



The ALBERTA CONSTRUCTION MONITOR



MAY 2023

ALBERTA ELECTION

The Right Choice for Construction on May 29



Mike Martens
President,
ICBA Alberta

Alberta election outcomes are no longer the pretty-much fore-gone conclusions they once were. And while the United Conservative Party (UCP) won decisively in 2019, an NDP comeback is a very real possibility this time.

That would be a massive setback. Our province is finally seeing some economic growth after the combined effects of the pandemic and oil price drops.

Now is not the time to increase the regulatory burden on small and medium sized companies, as NDP Leader Rachel Notley recently committed to do.

As voting day approaches, this *Alberta Construction Monitor* reviews some of the main achievements of the UCP government. Key among them is wrestling the public books into balance – with by far the lowest debt-to-GDP ratio in the country – combined with a solid framework to keep them there.

And given the NDP's evident eagerness to pick up where it left off, we also revisit

its track record of mismanagement during its term in office.

So while we might have an entertaining evening of political drama ahead as the votes are counted, beginning the day after and for the following four years Alberta very much needs a clear vision and strong leadership.

It's clear which party will keep Alberta on a track towards further growth and greater prosperity, and which will not. When you compare the record and policies of both major parties on issues important to contractors, the UCP comes out on top.

Safeguarding Four Years of UCP Progress

Taxes



Lowered business tax rate by one third (12% → 8%)

Repealed NDP carbon tax

Energy & Climate Policy



Pushed back on federal regulatory over-reach

Introduced climate plan targeting emissions, not economic growth

Supporting Business Growth



Promoted in-migration with "Alberta is Calling" campaign

Cut red tape / regulatory burden by >30%

Labour Policy



Restored secret ballot on unionization votes

Required opt-in for use of dues for political purposes

Sources: Media coverage, government materials

CONTENTS

Looking back at the NDP's Track Record | Sound Public Finances Drive Private Employment Growth

What a Return to the NDP Really Means

A split right-wing vote paved the way for the election of Alberta's first and only NDP government in May 2015. Thus began four trying years for the province, marked by a loss of investment, jobs and opportunity.

The Alberta NDP...

...Hiked corporate tax rate by one-fifth (10 → 12%), putting Alberta in a mid-pack competitive position

...Scared off energy investment with a Royalties Review

...Contributed to multiple credit downgrades by major ratings agencies

...Created four new personal taxation tiers, with rates increasing by as much as 50%

The NDP will deliver: "union jobs. Through community benefit agreements (CBAs) we will make sure more of our infrastructure is union-built."

– Former NDP Labour Minister and MLA Christina Gray, speaking at last month's Alberta Federation of Labour Convention.

CBAs are borrowed from the NDP playbook in British Columbia. They exclude more than 85% of the construction industry from working on publicly funding projects, and reward government-favoured unions. When widely used in the 1990s, they drove up labour costs on projects by nearly 40 per cent.

CBAs have been revived by today's BC NDP government, and are a major driver of hundreds of millions in cost overruns on current projects. They are unfair and discriminatory – as made clear recently when open shop First Nations contractors were prevented from working on projects in their own territories.

Not Sure Where, When or How to

VOTE?

Please visit:
[www.elections.
ab.ca/voters/
how-to-vote/](http://www.elections.ab.ca/voters/how-to-vote/)



Alberta is Calling - And Many are Answering

One of the best measures of the health and vibrancy of an economy and a province is the number of people who choose to make it home. Net migration into the province never broke past 12,000 per quarter during the NDP's time in office, but has more recently reached record levels.



'Constructive' Policies for a Key Economic Sector

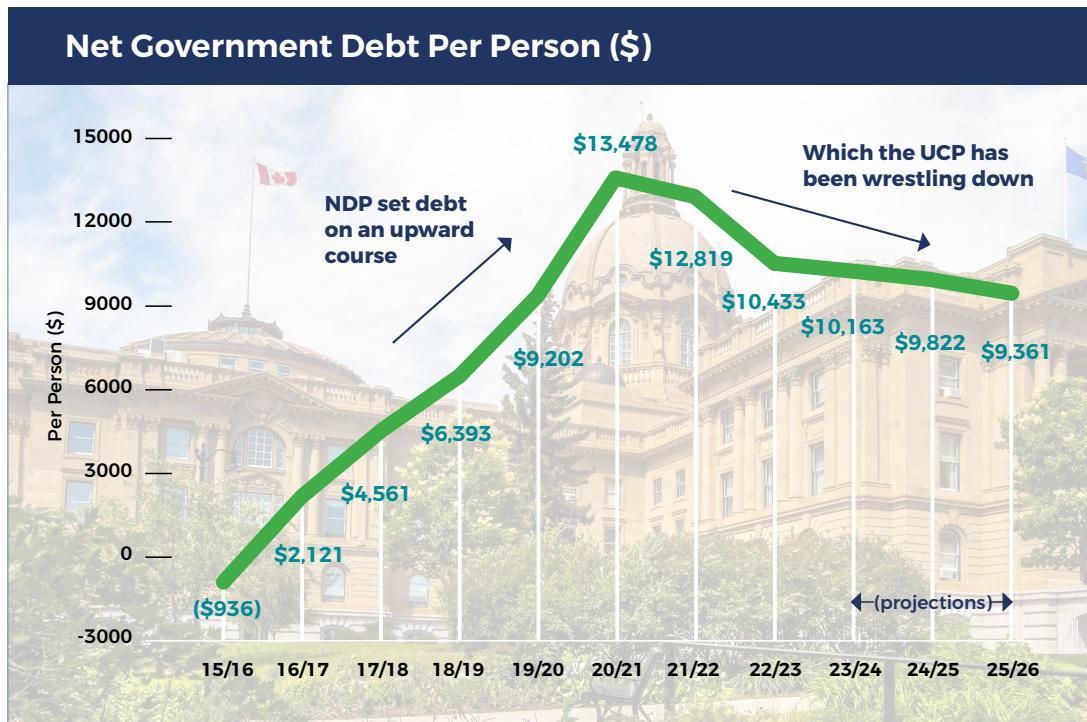
One in ten Albertan workers are in construction, so provincial policies impacting this sector matter a great deal to the health of the broader economy and the well being of residents. The UCP has a strong track record of creating the conditions for contractor and construction industry success.

Streamlined & Cost-Efficient	Meeting Industry Needs
<ul style="list-style-type: none">Removed redundant Building Assessment Report requirement for new condos (\$2.7M annual savings)Simplified language and other improvements to <i>Occupational Health & Safety Act</i>Four tribunals consolidated into one for land and property rights	<ul style="list-style-type: none">New, prompt payment rules under <i>Builders' Lien Act</i>New funding, flexibility and responsiveness in apprenticeship systemImproved fee transparency and other improvements to <i>Municipal Government Act</i>

Source: "Supporting Alberta's Construction Sector" and other government materials

Sound Public Finances and Private Sector Employment Growth

The UCP was elected just months ahead of the pandemic and resulting recession, and had to navigate these massive disruptions while restoring sound public finances and rolling back job-killing taxes and policies. There's more work to do, but first-term progress has been solid – and will be "locked in" by limiting future expenditure growth (= population growth + inflation) and requiring balanced budgets.



Alberta's post-pandemic economic recovery has been private sector driven. This is different than in other provinces, where job growth has been predominantly in the public sector and risks monopolizing the labour and investment that would better be directed to private enterprise.



The ALBERTA CONSTRUCTION MONITOR is an ICBA Alberta publication providing ahead-of-the-curve information and statistics on the Alberta construction industry and issues relevant to it.

ICBA Alberta advocates for fairness, opportunity, and free enterprise; and supports the success of open shop contractors and ICBA Alberta members by delivering services that enhance the competitiveness of their businesses.