesses, we will succeed. We must: I believe time will prove we have no choice.

Many industry leaders have told me they are ready, willing, and able to rise to the challenge of climate change. It is government policy that is holding things back.

Alberta's business community needs *certainty*. When hundreds of millions, and often several billions of dollars are being invested, a predictable business regime is crucial. There's less of that certainty now than many people would like.

Some of the uncertainty has been building for years - such as around the issue of climate change. Other uncertainty has come out of the blue - such as with the income trust ruling.

Let's face it: Albertans are used to a fair degree of uncertainty. After all, our economic lifeblood is petroleum, which can soar and slide at the twist of some event on the other side of the world... and routinely does.

Hey: no one can *guarantee* certainty. But the fact is... big decisions have to be *made*. They have to be made on adapting to climate change. They *have* to be made on royalty structures. They *have* to be made on infrastructure and on municipal funding and on a host of other issues.

But they need to be made with balance, respect, and fairness, and they *have* to be made with the long-term in mind. And they have to be made *firmly*, so that everyone knows what the rules are.

I've spoken of people, money, and the environment. Let me speak briefly about the need to overhaul democracy in this province.

In February I published a book, called Democracy Derailed. The fact that it has already become a Canadian bestseller tells you the appetite in Alberta for democratic renewal.

The book outlines a series of problems and concerns with how government operates in Alberta, and at the end of every chapter I present solutions.

I present the need for whistle-blower legislation;

for a stronger auditor-general; for an overhaul of the government's internal audit systems, which has the VP Finance of the Tory Party on the government's audit committee, and buries the results of internal audits from public view for fifteen years!

I write that Albertans have been blessed with natural wealth almost beyond imagining; nowhere else on Earth are so few people embraced by so much opportunity. But for that amazing wealth to properly serve the citizens of Alberta, we need those citizens to have a stronger voice.

Democracy in this province must be renewed.

So there you have it. Four priorities: people, money, the environment, democracy. One vision: to build a future we can all be proud of.

As I said at the start, when I became leader, the Alberta Liberals had some real problems.

A million dollars in debt.

Maybe a dozen healthy constituency associations in the whole province.

We went into the 2004 election with only three incumbents, Laurie Blakeman, Hugh MacDonald and me.

But you know, we discovered we weren't alone.

As unpopular as the Alberta Liberal name was claimed to be...

As weak as the party was at that time...

People wanted us to win. They didn't want Alberta to become a one-party province.

So they started coming forward.

They came forward with their money.

They came forward with their time.

They came forward with their abilities and ideas.

And most importantly they came forward with their votes.

When we went into the 2004 election, six months after I became leader -- an election called early by the Tories to catch us unprepared -- I thought we were going in on a wing and a prayer.

Sure, we had pulled together a really solid platform.

Sure, we had recruited some wonderful candidates.

But we had no money. Our big election machine... was more like a bicycle. We had to fund the whole thing out of cashflow, which meant we ran a grand total of two fifteen second television ads.

We did one poll the whole election.

Ran our campaign on instinct... and on what we heard on the doorsteps... and on our belief that there was a better way to govern Alberta. There had to be.

And we surprised everybody, even ourselves.

When I look back now, I was wrong to think we went into that election on a wing and a prayer. It looked like it at the time, but now I see we went into that election with the hopes and dreams of 280,000 voters on our side, 30% of the voting public...

And for the two-and-a-half years since... we've just kept on building....

We don't have a fraction of the money the Tories have.

We don't have the high-priced campaign team.

We don't have the taxpayer-funded Public Affairs Bureau, nor the countless billions of taxpayer dollars the government has to manipulate public opinion.

But we *do* know how to deal with adversity. We *do* know how to run the distance. We do know the value of a dollar, and what it takes to operate an organization on a shoestring and still get results.

And we know what the people of Alberta want.

They want what we want: A sustainable future. A new way of governing.

A new *kind* of government.

We want -- YOU want -- an Alberta that works, and works for all of us...

Where our kids all go to good schools...

Our every sick person gets good health care...

Where everybody has a home.

An Alberta where we aren't permanently damaging our water and land, just for an extra dollar today.

What we're looking for in the next election, is a chance to take on the gang that has had a monopoly on power in Alberta for 36 years...

To challenge the attitude and the culture of entitlement that has settled into Alberta politics. Where it's no longer about right or wrong; it's about who you know.

Will we win? Who knows?

But we look forward to the chance. A real chance.

This abundant wealth, this unbridled opportunity, is not going to last forever.

And we can't ignore that any longer.

The opportunities couldn't be bigger.

The stakes couldn't be higher.

The risk isn't action. It is inaction.

The challenges are *not* going away.

They *have* to be met.

We know what has to be done.

And we know how to do it.

It's up to you, every one of you, to help us get the chance.

Thank you very much.

END OF SPEECH