

BUDGET 2021

Strategic plan

Government of Alberta
2021–24



Alberta

ISBN 978-1-4601-4712-2 (Print)
ISBN 978-1-4601-4713-9 (Online)
ISSN 2369-0119 (Print)
ISSN 2369-0127 (Online)

Copyright © 2021

alberta.ca



Contents

Premier’s message	4
Vision	5
Three key priorities	6
Priority one Protecting lives	8
Objectives	8
Indicators	11
Priority two Protecting livelihoods.....	12
Objectives	12
Indicators	17
Priority three Fiscal accountability	18
Objectives	18
Indicators	20

Premier's Message



Alberta has always been known for the resilience of the people who call it home. Albertans embrace the values of independence, hard work, and strength in the face of obstacles.

Time and again, that strength has been tested. Be it the economic hardships of the Great Depression or the National Energy Program, the human tragedies of the recent Fort McMurray fires or High River floods, or the physical, mental and financial effects of the current global pandemic, Albertans persevere.

The last year presented challenges like no other. Yet even as we dealt with COVID-19, the sustained downturn of the energy sector and a global economic recession, Alberta's government continued to make progress on our plan for jobs, investment, and economic recovery. And we did this while providing necessary supports for the people and businesses struggling under the weight of the global pandemic. Alberta's government has focused entirely on protecting lives and livelihoods and our 2021-2024 Strategic Plan will make sure that work continues.

This Strategic Plan continues to support Albertans as we work together to defeat COVID-19 and get back to living our lives, supporting our families, and running our businesses. It implements Alberta's Economic Recovery Plan, a bold strategy to broaden our economy, build and create new jobs. And it continues our work to make life better for all Albertans – in both good times and bad, by focusing on three priorities.

First, we are protecting lives by investing in health care and the fight against COVID-19. Building on our \$1.7 billion response to COVID-19 last year, we will again provide record funding to the health care system. Our plan also seeks more efficient ways to deliver programs and services so we can support vulnerable Albertans, and all Albertans can count on the services they rely on, like health and education.

Second, we are protecting livelihoods by strengthening our focus on creating jobs now to help the economy recover. This includes attracting new investors by having the most competitive tax regime in Canada, while at the same time helping our small and medium businesses keep their doors open during the pandemic. Our work includes diversifying our economy by investing in new and emerging sectors, but also protecting key, core industries. And, of course, we will always stand up for Alberta, fighting for fairness and market access.

Finally, Alberta is being careful with our spending so we can continue to provide core programs and services. This includes bringing spending and public sector compensation in line with similar provinces so that we can make needed investments in health care and job creation. We will continue to find efficiencies across all government operations and spend within our means so we protect the health of Alberta's finances.

Albertans elected this government to lead our province through good times and bad. We've had a tough year, but I have every confidence that working together, we will emerge from this crisis stronger and more prosperous than ever.

Best regards,
Jason Kenney

Vision

Alberta is home to an abundance of resources and natural beauty. It is home to hard-working and innovative people who are resilient, entrepreneurial and enterprising. We have endured the impact of multiple global crises in recent years, including the COVID-19 pandemic and economic recession, and it is our consistent determination to adapt and succeed that helps us to overcome these challenges. By making strategic investments that advance key economic sectors, reducing red tape to save time and money for Albertans and Alberta businesses, and eliminating barriers for job creators, Alberta's Government is committed to growing the economy so that all Albertans share in our future prosperity.

By attracting and supporting investment and private sector growth, we will drive further diversification and enhance our overall competitiveness, making us the freest and fastest moving economy in North America. The government will promote Alberta's energy interests, working with industry, our federal and provincial counterparts and others to secure Alberta's position as a global supplier of safe, reliable and environmentally responsible energy products. Finally, by investing in vital infrastructure—roads, schools and hospitals—the government will get Albertans working again and build a strong foundation that supports long-term economic growth.

These efforts will support a revitalized, vibrant private sector that gives meaningful work and fair pay to citizens across the province. Economic growth and a strong private sector are vital for government to continue to protect healthcare, social services, education, and supports for Albertans who need them the most. We are increasing spending on healthcare and maintaining spending on education, while undertaking the transformational change necessary to achieve a strong fiscal foundation. We are ensuring that Albertans receive high quality and sustainable services now and into the future.

Three key priorities

One | Protecting lives

This government has supported Albertans throughout the COVID-19 pandemic by providing world-class healthcare, and choices for education, childcare and housing that met Albertans' immediate needs during this crisis. Alberta's Government is also providing financial supports for small and medium-sized businesses impacted by the pandemic restrictions that were necessary to limit the spread of COVID-19 and save lives. Making life better for Albertans also means modernizing government services and undertaking the transformational changes necessary to ensure the quality and effectiveness of vital public services that Albertans rely on such as healthcare and education. It also means ensuring the necessary supports are provided to those who need them now and in the future. This includes identifying and eliminating unnecessary red tape burdens, making it easier for Albertans to thrive.

Two | Protecting livelihoods

Jobs and growth are the defining mandate of this government. Alberta is now the most tax-competitive business jurisdiction in Canada and is among the most attractive investment destinations in North America. By attracting investment, supporting diversification in established and emerging economic sectors, and eliminating barriers to doing business, Alberta's Government will continue to support economic recovery and stimulate job creation. Private sector growth has never been more important which is why Alberta's Government is providing financial supports for small and medium-sized businesses impacted by the pandemic restrictions, necessary to limit the spread of COVID-19, to ensure they continue to be there for their employees and customers. We remain focused on identifying and eliminating unnecessary red tape that stifles job creators and economic growth.

Alberta's Government remains committed to protecting our key industries and securing a fair deal for Alberta. This includes an ongoing commitment to fighting for Alberta's responsible energy industry and the jobs and prosperity it creates in Alberta and across the country. Key to this is the expansion of pipeline capacity, which reduces the need for less secure and higher emitting truck and rail transport. We will continue to call on the federal government to press the United States to discuss energy supply and climate action. This government will continue to stand up for Albertans, and challenge the federal government on its unilateral approach to fiscal stabilization, the carbon tax, and added regulatory measures that impact investment in Canada. Securing a fair deal for Alberta will increase investment and new businesses to our province, and result in more jobs for Albertans.

Three | Fiscal accountability

As a result of our response to the COVID-19 pandemic, this government is on track for historic levels of spending on healthcare, community and social services, continuing care supports, mental health funding, seniors' benefits and family supports. This spending is essential for keeping our economy open and Albertans safe during the global pandemic. However, this is not sustainable. Even before the pandemic, overall government spending per capita was significantly higher in Alberta than the Canadian average, and our public sector compensation continues to be greater than that of other provinces. This government will find ways to deliver services more efficiently, while supporting one of our three fiscal anchors of bringing spending in Alberta in line with other comparator provinces. Spending carefully is critical to reducing government debt and preventing interest costs from consuming funds that are needed for vital government services. As the economy recovers and the private sector rebuilds, government will get out of the way and will be back on track for a sustainable level of spending.

Three key priorities



Protecting lives



Protecting livelihoods



Fiscal accountability

Priority one

Protecting lives

Our objectives

Alberta's government is responding to the COVID-19 pandemic by protecting lives with measures to bend the curve and supporting Alberta's healthcare system.

Government is responsible for ensuring Albertans have access to high quality services and supports such as healthcare, education, public safety, affordable housing, and support for the vulnerable and marginalized.

1. Delivering cost effective, sustainable, client-centred healthcare to all Albertans
2. Providing quality education and skills development to Albertans
3. Supporting Albertans most in need
4. Enhancing the justice system to make it fairer, faster and more effective
5. Building better communities
6. Partnering with Indigenous Peoples to pursue opportunities

Objective one

Delivering cost effective, sustainable, client-centred healthcare to all Albertans

Government will implement key recommendations from the Alberta Health Services (AHS) review as a foundation for improved care and better healthcare outcomes.

Actions

- Continue to deliver a timely, coordinated response to the COVID-19 pandemic, including effective and efficient distribution of COVID-19 vaccines as they are received from the federal government.
- Clear patient surgeries, delayed due to COVID-19, and going forward, reduce wait times for medically necessary, publicly funded diagnostic imaging and surgical procedures. This will increase the operational efficiency of AHS while delivering reduced surgical wait times and increased capacity in hospitals and surgical facilities.
- Invest \$140 million over four years to increase access to services, expand programs and establish new publicly funded addiction and mental health treatment spaces, which will support over 4,000 Albertans in their journey to recovery.
- Implement the recommendations of the Mental Health and Addiction Advisory Council to increase access to recovery-oriented addiction and mental health services, while investing \$40 million to respond to the opioid crisis and support treatment and recovery services.
- Promote and improve safe, quality, health services ensuring the needs of patients, their family members and caregivers are met through evidence-based improvements to care delivery. Client-centred services create opportunities for shared decision making between patients, their families and those delivering health care services.

Objective two

Providing quality education and skills development to Albertans

Alberta's government will work with parents, teachers, superintendents and trustees to make Alberta's schools excellent places for our children to learn. The government will maintain spending for the K-12 education system and continue to build post-secondary education as the foundation of a strong Alberta economy and a vibrant province. This government is working to facilitate the transition for students between secondary education and post-secondary education to secure their future participation in the labour market.

Actions

- Implement new curriculum, including a validation process with volunteer school authorities to gather feedback.
- Enhance financial literacy for students in grades 3-12 in Alberta's classrooms, through grant partnerships that will support student learning of the important financial literacy skills they will need to manage their money and invest for their future.
- Work with school authorities to implement updated planning and reporting requirements.
- Continue to assess the impact of the pandemic on K-12 students to help address learning delays some students may have experienced as a result of transitioning to virtual learning environments.
- Modernize provincial student assessment by developing and expanding online assessment capabilities.
- Strengthen the alignment of post-secondary programs to employment. Meet Albertans' skills development needs to support their transition to the labour market by expanding work-integrated learning opportunities in post-secondary programs.
- Improve supports for youth transitioning from government care into adulthood, focusing on mentoring, educational attainment, employment readiness and connection to support services to secure their success.

Objective three

Supporting Albertans most in need

Alberta's Government will protect Albertans most in need with legislation and increased funding for specialized law enforcement agencies that combat domestic violence and human trafficking, as well as supporting low-income seniors and Albertans with disabilities.

Actions

- Protect individuals at risk of human trafficking, empower survivors of trafficking, and provide new remedies to deal with traffickers.
- Implement the *Disclosure to Protect Against Domestic Violence (Clare's Law) Act* to allow Albertans at risk of domestic violence to obtain police information on an intimate partner's previous history of domestic violence or violent acts.
- Support seniors with low income most in need; promote healthy aging in seniors' chosen communities; and work with other ministries, other orders of government, and civil society organizations to achieve better outcomes for Alberta seniors.
- Build on successful partnerships, creating employment opportunities for Albertans with disabilities.
- Expand civil society's capacity to address social challenges for Albertans through the Civil Society Fund.

Priority one

Protecting lives

Objective four

Make the justice system fairer, faster and more effective

Albertans deserve a justice system that protects them and their loved ones. This government will protect Albertans by making the justice system fairer, faster, and more effective.

Actions

- Hire additional Crown prosecutors to ensure criminal matters are dealt with in a timely and appropriate manner.
- Continue to improve law enforcement's rural crime response capability through the Rural Alberta Provincial Integrated Defence Response (the RAPID Response), which will allow provincial peace officers to better respond to, and assist the RCMP and other police services.
- Continue reviewing options for delivering policing services in the province, including the feasibility of a provincial police force, with the objective of improving the safety and security of Albertans and their property.
- Provide Albertans with improved digital access to justice services and promote system sustainability.

Objective five

Building better communities

Alberta's Government will support and fund local services and projects, ensure the availability of more affordable housing and support creative industries.

Actions

- Strengthen municipal accountability and processes in the areas of assessment, compensation, land planning, and other matters that impact Albertans and the municipalities in which they live. This includes supporting the Alberta Municipalities Measurement Index, which gives the public direct access to information detailing municipal performance.
- Transform the affordable housing system through the creation of affordable housing and real estate asset management strategic plans, including consideration of the government accepted Affordable Housing Review Panel recommendations, to improve the value of government spending, increase affordable housing supply, and support better housing outcomes for Albertans.
- Support multiculturalism, diversity and inclusion through programs and policies that promote a society in which Albertans feel their culture, heritage, language, sexual orientation and gender are valued, respected and supported.
- Build the resiliency of artists and non-profit organizations by establishing a Creative Partnerships Alberta program that will foster cross-sectoral partnerships, support investment readiness, and unlock private capital.
- In response to COVID-19, implement the Stabilize Program to support the continued operation and re-opening of live experience presenting and performing arts, sport, and rodeo organizations.

Objective six

Partnering with Indigenous Peoples to pursue opportunities

The government will partner with Indigenous Peoples in Alberta in pursuit of reconciliation, inclusion, opportunity and community well-being. We will strive to remove barriers to new revenue streams that can help Indigenous leaders develop the social and economic programs their communities need.

Actions

- Work with the federal government to improve access for Indigenous Peoples to key services such as education and health care and advocate for on-reserve services for persons with disabilities, addiction and/or mental health issues.
- Provide oversight to the Alberta Indigenous Opportunities Corporation (AIOC) to facilitate investment by Indigenous groups in natural resource projects and related infrastructure. The government-appointed board will set the AIOC’s strategic direction, oversee management of the AIOC’s business and make investment support decisions that help to flow money back into Indigenous communities.
- Advocate for a federal Aboriginal consultation process that provides clear timelines and legal certainty for project proponents and indigenous communities.



EDUCATION

High school completion rate

Last actual: In 2018-19 84.9 per cent of students completed high school within five years of entering Grade 10.



PUBLIC SAFETY

Property crime and violent crime

Last actual: Violent Crime rate increased 10 per cent and property crime rate by 11.7 per cent over the past five years.



HEALTH

Unplanned readmissions to hospital

Last actual: In 2019-20, 13.5 per cent of medical patients had an unplanned readmission to hospital within 30 days of discharge.

Provincial per capita spending on health care

Last actual: The 2019-20 forecast for nominal provincial per capita spending on health care is: **Total – Nominal: \$5,151 (second highest of the provinces)**

Priority two

Protecting livelihoods

Our objectives

Protecting Albertans from the health and financial effects of COVID-19 will continue to be the top priority of this government until mass vaccination has been achieved and the virus is contained. We are continuing with a balanced approach to the pandemic that protects lives, while getting Albertans working again through supports to businesses impacted by the necessary health restrictions, and creating an environment that attracts investment and supports private sector job creation. We have also accelerated the plan to make Alberta the most tax competitive jurisdiction for businesses in Canada and among the most attractive investment destinations in North America.

Alberta's Recovery Plan takes bold action to create jobs that get people back to work, build infrastructure and diversify our economy. We are building on our economic strengths to support and attract investment in Alberta's principal and enabling sectors and position our province for economic growth. Further, this government is committed to a smart approach to innovation, keeping our existing economy competitive and making Alberta a magnet for investment in new technologies and economic diversification, while further eliminating red tape to support job creators.

Alberta has been the biggest contributor to Canada's economic growth and success in recent decades, and a driver of job creation. Albertans have contributed more than \$600 billion through transfers to the rest of Canada to support many programs and initiatives in other provinces, including construction of roads, schools, and hospitals. Wealth from Alberta's oil and gas sector has been a key factor in an improved standard of living for all Canadians. That is why this government continues to call on the federal government to protect Canada's economic interests. Alberta will continue to challenge the federal government to seek a fair deal for itself on stabilization, protect our key industries, and fight against a carbon tax that hits Albertans the hardest. We will work to make Alberta the best place to invest and create jobs.

1. Building on our province's strengths by growing key and emerging sectors, and ensuring greater pipeline access
2. Reducing red tape
3. Lowering tax rates and providing incentives that stimulate employment, grow the economy and attract investment
4. Building public infrastructure
5. Making Alberta more dynamic, innovative and sustainable
6. Standing up for Alberta's natural resources
7. A fair deal for Alberta

Objective one

Building on our province's strengths by growing key and emerging sectors, and ensuring greater pipeline access

The province is focused on building on our strengths and restoring investor confidence in our established and emerging sectors that hold the greatest potential for growth and job creation, and that are fundamental to our economic recovery. These sectors include: energy; agriculture and forestry; tourism; finance and fintech; aviation, aerospace and logistics; and technology and innovation. Building on our competitive advantage in these sectors will support growth in other high-opportunity sectors such as value-added petrochemical manufacturing, mineral resource development, including rare earth minerals, and pharmaceuticals.

This government will continue to fight for Alberta's responsible energy industry, including all pipeline projects that enhance market access for Alberta's oil and gas.

Actions

- Continue to implement Alberta's Recovery Plan, launched in 2020, which was developed with input from Alberta's Economic Recovery Council, and is a long-term strategy to build, diversify, and create jobs.
- Continue to implement Alberta's Investment and Growth Strategy, focusing the province's investment attraction activities on the established and emerging sectors of energy, agriculture, tourism, finance and fintech, aerospace, aviation and logistics, and technology and innovation, and expanding the province's investment attraction presence globally.
- Support Albertans to get back to work through grants to employers, reducing job creators' cost to hire and train new workers and giving Albertans employment opportunities in a growing and diverse economy. One-third of the funding will be spent in 2020-21 and the other two-thirds in 2021-22. The Government of Canada, through the Workforce Development Agreement, provides some of the funding for this grant program.
- Improve market access for Alberta's energy resources and products to get Alberta's oil and gas to market and support Alberta's economic recovery.
- Continue to invest in job creation through environmental stewardship by providing support to site rehabilitation and orphan wells.
- Implement the natural gas strategy and vision, including capitalizing on opportunities in liquefied natural gas and petrochemical manufacturing, and creating conditions for development of emerging opportunities like hydrogen and the plastics circular economy.
- Implement immediate recovery supports for Alberta's tourism sector, and develop and implement a 10-year Tourism Strategy with Travel Alberta to position the sector to grow and diversify.
- Ensure long-term access to a sustainable and secure fibre supply by implementing the Forest Jobs Action Plan, and attract investment and increase value-added product development to support the Agri-food Sector Investment and Growth Strategy.
- Increase the Agriculture Financial Services Corporation (AFSC) borrowing limit to \$3.6 billion by 2024 to ensure primary producers, agribusinesses, and value-added agri-processors have reliable access to capital.

Priority two

Protecting livelihoods

Objective two Reducing red tape

Alberta's Government is reducing unnecessary red tape to make Alberta one of the freest and fastest-moving economies in North America. The principles of the *Red Tape Reduction Act* support the work of cutting unnecessary red tape by one-third by 2023, removing regulatory barriers for Alberta job creators, and reducing unnecessary costs while maintaining consumer, environmental, health and safety protections, and fiscal accountability. In 2021, the Canadian federation of Independent Business (CFIB) awarded Alberta an A for its success in reducing red tape, recognizing Alberta as the most improved province in Canada. To date, the government has saved Albertans more than \$476 million by eliminating thousands of unnecessary regulatory requirements.

Actions

- Continue the ongoing work of nine red tape reduction industry panels focused on key sectors that include oil and gas; agricultural, food, and bio-industrial; chemical manufacturing; forestry; hospitality and tourism; industrial manufacturing; construction; small business; and non-profit to identify high impact areas to reduce or eliminate red tape.
- Focus efforts to reduce red tape by getting out of the way of job creators; removing duplicative provincial requirements; implementing smarter regulations where the outcome is prescribed rather than the means by which it must be achieved; implementing digital solutions to improve interactions with government; removing excessive or unnecessary regulatory requirements and oversight; and improving service delivery.
- Solicit public and industry input for opportunities to cut unnecessary red tape through the online web portal CutRedTape.alberta.ca.
- Support job creators by developing a regulatory system that encourages further private sector investment in oil and gas, and new investment in geothermal energy, leveraging Alberta's natural advantages in these areas; including the development and implementation of a minerals strategy.
- Increase the effectiveness of Alberta's environmental approval and compliance processes while reducing administrative, regulatory and process burdens. This will be achieved by developing and implementing an integrated regulatory assurance framework that is supported with streamlined regulatory business processes.
- Continue modernizing Alberta's liquor, gaming and cannabis sectors through reviews of the *Gaming, Liquor and Cannabis Act*, its supporting Regulation, Alberta Gaming, Liquor and Cannabis (AGLC) Handbooks, and consultation with key stakeholders. AGLC has already achieved a 24 per cent reduction in red tape requirements, expanding opportunities for Alberta businesses and giving consumers more choice.
- Through ongoing review of the *Municipal Government Act*, reduce regulatory burden and streamline provisions hampering administrative efficiencies for municipalities, citizens, businesses and industry.
- Implement the new *Early Learning and Child Care Act* and supporting regulation to modernize licensing processes and empower child care operators to provide high-quality early childhood education and care to meet the needs of working parents.

Objective three

Lowering tax rates and providing incentives that stimulate employment, grow the economy and attract investment

The Job Creation Tax Cut lowered the corporate tax rate from 12 per cent to eight per cent making it the lowest in the country, attracting investment and creating thousands of jobs in Alberta. A continued emphasis on reducing the tax burden for Albertans is crucial to supporting economic growth and recovery in the province.

Actions

- Through the Small and Medium Enterprise Relaunch Grant program, Alberta's Government has committed up to \$575 million in funding for organizations (businesses, cooperatives and non-profits) that saw a revenue reduction of at least 30 per cent due to the COVID-19 pandemic.
- Deliver tools and programs to support investment and job creation and the recovery of Alberta's economy, such as the Innovation Employment Grant and the Film and Television Tax Credit.
- Develop a long-term plan to review how property assessments are determined for industrial property, including wells and pipelines, to ensure that the valuations reflect current circumstances and do not place an undue burden on competitiveness. In the interim, a number of property assessment and tax incentives are being implemented.
- Implement a three-year property tax holiday for all new well and pipeline assets; eliminate the Well Drilling Equipment Tax (from 2021 onward); maintain the shallow gas assessment reduction of 35 per cent over the next three years; and provide additional depreciation adjustments for lower-producing wells. These initiatives will encourage new investment in the oil and gas sector and support the continued viability of existing assets.

Objective four

Building public infrastructure

This government will focus on infrastructure investments that support key public services such as health and education to meet the needs of future generations. Infrastructure projects will be prioritized to increase the economy's productive capacity, lower the cost of doing business and encourage new private investment in the province.

Actions

- Prioritize infrastructure projects that will promote economic growth and recovery, create jobs, support opportunities in multiple sectors and enable future private sector investment. This includes clearing transportation bottlenecks and reducing congestion in key trade and industrial corridors.
- Conduct a third-party review of all government-owned and leased real estate asset management processes to identify potential cost savings, and revenue opportunities relating to more efficient overall asset stock management.
- Invest in construction and modernization of health care facilities, including the completion of the Calgary Cancer Centre by 2023. This center will serve as a hub for cutting-edge cancer research, and will be an internationally recognized, state-of-the-art facility that will increase cancer care capacity in southern Alberta.
- Invest \$1.5 billion over three years toward new schools and modernization projects across Alberta. Develop and implement strategies and plans for maintaining and assessing the need for school capital projects.
- Invest \$244.5 million over seven years on irrigation expansion projects to ensure that Alberta's irrigation systems are efficient and contribute to Alberta's economic growth and recovery.
- Provide grant funding for rural utilities, including high-speed internet, and increase the Rural Gas Grant to support rural economies and rural utility planning.

Priority two

Protecting livelihoods

Objective five

Making Alberta more dynamic, innovative and sustainable

Alberta's Government will streamline programs and use a smarter approach to innovation to modernize our economy, create the best environment for businesses in Canada and get Albertans back to work.

Actions

- Continue to implement the Technology Innovation and Emissions Reduction (TIER) system, to help industrial facilities reduce emissions and invest in clean technology.
- Deliver tools and programs to support investment and job creation and the recovery of Alberta's economy, such as the Alberta Enterprise Fund.
- Optimize the government's investment in the technology sector to ensure it is focused on commercialization and job creation.
- Adopt a smart approach to innovation and make Alberta competitive for global high-tech investment.
- Support economic growth, job creation and diversification by launching new Alberta Immigrant Nominee Program streams to attract job-creating entrepreneurs and specialized skills and talent to support Alberta's economy.
- Increase opportunities for hands-on learning experiences in apprenticeship, trades and vocational education.
- Support the development of the teaching workforce in areas of demand and need.
- Improve access to childcare through initiatives that support affordability, quality, safety, inclusion and parent choice, enabling parents to participate fully in the labour market workforce and supporting Alberta's economic recovery.

Objective six

Standing up for Alberta's natural resources

Alberta's government will continue to push the federal government to publicly defend Canada's energy sector and our energy sector workers. We will continue to call on the federal government to press the United States to discuss energy supply and climate action. Canada and the United States share a highly integrated energy system, including criss-crossing infrastructure such as pipelines and electricity transmission systems. Our energy and climate goals must be viewed in the context of that integrated system, and it is in our mutual interest to develop an agreement that will enable a path to export Alberta's most valuable commodity while providing the United States with a source of reliable energy, produced to the highest environmental standards.

Actions

- Work closely with the world's leading banks and investors to define and defend Alberta's leadership on environmental, social and governance (ESG) standards across all sectors, and to outline major capital investment opportunities.
- Administer the Indigenous Litigation Fund to support Indigenous Peoples' voices in legal action that affects responsible resource development and advances Alberta's interests.

Objective seven A fair deal for Alberta

The Fair Deal Panel consulted tens of thousands of Albertans through in-person town hall meetings, an online survey, and stakeholder interviews to get input on how best to strengthen the province's economic position, give Alberta a stronger voice within the Canadian federation, and increase the province's power over institutions and funding in areas of provincial jurisdiction. The panel submitted its final report and recommendations to government in May 2020.

Actions

- Advocate for more equitable treatment for Alberta with the federal government, including improvements to the Fiscal Stabilization Program.
- Build coalitions with willing provinces and territories to advance objectives that respect Alberta's jurisdiction and improve our prosperity.
- Consider outstanding recommendations of the Fair Deal Panel and take action, as appropriate, to confirm Alberta's place in the Canadian federation.
- Advocate for Alberta's interests and protect provincial powers, which will contribute to an environment for job creation. Alberta has already filed a reference with the Alberta Court of Appeal on the constitutionality of Bill C-69 - An Act to enact the Impact Assessment Act and the Canadian Energy Regulator Act and to amend the Navigation Protection Act.
- Through the Alberta Community Partnership program, provide funding support to municipalities to conduct the Senate Election and Referendum Vote to ensure the priorities and needs of Albertans are adequately represented at the federal level. Democratizing the Senate appointment process and proceeding with a referendum on equalization are two of the recommendations of the Fair Deal Panel.



EMPLOYMENT

Private sector employment

Last actual: Employment in the private sector declined by 6.5 percent in 2020.

SELF EMPLOYMENT

Albertans self employed

Last actual: Self-employment increased by 0.6 percent in 2019.

EMPLOYMENT RATE

Proportion of the working age population that is employed

Last actual: Alberta's employment rate was 60.8 percent in 2020.



INVESTMENT

Non-residential investment in Alberta

Last actual: \$14,051 per capita in 2018.

Venture capital investment in Alberta

Last actual: \$304 Million to the end of Quarter Three in 2020.



ALBERTA'S OIL SANDS

Supply share of global oil consumption

Last actual: 3.1 per cent of global oil consumption was supplied by Alberta's oil sands in 2019.



ENERGY SECTOR INVESTMENT

Upstream energy sector investment

Last actual: \$24 billion was invested in mining, quarrying and oil and gas in 2019*(*preliminary result)

Priority three

Fiscal accountability

Our objectives

In order to guide fiscal decision-making, government has established three key fiscal anchors: keeping net debt-to-GDP under 30 per cent, getting per capita spending in-line with comparator provinces and, after the pandemic, re-establishing a commitment to balance the budget. The priority of this government remains focused on protecting lives and livelihoods during this pandemic, but we cannot ignore fiscal realities and the impacts that our decisions today will have on future generations. While it is no longer feasible to balance the budget by 2022-23, these anchors will help keep us on the path to meeting our fiscal objectives.

Alberta's Government will continue to improve efficiencies in delivering government services while supporting the fiscal anchor of bringing Alberta's spending in line with comparator provinces. The fiscal anchors will guide decision-making and help ensure fiscal prudence, while government works toward a revised schedule for balancing the budget.

1. Value for each tax dollar spent
2. Public sector compensation
3. Enhanced reporting

Objective one

Value for each tax dollar spent

Albertans expect their tax dollars to be spent wisely and responsibly, to ensure the long-term sustainability of government programs.

Actions

- Implement the recommendations of the MacKinnon Panel as appropriate – an independent blue-ribbon group of experts that conducted a review of Alberta's finances.
- Effectively manage spending on physician services, remaining within budgeted amounts.
- Collaborate with other provinces to reduce prescription drug costs and increase access to clinically effective and cost-effective drug treatment options for Albertans.
- Work with independent providers to develop long-term care and designated supportive living spaces in priority communities, and modernize the continuing care system and its legislative framework to ensure care is more person-centred and integrated.
- Modernize financial support systems provided by the Department of Community and Social Services to enhance service delivery and promote Albertans' participation in the province's economic recovery.
- Collaborate with post-secondary institutions, industry, students and other stakeholders to finalize and implement recommendations from the Alberta 2030: Building Skills for Jobs strategy. This will deliver the high quality education, skills and training needed to get Albertans back to work, meet current and future labour market demands, and drive innovation to make Alberta competitive in a 21st century global economy.

Objective two Public sector compensation

From health care workers to law enforcement personnel and teachers, Alberta's public sector provides a variety of services to Albertans. The importance of the public sector has been highlighted by the critical part they have played in fighting the COVID-19 pandemic while putting their own lives at risk to ensure the health, safety and future success of Alberta and Albertans.

Approximately half of the government's operating expense is related to compensation including Agencies, Boards and Commissions such as school boards, universities, colleges and hospitals. As Albertans, we all have a role to play in our economic recovery and difficult, but necessary, decisions are required to protect the high quality services that Albertans rely on.

In addition to addressing compensation efficiencies, Alberta's government is also looking to support a smaller, more efficient public sector, which will ensure Albertans receive a fair deal for their tax payer contributions. Alberta's government is enabling private sector delivery of services when it is more efficient to do so. As outlined in Budget 2019, the size of Alberta's public service is being reduced by about 7.7 per cent over four years from 2019-20 to 2022-23.

Actions

- Successfully negotiate labour efficiencies with fair and competitive compensation to allow government to free up resources that can be reinvested in health care, education, economic recovery and growth initiatives.
- Optimize the size of the public service and enable private sector delivery of services when it is more efficient to do so.
- Reduce the footprint of government, especially management and administration that may result in unnecessary costs for Albertans in terms of time, money or other resources.
- Bring per capita spending in line with the average of comparable provinces, specifically in health care, education and public sector compensation.
- Work with physicians and the Alberta Medical Association to manage spending growth and modernize physician funding models. This will improve quality of patient care and accountability for services rendered.

Priority three

Fiscal accountability

Objective three

Enhanced reporting

Effective reporting of government program spending and performance allows government to demonstrate the effectiveness of budget spending in a fiscally responsible manner.

Actions

- Ensure government reporting meets the key principles of objectivity and reliability, clarity and timeliness of reporting.
- Continuous improvement of business planning and reporting to better integrate financial and non-financial results by relating costs to the results achieved, and explaining the links between spending and outcomes.
- Ensure an emphasis on performance measures, indicators and targets to support accountability in annual reporting on Government's priorities, while driving change and continuous improvement in program performance.
- Ensure adherence to standards of best practices in results analysis in annual reporting to allow decision-makers and the public to assess the efficacy and effectiveness of government initiatives.
- Fully integrate risk management into the planning and reporting process, ensuring that the identification and mitigation of risk is considered by government in the development and implementation of programs.



GOVERNMENT SPENDING

Fiscal accountability rating

Last actual: The Government of Alberta was rated "B+" in 2020 by C.D. Howe Institute.

Provincial grants to publicly funded universities and degree-granting colleges
Last actual: Provincial grants represented **46% of the total revenue** for Alberta's publicly funded universities and degree-granting colleges in 2018-19. This result was higher than British Columbia (34%) and Ontario (25%).

Health expenditure

Last actual: Operational expenditures forecast for 2020-21 are **1.2 per cent lower** than the 2019-20 actual, excluding COVID-19 costs.

