



May 20, 2020

Hon. Jason Kenney
Premier
premier@gov.ab.ca

VIA EMAIL

RE: Economic Recovery and the New Normal

Dear Premier Kenney:

As all Albertans grapple with the impacts of the ongoing COVID-19 crisis, it is clear this is an emergency unlike any other in modern history. We applaud the Government of Alberta's proactive response in managing this unprecedented crisis.

BILD Alberta's partnership with your government has allowed construction sites to remain open, preserving businesses and thousands of jobs. This was only possible due to collaborative work between our associations, member companies and multiple ministries to develop and implement enhanced safety measures that protect workers and the public.

While the critical work associated with managing the crisis is far from over, we understand the Provincial Government is turning some focus to Alberta's economic recovery. We view the recovery as having two phases: Recovery and the New Normal.

Recovery

We are committed to working with the Government of Alberta to identify and implement solutions designed to encourage private sector investment, job creation and consumer spending as restrictions begin to ease. For businesses, even slowing and containing the disease has created massive disruptions, likely precipitating a liquidity crisis and yielding reduced revenues through multiple fiscal quarters. For the past number of weeks, we have been engaging with member companies from across the province to identify recommendations to create jobs and spur investment within one of Alberta's largest industries.

Coming out of the COVID-19 crisis, it will be critical to incentivize and encourage new investment and job creation in land development, home construction and renovations. The following provides some opportunities we would like to work with the Government of Alberta on that will help the economy recover as fast as possible:

1. Focus on strategic government investments in infrastructure that will facilitate private sector projects (i.e. arterial roads, storm sewers, water infrastructure). While a number of projects may be 'shovel ready', we believe investment should focus on projects that are 'shovel worthy' (spur subsequent private sector investment). Any investment in infrastructure should offset levies municipalities place on industry and new home buyers.

2. Identify measures to repeal or modify the mortgage stress test in Alberta. We look for your continued support to advocate on this issue nationally while identifying potential solutions for ATB and credit unions. We estimate the mortgage stress test has resulted in a loss of over 10,145 home sales and almost 25,000 jobs in Alberta since the start of 2018.
3. Creation of a renovation tax credit which has been demonstrated to create jobs while generating substantial tax revenue.

New Normal

We continue to work with members to identify what the “new normal” will look like and how we can help governments at all levels make their processes more efficient, competitive and affordable.

- Clarifying the role of provincial policy and government relative to municipalities. Policy has become increasingly ‘pancaked’ and it is important that the provincial government prevent municipalities from creating layers of policy and cost in areas under the jurisdiction of the province.
- Revise City Charters to remove powers related to the environment, offsite levies and inclusionary housing in order to bring back a level of investment certainty and prevent policy redundancies. This is critical to preserving housing affordability and a degree of business certainty.
- Modify the Offsite Levies Regulation to focus on core infrastructure needs and increase municipal accountability.
- Indefinitely delay implementation of any modifications to the National Building Code, including energy step codes, that increase costs to businesses and home buyers.
- Significantly streamline approval processes under the *Water Act* and *Public Lands Act* which currently add months or years to project approval timelines.
- Continue the promising work being undertaken by Associate Minister Grant Hunter on Red Tape Reduction. BILD Alberta provided 29 recommendations in October and it is more important than ever that progress be made on these items.

BILD Alberta represents over 1,700 companies contributing to 118,000 jobs and \$8 billion in wages. The construction of a single home results in the partial employment of 60-75 Albertans. We want to help the Government of Alberta preserve these jobs through this trying time while identifying programs to incent growth and investment coming out of the COVID-19 crisis.

It is safe to say that regardless of how long the pandemic and social distancing lasts, we will be entering a prolonged period of challenges. As we navigate this difficult time together, we are committed to strengthening the economy and one of Alberta’s most important industries.

Your truly,



Patrick Shaver
Chair



Scott Fash
Executive Director

Cc: Hon. Kaycee Madu, Minister of Municipal Affairs
Hon. Prasad Panda, Minister of Infrastructure
Hon. Ric McIver, Minister of Transportation
BILD Alberta Board of Directors