

A Report of the Possibility Panel Draft for Discussion | June 2021



### The Next 30

The Next 30 is a not-for-profit, non-partisan grassroots initiative developed by a small group of passionate Albertans and not affiliated with any political party. It is a platform for engaged and forward-looking citizens to share bold ideas, encourage policy alternatives

This report was prepared by The Next 30. Sincere thanks to the members of the Possibility the Possibility Panel, go to <a href="https://www.thenext30.ca/the-possibility-panel">https://www.thenext30.ca/the-possibility-panel</a>). Thank you also The Next 30 volunteers for their additional insight and guidance in our public engagement sessions and in the preparation of this report. The ideas and opinions expressed in this document are those of The Next 30 following the synthesis of ideas raised in our public engagements and follow-up conversations with the Possibility Panel. They are not intended to reflect a consensus view of the Possibility Panelists.



#### **CONTENTS**

## **Executive Summary**

#### **Introduction**

#### 03

#### **Attracting & Retaining Talent**

#### **The Possibility**

We can make Alberta the place of opportunity for our own young people and for talented people from all over the world.

#### The Ideas

- The Alberta Advantage Tax Credit
- · A \$20 Per Day Childcare Program
- · Employer Job Creation Incentive
- · A New Provincial Licence Plate

#### 08

#### **Truth, Reconciliation, & Indigenous Opportunity**

#### The Possibility

We can make Alberta a place where truth and reconciliation are infused into our institutions and our daily interactions, and where a resurgence of Indigenous culture drives new opportunities everywhere.

#### The Ideas

- The TRC Challenge
- · Invest in the Indigenous Cultural Renaissance
- Transform the Former Site of the Royal Alberta Museum into a Permanent Museum of Truth & Reconciliation
- · An Indigenous Business **Procurement Target**

#### 12 **Energy & Climate**

#### The Possibility

Alberta can turn the global energy transition from a risk into an opportunity and become a leader in the transition to a low-carbon emissions global economy not in spite of but because of our natural resources.

#### The Ideas

- · Zero for Zero
- · A Bold, Public, **Absolute Emissions Reduction Target**
- · AOSTRA 2.0

#### 16

#### **Economic Diversification**

#### The Possibility

We can take Alberta's history, values and assets and put them to work to address new challenges and create new areas of growth and opportunity for the 21st century.

#### The Ideas

- The A Prize
- \$1.3 billion for Bitumen **Beyond Combustion**
- · Plant-based **Protein Supercluster**
- · Double Down on Al at the U of A

#### **The Provincial Budget**

#### The Possibility

We can create a more predictable and sustainable fiscal framework for our province — one that maintains a competitive tax rate and effective public services, without placing the burden on future generations.

#### The Ideas

- · An Alberta Fiscal Commission
- · A Citizens' Assembly on Fiscal Reform
- The 5-5-5 Plan
- · Repatriate the Carbon Tax

#### **Building an Inclusive Social Fabric**

#### The Possibility

We can build a society in which everyone feels able to participate and contribute — and that their contributions are appreciated.

#### The Ideas

- · A Provincial Peace Corps
- Proportional Representation
- · An Accessible Alberta Act

#### **Health & Wellness**

#### The Possibility

We can create a province where our people are among the healthiest in the world, and our healthcare system is strong and sustainable in its capacity to support the wellness of Albertans.

#### The Ideas

- · Invest in Primary Care and Experiment with Integrative, Patientfocused Models
- · A Wellness UBI
- · A Task Force on Innovation
- · ParticipACTION Alberta

Four months.
Nine sessions.
Thirty "Possibility Panelists".

And thousands of Albertans sharing their ideas, their concerns, and their hopes for our province's future. Those are the raw inputs that have helped produce the contents of this report, which lays out a set of possibilities for Alberta's future and 26 ideas to help realize them.

These ideas are not business as usual. But they are possible. And Alberta will need to recommit to a spirit of possibility to reach its full potential over the next 30 years and beyond.

On June 26, hundreds of Albertans will gather at the first Possibility Summit to discuss the ideas and consider the possibilities. Online engagement tools will give Albertans another way to do so after that. This report will serve as the foundation for those deliberations. It is intended as a draft for discussion and a starting point for further engagement.

We hope that individuals, communities, and organizations across Alberta, including our elected officials at all levels, will use these ideas to advance a more positive and hopeful public dialogue about our future, and then help put the best of them into action.

#### Introduction

#### A Place of Possibility

We hope this effort will compel Albertans to do what we can to help our province remain focused on building things up rather than tearing them down. That might be the most important possibility of all.

Alberta is a place of possibility, and it will need to recommit to the spirit of possibility to reach its full potential. That was the foundational belief that brought a group of people from various political, professional, and community backgrounds together during the pandemic, united in concern for Alberta's future. A new non-partisan, not-for-profit organization called The Next 30 emerged, so named because of the need for a long-term, generational perspective.

The Next 30 gathered a group of leaders from various communities across Alberta into a "Possibility Panel", which set out to engage with Albertans to explore questions and themes critical to our future success as a province. How might we channel our talents and our frustrations to build a province that will succeed for the next 30 years and beyond? How might we build a new economy that is resilient and inclusive and where bold ideas flourish? And how might we build an inclusive social fabric so that every Albertan feels like they belong?

Nine different public engagement sessions were held on Zoom in the early parts of 2021 with Possibility Panelists and members of the general public gathering to discuss everything from economic diversification to truth and reconciliation, from energy and climate to building an inclusive social fabric. All told, more than 2,500 people registered across the nine sessions. The Next 30 also collaborated with University of Calgary professor Trevor Tombe to create a provincial budget tool that allows people to test ideas and options for improving Alberta's fiscal situation. More than 1,000 submissions were made using the budget tool.

After a series of follow-up conversations with members of the Possibility Panel, the dozens of hours of public dialogue and hundreds of ideas have been condensed down to a synthesis of key points and compelling ideas in each theme. Some of the ideas are relatively new, while others are concepts that exist already, but could be expanded or scaled. Not every idea shared in this document is endorsed by all Possibility Panelists, and some still require additional analysis and exploration. But these ideas speak to a sense of possibility for Alberta's future and are presented for the purpose of generating further discussion.

The Next 30 is convening a Possibility Summit on June 26<sup>th</sup>. At the Summit and through online engagement tools on The Next 30's website, we'll discuss these ideas in even greater detail, share reflections, gather feedback, and brainstorm new ideas in an ongoing, interactive conversation.

From there, it's up to individuals, communities and organizations across Alberta, including our elected officials, to give the ideas life, put them into practice, or otherwise build on them to make them real.

We hope this effort will help to shine a light on a better and brighter future for this province — and compel Albertans to do what we can to help our province remain focused on building things up rather than tearing them down. That might be the most important possibility of all.

# Attracting & Retaining Talent

We can build a society that both attracts new talent to our province and gives current generations a reason to stay. The raw materials for it are already in place. If the 20<sup>th</sup> century was defined by battles for territory and resources, the 21<sup>st</sup> will be about the war for talent. As the global economy is transformed by knowledge and technology, it will be the regions and cities that most effectively attract and retain talent that will be most successful. Alberta has all the pieces in place to compete effectively for talent — but there is still work to be done.

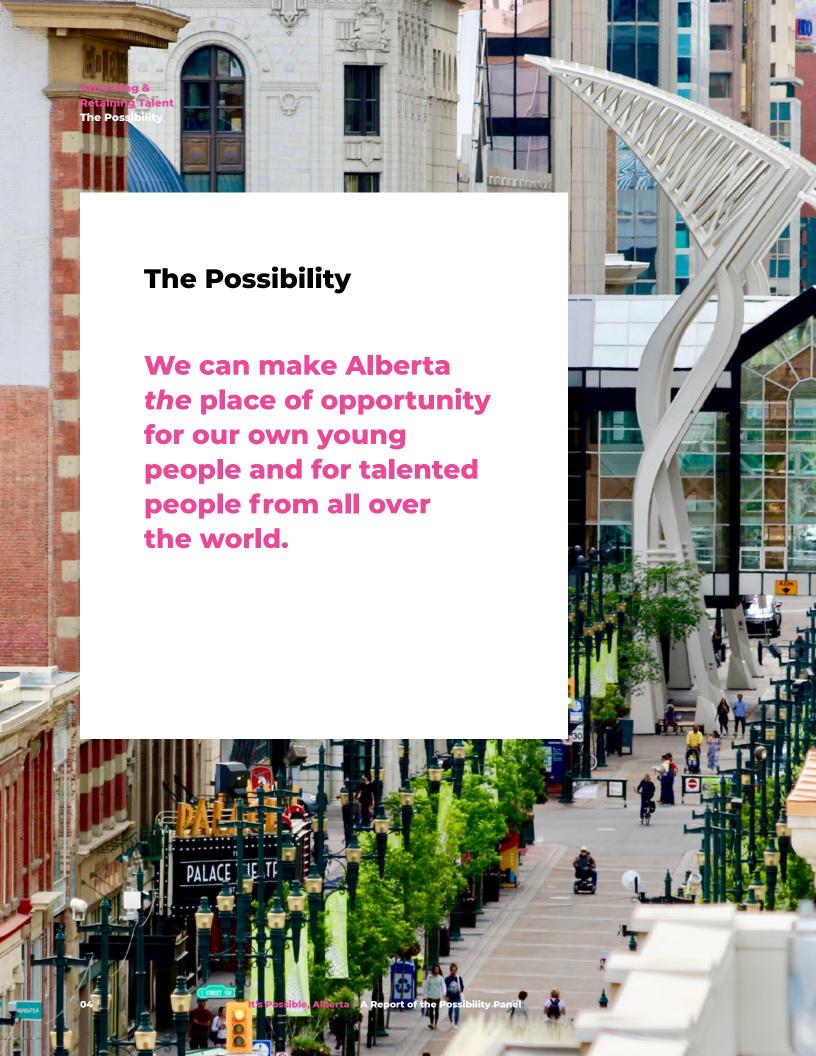
Our advantages in terms of attracting talent are numerous. First and foremost, Alberta is a great place to live, with beautiful landscapes, affordable real estate and economic opportunities. It's also part of the great Canadian family, one that celebrates diversity, welcomes immigrants, and supports communities and individuals in their times of need. And our existing pool of talent and labour is one of the most educated and skilled in the world.

For too many years, though, we've been able to rest on our laurels. High commodity prices and the high wages that resulted from the booming industries that ensued effectively did the heavy lifting when it came to attracting and retaining talent, and we saw hundreds of thousands of people from across the country and around the world flock to Alberta.

That is not our reality today. We have to renew the case for Alberta — and make that case differently than we did in the past. We need to implement policies that appeal to the workers and entrepreneurs who will define the path of the knowledge economy over the rest of the century. While low costs and low taxes will appeal to some of these people, they are not the panacea that they might have been a generation ago. The people who are the drivers of a modern economy also want to work and live in a vibrant society, rich in arts and culture, where diversity is more than a buzzword, and new ideas are treated as opportunities rather than threats.

This isn't just about what's best for future generations. It's also about what's best for today's Albertans, who have children and grandchildren that they want to see succeed — and just plain want to see. If they have to leave the province to pursue their careers or find opportunity, that will strain and test the bonds of family and undermine a sense of community and stability the way it did in Saskatchewan and Newfoundland in recent decades.

We can build a society that both attracts new talent to our province and gives current generations a reason to stay. The raw materials for it are already in place. But in order to build that society, we'll need to move past our historical grievances and grudges, open ourselves widely to the world, and embrace a spirit of forward-looking optimism and enthusiasm.



#### The Alberta Advantage Tax Credit

The Alberta Advantage Tax Credit would be a non-refundable tax credit that would effectively eliminate provincial income taxes for anyone under the age of 30 up to a specified income threshold. This would help keep our post-secondary graduates in the province, increasing the likelihood that they would put down roots, build businesses and families, and help create the kind of highly educated workforce that a  $21^{\rm st}$  century economy requires.

The hit to the provincial treasury would be relatively modest, given that most people don't tend to ramp up their earnings until they're well into their 30s, 40s, and 50s. It would help parents imagine a future for their kids in the province, and help those kids imagine one for themselves here. It would make Alberta a more attractive jurisdiction for tech talent, who increasingly help determine where tech companies locate (and relocate), while still rewarding those who work in other industries and fields. And it would help tell a new story about Alberta: a place willing to put its money where its mouth is to attract and retain young, talented people.

#### A \$20 Per Day Childcare Program

The federal government has raised the ante on childcare in Canada with its latest budget, one that will see a massive new investment in spaces across the country. It's time for Alberta to call that bet with an equally substantial commitment of its own: delivering \$20 per day childcare to anyone who wants or needs it.

In a province where jobs and the economy are on nearly everyone's priority list, we should be talking far more about the importance of affordable childcare. That's because it offers enormous economic benefits, from increasing the proportion of women in the workforce to raising the median household income across the province. It would increase GDP, increase tax revenues for governments, and increase equity and equality within and across workforces.

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In terms of attracting and retaining talent, having the best childcare system in the country would create a major competitive advantage. The province would become an even more powerful magnet for talent. Those looking to leave high-priced markets like Vancouver and Toronto would be even more drawn to the cost of living in Alberta. When it comes to a long-term return on investment, it doesn't get much better than childcare in the 21<sup>st</sup> century.

#### **Employer Job Creation Incentive**

There is no mistaking that, until recently, what has made Alberta such an attractive place to settle was, above all else, the abundance of employment opportunities accompanying a strong and growing economy. So, a big part of attracting and retaining talent has to be making sure that there are jobs with which to keep or bring them here. That is partly about the overall health of the economy, but there is also a role for targeted policies to incent job creation.

Many favoured economic or tax policies are explained on the basis of their job-creation potential. Often, though, the link to job creation is indirect and hard to directly attribute to the given policy. This idea is a much more direct and explicit employer job creation incentive. Any organization (for-profit or not-for-profit) that increases its total net payroll year over year would receive a refund from the provincial government equal to a certain percentage (e.g., 10-20%) of the increase in their payroll.

This incentive rewards employers for creating new jobs and/or for increasing wages. It applies on a net overall basis, so employers don't qualify for it by creating one new job or higher wages if those are offset elsewhere in their organization. Employers would only be eligible for the refund *after* they have added to their payroll, so this is not a grant. The intention is not to subsidize employment in an unsustainable manner, but to nudge employers toward a decision to invest in job creation that they might otherwise be contemplating for some organizational need but unsure about committing to.

The increase in personal taxes paid by the employees through either higher wages or new jobs will help offset the cost of the refunds. The refund only happens when there are more jobs, higher wages, or both, which means there will be an increase in income tax revenue for the provincial government. Because this incentive would be eligible to all industries and both for-profit and not-for-profit organizations, the government would not be picking winners and losers. Instead, we would be directly rewarding investments in what everyone says we want more of — more better paying jobs.

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#### A New Provincial Licence Plate

Our identity is shaped by the stories we tell ourselves, and the image we have of our community. And there arguably isn't a more visible or obvious part of a place's story than the one on its licence plates, including the slogan. In Ontario, it invites people to explore the province. In Saskatchewan, it speaks to the province's agricultural heritage. While no measure can single-handedly change the dial on our provincial brand, Alberta could use a new licence plate to help tell a different story about our province — about our entrepreneurial culture, our sense of opportunity, or our work ethic and ambitions. This would be both an easy fix and a transformational moment. It would serve as de-facto advertising to anyone outside the province, and help reinforce a more positive and forward-looking story to people who live in it.

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New plates with a new slogan ("A Place of Possibility", for example) would help us diversify our shared mindset, which is a precursor to diversifying the broader economy. It would support industries like technology and tourism, which depend on external impressions of the province. And it would give us an opportunity to reset our narrative about who we are and what we want to become — for others and, even more importantly, for ourselves.

# Truth, Reconciliation, & Indigenous Opportunity

This is not some aspect of a long distant past, or a matter for historians and archivists. It is a living, real, and urgent matter that millions of Canadians have yet to truly reckon with.

We shouldn't need any more reminders about the importance of pursuing truth and reconciliation in Canada, but the recent discovery of an unmarked grave on the grounds of the former Kamloops Indian Residential School containing the remains of 215 Indigenous children is a stark one. This is not some aspect of a long distant past, or a matter for historians and archivists. It is a living, real, and urgent matter that millions of Canadians have yet to truly reckon with. That's particularly true here in Alberta, a province that had more residential schools per capita than almost anywhere else in Canada, and where systemic racism inhibits Indigenous peoples in countless ways today.

The required reckoning certainly involves governments enacting the calls to action in the Truth and Reconciliation Commission report, and explaining to the public why they are so important. But it doesn't stop there. Reconciliation isn't a thing that's done by others. It's a responsibility that every Canadian needs to take ownership of in their own lives, one that begins within themselves.

We all need to continue doing the work of decolonization, whether that's in our own family, our own organizations, or our own workplaces. This isn't about achieving goals or checking boxes, but instead participating in an ongoing dialogue — one where non-Indigenous people need to do more active listening and learning. This is first and foremost for the sake of knowing the truth about our history and understanding the effects of intergenerational trauma. But it is also because there are so many personal and collective opportunities for learning from Indigenous worldviews and knowledge systems as new relationships are forged. Mutual respect and mutual learning should be our shared commitments as Treaty people.



#### The TRC Challenge

The Truth and Reconciliation Commission's final report should be required reading for every adult in Alberta. The TRC Challenge would be a public campaign to inspire and compel Albertans to read (or re-read) the TRC report and sit with the story it tells. Inspired by the public reporting on percentages of Albertans vaccinated during the COVID-19 pandemic, the TRC Challenge would include media and social media campaigns, and a mechanism for Albertans to register their completion of the challenge.

While this small step does not guarantee that an individual will take any particular action as a result of their learning, it does signal the importance of learning the truth as a first step on an individual level and of our collective responsibility. Opportunities to go beyond this small first step abound for individuals and organizations, thanks to leading programs already offered at Albertan educational institutions. Individuals might register for the University of Alberta's highly regarded <a href="Indigenous Canada">Indigenous Canada</a> online course, while organizations could invest in having their senior leaders take the Banff Centre's <a href="Truth and Reconciliation Through Right Relations">Truth and Reconciliation Through Right Relations</a> course. But regardless of the how, the what here needs to be addressed.

### **Invest in the Indigenous Cultural Renaissance**

Like an ocean wave gathering force and momentum, the early stages of an Indigenous cultural renaissance can be seen in the rise of Indigenous artists, the increasing visibility of Indigenous customs and ceremony, and the recommitment to Indigenous languages. We are not yet as far along in this wave as in New Zealand, where a renewed focus on biculturalism since the 1980s has resulted in Māori culture becoming an integral part of life, influencing everything from cuisine, customs and language. But we can make great strides in this direction by prioritizing investment in Indigenous arts, culture and languages, including a commitment to use more Indigenous place names as the City of Edmonton has done with its new Indigenous Ward Names. Culture and language were the key instruments of colonization to great long-term damage; so too will they be the key levers of decolonization and empowerment of Indigenous peoples.

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# Transform the Former Site of the Royal Alberta Museum into a Permanent Museum of Truth & Reconciliation

One way we can engage Albertans in truth and reconciliation and honour the victims of residential schools in Alberta is by establishing a permanent memorial and learning centre. As the capital city, Edmonton has long played host to the Royal Alberta Museum. But since the museum moved into a new space downtown, the previous facility has been underutilized. We could transform it into a permanent space that tells the full story of Indigenous peoples of these lands and the history and legacy of residential schools in Alberta.

#### **An Indigenous Business Procurement Target**

Redesigning procurement policy with a lens of reciprocity can be a tangible way to amplify and support Indigenous-led initiatives and businesses. Redesigning procurement policy with a lens of reciprocity can be a tangible way to amplify and support Indigenous-led initiatives and businesses. There are leading examples of this within industry in Alberta. Suncor Energy, for example, set an explicit goal for partnerships with Indigenous-led businesses, and has far exceeded its target by doing more than \$830 million in business with Indigenous businesses. If the Government of Alberta and other major Albertan organizations were to follow this lead, it would create significant new revenue, entrepreneurship, and employment opportunities for Indigenous peoples.

## **Energy & Climate**

Alberta is wellpositioned to take
advantage of the
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generations to come.

The oil and gas industry has been very good to Alberta, and for many Albertans, for a very long time. It has created jobs, supported livelihoods, and enhanced prosperity for millions of people. It's also facing an existential threat that can no longer be ignored: climate change. Net-zero emissions plans are being announced by governments, corporations and financial institutions almost by the day, and it's increasingly clear that everyone from corporate leaders to elected officials are getting serious about reducing emissions.

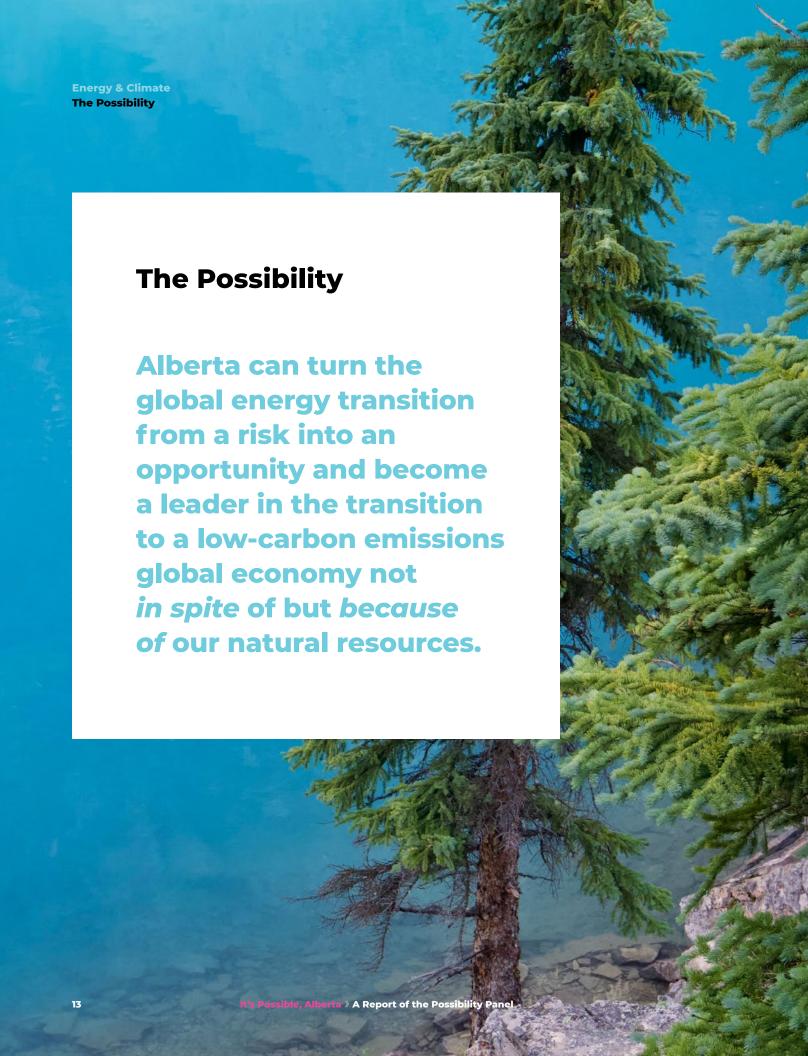
For Alberta, this is the best of times and the worst of times. It's the worst because an industry that has been a huge driver of jobs and tax revenue is clearly entering a transitional stage, where business as usual will yield diminishing returns. But it's the best of times because Alberta is well-positioned to take advantage of the energy transition that's underway — and use its many assets and resources to build an economy that will prosper for generations to come.

Over the next two decades, there will be trillions of dollars spent around the world on reducing our collective carbon footprint in everything from the energy we use to the buildings we work and live in. If Alberta treats this like an opportunity rather than a threat, we can attract some of that capital and use it to both build new industries and help existing ones adapt and evolve.

That will mean taking advantage of our abundant solar and wind resources — Alberta has some of the best such resources in North America. It will also mean growing opportunities in carbon capture, utilization, and storage (CCUS), which will both reduce emissions from our existing industry and use the carbon they create to build new products. It will mean investing in hydrogen, an increasingly attractive source of low-carbon energy that Alberta can produce at highly competitive costs. It will mean taking our inventory of old oil and gas wells and capturing the geothermal energy that is stored beneath them, an investment that could both repair existing environmental damage and produce clean baseload energy. And it will even mean supporting the development of a lithium industry evolved from our oil and gas assets, a new industry that will feed the world's growing demand for electric vehicles and the batteries that power them.

We've already seen announcements about new projects in some of these areas, and even some co-operation between the federal and provincial governments, and this has to continue. We will need to significantly raise the bar on these initiatives and on our level of ambition on this issue, lest we risk getting left behind and leaving a far less prosperous province for future generations.

That will take courage, creativity, and a willingness to be honest with ourselves, as citizens of Alberta and the ultimate owners of our oil and gas resources, about what's happening in the world right now. But the good news is that, starting with our greatest resource of all – our people, we have everything we need to make it happen in Alberta.



#### **Zero for Zero**

The federal government has already announced its intention to reduce the corporate tax rate paid by companies that produce zero-emission products. Alberta should piggyback on that effort by announcing its own reduction in corporate tax rates for companies that produce zero-emissions solutions and/or hit net-zero status. Doing so can build on recent momentum and help establish Alberta as a hot-bed and exciting development market for clean technology innovators.

That could even include Alberta's oil and gas companies. This reduction in corporate taxes would serve as a carrot alongside the stick of a federal carbon price, which is set to rise to \$170 per tonne by 2030. Paired together, they could create the right economic conditions for oil and gas companies to make major investments in everything from carbon capture and storage technology to new low- (and even zero-) carbon extraction methods, all of which could ultimately position them to attract more of the world's growing pool of capital focused on a low-emissions future.

## A Bold, Public, Absolute Emissions **Reduction Target**

Jurisdictions and institutions all over the world are setting bold emissions reductions targets to align their operations, portfolios and economies with the goals of the Paris Agreement. Alberta should signal its alignment with these global goals, and establish an absolute emissions reduction target that citizens, industry and stakeholders can rally around. This may be a net-zero emissions goal as others have done, or it could be a narrower goal such as having the lowest per-barrel emissions among heavy oil producers in the world.

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Most importantly, though, progress toward the goal should be monitored and communicated regularly. More than ever, there is a need for a trusted and credible source of information about Alberta's efforts to reduce its emissions and how those stack up with the rest of the world. Repairing some of the damage that has been done to Alberta's image recently starts with real expert and stakeholder involvement in such an endeavour, in order to demonstrate that Alberta is serious about its climate commitments and the work required to meet them.

#### The Ideas

#### **AOSTRA 2.0**

When Peter Lougheed was first elected Premier in 1971, the oil sands were still far more of a science project than a viable industry. But Lougheed's government set out to close that gap with something called the Alberta Oil Sands Technology and Research Authority, or AOSTRA. Its legacy is clear today. Thanks to the hundreds of millions of dollars it put towards de-risking technologies that would make the oil sands commercially viable, like steam-assisted gravity drainage (SAGD), it ultimately attracted many billions more in private sector investment.

AOSTRA 2.0 would focus on finding ways to rapidly decarbonize the oil sands operations, through carbon capture, utilization and storage (CCUS) and other technologies, in addition to developing and commercializing new uses for Alberta's huge bitumen deposits.

Now, with the world in the midst of an energy transition, Alberta needs to summon that sort of vision and ambition again. AOSTRA 2.0 would focus on finding ways to rapidly decarbonize the oil sands operations, through carbon capture, utilization and storage (CCUS) and other technologies, in addition to developing and commercializing new uses for Alberta's huge bitumen deposits. That work will naturally involve the large oil sands companies, who have already committed to a pathway to net-zero emissions, but the public sector has a major role to play as well.

In time, we could look back on AOSTRA 2.0 the same way we do on Lougheed's brainchild — as a breakaway pass that helped the province fill the economic net. Alberta's future will look dramatically different than its past. But that doesn't mean we can't learn from that past.

## **Economic Diversification**

Alberta can't afford to recreate the economy of the past. The future, and our role in it, is what matters most.

The idea that Alberta has to diversify its economy away from a reliance on the oil and gas industry is hardly new. If anything, it's nearly as old as the industry itself. Diversification efforts date back to the 1970s, when Premier Lougheed pushed for everything from the creation of the Heritage Trust Fund to investments in airlines and meat packing plants.

Some of those investments turned out to be duds, but that hasn't deterred other Alberta leaders from pushing for an economy that has greater independence from global commodity markets. And today, as the world moves towards a lower-carbon economy, that independence is more important than ever. If there was one message that came through the loudest from participants in the public sessions described above, it's that Alberta can't afford to recreate the economy of the past. The future, and our role in it, is what matters most.

Despite the drumbeat and ongoing mantras, economic diversification, it should be noted, is not actually an end in itself. After all, as one of the Possibility Panelists pointed out, Manitoba has the most diversified economy in the country — and that doesn't mean it's one that Albertans want to emulate. What Albertans really want is a stable and prosperous economy that creates opportunity for all, and that goal should inform any conversation about diversification.

Likewise, diversification isn't about picking new sectors or industries. Instead, it has to be about taking the strengths and advantages Alberta currently enjoys and putting them to work in areas of growth and opportunity. Those strengths include our educated population and workforce, academic institutions with leading researchers in a wide range of fields from health to artificial intelligence, the financial capital in our province, and an array of natural resources that extend beyond petroleum. We have gigawatts of untapped renewable energy, productive agricultural lands, thousands of old wells that can produce geothermal heat, forests that can meet the surging demand for timber, and a landscape that attracts tourists and television crews from around the world.

We need to strategically and responsibly leverage our abundant natural capital if we want to create a stable and prosperous economy. Albertans are proud of their history as a place where people take risks, build things, and create opportunity. We need to empower Albertans to continue to do so in some new opportunity areas to build a better future.

#### The A Prize

One of the aspects of Alberta that unites people of all political backgrounds and stripes is the belief that it's a place where big things can happen — and where anything is possible if we work hard enough. That's the story of our oil sands industry, which overcame major technological and economic challenges to become a leading source of supply for the global economy. And it's a story that has to be applied to new challenges and industries if Alberta is going to thrive in the 21st century.

Enter the "A Prize", an idea originally put forward in a Calgary Herald op-ed in early 2020 by Business Council of Alberta president Adam Legge. The A prize would be a competition that sees Alberta companies, institutions and governments put their grand challenges out to the world to solve, and find ways to get them to solve them in Alberta. Alberta's history with COSIA's Carbon XPrize and Emissions Reduction Alberta's grand challenges are examples that Alberta can build upon. Challenges such as net-zero energy, bitumen beyond combustion, plant-based protein, and innovation in healthcare are all potential focus areas for the A Prize.

The A Prize will also signal Alberta's intention to play a leading role in the knowledge economy, and attract people and sources of capital that want to do the same.

As Legge noted, "incentive prizes often result in multiple company formations, large investments, and scale-ups of research and development." The prize can be designed to provide incentive for the winners to be encouraged to put down roots in Alberta's economy, or deepen the ones they already have. The A Prize will also signal Alberta's intention to play a leading role in the knowledge economy, and attract people and sources of capital that want to do the same. And as each prize cycle runs its course, an entire ecosystem of innovation and risk-taking will be cultivated and harvested.

### \$1.3 billion for Bitumen Beyond Combustion

If Alberta was willing to risk \$1.3 billion on a new pipeline project, it should be willing to invest at least that much in the commercialization of so-called "Bitumen Beyond Combustion" technologies. Those technologies can transform Alberta's huge store of bitumen reserves into everything from carbon fibre (an ultra-strong material that can be used in electric vehicles) to graphenes and asphalts. By taking Alberta's higher-carbon oil and using it to make higher-value products, we could turn the carbon intensity of the oilsands from a liability into an asset, and soften the blow of declining oil demand in its traditional markets in the future.

According to Bryan Helfenbaum, the executive director of advanced hydrocarbons in the clean energy division of Alberta Innovates, "as these advanced materials become used

The Ideas

more and more, bitumen's higher proportion of carbon atoms actually becomes a strategic advantage." But the challenge right now isn't so much the science as it is creating a market for it. "We still have a little ways to go to hit the kind of specifications to really have large commercial application," Helfenbaum told the *Globe and Mail*, "but the proof of concept has really just been demonstrated in the past couple of years."

That's where this \$1.3 billion investment in research and development, pilots and demonstrations, and market development can come into play. After all, if we were willing to bet that much money on an investment whose fate was ultimately beyond our control, surely we should be willing to put a similar amount to work on something that's very much within it. That's especially true when the size of the potential prize could be measured in the trillions of dollars within a decade.

#### **Plant-based Protein Supercluster**

Plant-based meat alternatives are one of the fastest growing segments in the global agricultural market, and Alberta is well-positioned to meet that surging demand with its supply of canola, wheat, and pulses. But in order to make the most of that opportunity, we'll have to push our agri-business industry further and faster than it's ever been pushed before. That will mean growing our food processing capabilities, diversifying our agrifood value chain, accelerating adoption of new technologies, and developing a so-called "supercluster" of agricultural sector businesses, researchers, and innovators.

By pre-permitting activity that would expand and enhance the province's agri-business sector, and particularly its plant-based protein potential, Alberta could attract new capital and companies — and add even more value to the province's agricultural resources.

This kind of multi-stakeholder collaboration is already underway on a national scale, and many Alberta-based organizations are involved and engaged. But Alberta can bring together an even broader array of organizations, government agencies, academic institutions and innovation investors, all in the pursuit of new markets and more market share.

One way to enable this dynamic is to create so-called "pre-permitted investment zones" in rural parts of the province, which would make it easier for companies to iterate and innovate without having to wait on regulators or government officials for permission. By pre-permitting activity that would expand and enhance the province's agri-business sector, and particularly its plant-based protein potential, Alberta could attract new capital and companies — and add even more value to the province's agricultural resources.

The Ideas

#### Double Down on AI at the U of A

For nearly two decades now, the University of Alberta has been one of the world's leading centres for research excellence in the growing field of artificial intelligence (AI). But now, just as AI and machine learning are on the verge of reshaping the entire global economy, and any number of industries and companies that define it, the U of A risks losing its leadership position as many other universities around the world invest in this field of study.

Alberta can't let that happen. Now is the time to double down on the AI expertise at the U of A and make it the pre-eminent research hub in North America. This requires immediate investment from all levels of government, along with clear commitments to maintain existing funding and support the academic infrastructure that's already in place. Strong post-secondary institutions are table stakes for economic success and prosperity in the future — and the people currently working and studying at them are some of the biggest assets in a knowledge economy. That's particularly true when it comes to artificial intelligence and machine learning technologies, since they're what some people call a "horizontal enabler" — one that can help make existing industries in Alberta, from energy to health to agriculture, more efficient and competitive.

Strong post-secondary institutions are table stakes for economic success and prosperity in the future — and the people currently working and studying at them are some of the biggest assets in a knowledge economy.

We cannot rest on our laurels here. That's why, in addition to more direct funding of iconic post-secondary institutions like the University of Alberta, the 12 remaining recommendations from the Government of Alberta's <u>Innovation Capital Working Group</u> should also be adopted immediately. If we're going to capitalize on the track record of success of Alberta's AI sector, we need to start placing much bigger bets on its future — before it's too late.

## **The Provincial Budget**

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If there's one thing that all of Alberta's recent governments of varying stripes have in common it's their reluctance to make the tough decisions to address Alberta's fiscal challenges. Former Premier Jim Prentice once suggested that we all needed to look in the mirror. It was an unpopular thing to say at the time, but he was right. The longer we wait to honestly reckon with our fiscal challenges, the worse it's going to be.

Why is this so challenging for Alberta? In part, it's because our political system prioritizes the interests of today's voters at the cost of the interests of future ones. In part, it's because our elected officials have not dared try to challenge prevailing narratives and myths that have become almost cultural folklore. But probably more than anything, it's because for decades, we've had the luxury of using the flood of natural resource royalties to balance our books, despite having lower taxes and higher per-capita spending than any other province in Canada.

With the fall in oil and gas prices since late 2014, that crutch has largely been removed. And while it might be tempting to wait for it to return (particularly in the face of a likely rise in prices as the global economy emerges from the pandemic), praying for a lottery win isn't the right way to run a household's budget, much less a province's. Having our public finances and therefore our social service delivery capacity so exposed to the volatility of global commodity prices over which we have no control is a recipe for disaster. Alberta must address this issue.

Getting our fiscal house in order isn't nearly as difficult as it might seem. If Alberta had the same per-capita spending and tax policies as Saskatchewan, we'd be able to balance our budget with ease — and even save a bit for the future. Saskatchewan made hard decisions a few years back, from raising the province's PST to cutting spending, that Alberta has been unwilling to consider. We need to talk about those harder decisions, and push our politicians to make them. If we don't, it will be our kids and grandkids paying the price.

## **The Possibility**

We can create a more predictable and sustainable fiscal framework for our province — one that maintains a competitive tax rate and effective public services, without placing the burden on future generations.

#### **An Alberta Fiscal Commission**

Alberta's path back to fiscal balance won't be easy, and the temptation for governments to stray from it will remain in the years to come. That's why we should consider a permanent Alberta Fiscal Commission. The Commission would report back to the provincial legislature on a semi-regular basis and give elected officials and the public the information they need to understand the choices before us and make the best possible budget decisions.

Depoliticizing some of the issues and producing good information for the public to consider would be invaluable, especially when it could help inform a better and more sustainable fiscal path for the province. Like the Office of the Parliamentary Budget Officer, which was first created by the federal government in 2006, the Alberta Fiscal Commission would be non-partisan and above the fray of politics. Its job would be clear: tell the truth about the province's fiscal picture, forecast budget implications of existing patterns and emerging trends, and recommend ways that the government of the day could improve the situation.

There would be a cost associated with creating, staffing, and operating this sort of commission. But depoliticizing some of the issues and producing good information for the public to consider would be invaluable, especially when it could help inform a better and more sustainable fiscal path for the province.

#### A Citizens' Assembly on Fiscal Reform

When it comes to fiscal policy, there's a pretty clear consensus among economists and academics about what needs to be done. But the general public is far more divided, and that has been one of the biggest impediments standing in the way of meaningful change. In order to overcome that, we need to invite the public into the conversation more fully — and encourage them to decide what does and doesn't matter.

A citizens' assembly is a body formed from randomly selected citizens to deliberate on important issues. Alberta has some experience with citizens' assemblies and is fortunate to have expert designers and practitioners of the method based at some of our universities. By creating a citizens' assembly on fiscal reform, Alberta can gather people from across the province and from a wide variety of backgrounds and livelihoods to become more informed and educated on the issues, consider the options, deliberate on how we want to manage the trade-offs and competing priorities, and ultimately determine a sense of our collective priorities — outside of the partisan political process.

While there is no guarantee of the citizens' assembly's ideas being implemented, political parties could be asked to commit to hearing them out. At the very least, they would be forced to explain very clearly why they are not choosing to pursue approaches derived through this kind of non-partisan methodology. More optimistically, a citizens' assembly might give the political parties the cover they need to adopt and enact some of the measures they deem to be politically unpopular at the moment.

The Ideas

The reality is that we are going to need to make uncomfortable choices that are not politically popular to get us to where we need to be with our public finances.

#### The 5-5-5 Plan

Alberta won't balance its books with just one decision or change. Instead, we need to pull on a variety of levers so that our fiscal situation is improved without asking too much of one group of stakeholders or citizens. Enter the "5-5-5 Plan", which would see Alberta implement a five percent sales tax, reduce projected spending by five percent over five years, and save five percent of its annual tax revenue for future generations in the Heritage Fund.

This plan has something for everyone — and probably something for everyone to oppose as well. The reality is that we are going to need to make uncomfortable choices that are not politically popular to get us to where we need to be with our public finances. A blend of measures that combines blessings and curses for citizens of diverse views is worth considering as the way forward, since catering to ideological purity one way or another seems unlikely to achieve the results we need.

### **Repatriate the Carbon Tax**

With economists widely in agreement about the efficiency and effectiveness of carbon pricing as a key tool to reduce emissions and the Supreme Court of Canada having ruled in favour of the constitutionality of the federal carbon tax, it's time for Alberta to take a different approach than it has recently.

Instead of letting the federal government collect the carbon tax and decide what to do with the revenue, the provincial government should implement its own consumer carbon tax and keep the revenues in Alberta. The revenue could be used for any number of ways to support Albertans and invest in our competitiveness. For example, the provincial government could use it — or some portion of it — to reduce income taxes for all Albertans. By reducing income taxes (and raising the basic minimum amount) Alberta can let people who work here keep more of their wages and salaries.

In the process it can help attract skilled labour, give businesses another reason to relocate to the province, and make the province an even better place to earn a living – all without increasing what Albertans are already paying for carbon taxes.

# **Building an Inclusive Social Fabric**

We need to expand our narrative boundaries, and develop a shared story that includes and involves as many people as possible from all walks of life and ways of living. The COVID-19 pandemic has shown us how interconnected we are and how important a strong social fabric is to community resilience. It has also revealed just how different our day-to-day experiences are and how vulnerable many people are in our communities. A parallel societal awakening about equity, racism, and systemic barriers have further heightened the urgency of building more inclusive communities and organizations in a country that has long prided itself on its respect for diversity.

In many ways, Alberta has made important progress over the last few years on increasing the representation of new and diverse voices. But there is a long way to go still to make this a place where everyone truly feels like they belong. While more people now say the right words when it comes to building an inclusive society, the deeds are still often lacking. The face of power in our province remains stubbornly familiar. The boards of directors at our largest companies are still mostly comprised of white men. Leadership teams in our largest organizations and businesses remain stubbornly homogenous in thinking, education, and backgrounds, which ends up concentrating power, access, and influence among those same communities and constituencies. Our elected officials, public servants, and policy makers still do not fully reflect the diversity of our communities.

That has to change. If diversity is a strength, as so many people now rightly say, then we need to start flexing that muscle more frequently.

Inclusion must mean more than just hearing from everyone. It has to mean creating authentic feedback loops, where those who participate are shown that their ideas have been taken into real and genuine consideration. It also means asking questions like: who is missing at the decision table? Who does this benefit? And who does it leave out?

It has to mean that box-ticking is replaced by box-building, and that efforts to expand our conversations are an ongoing and permanent reality.

It also has to mean creating spaces where those who are not in the majority, and who may not possess as much power or privilege, feel fully able to participate and contribute and share their ideas and energy. Systemic barriers, both visible and invisible, need to be removed. And those who do possess that power and privilege have to do more than just acknowledge it — they have to channel it into a renewed focus on listening and learning. All of this can begin at the grassroots level, where community-building can be most effective, and where things like partisanship and politics have far less purchase.

Ultimately, building an inclusive social fabric extends to the stories we tell ourselves, about our province and about each other. If we see Alberta as home to only one kind of story, that effectively excludes anyone who doesn't see themselves in it. Instead, we need to expand our narrative boundaries, and develop a shared story that includes and involves as many people as possible from all walks of life and ways of living.

#### **A Provincial Peace Corps**

Summer jobs are a great way for kids to learn about responsibility, hard work, and the importance of getting an education. But there's another important value that could be imparted: empathy.

By creating a six-week summer internship program, one that pairs teenagers with service clubs and organizations, we can introduce young Albertans to new communities and people that they might not otherwise meet. They'll see the value of local engagement and community service, of new experiences and interactions, and of putting other people's interests ahead of their own. Even if the experience is temporary, at a critical time in young people's lives, it can help instill a sense of the possibilities arising from the weaving together of different stories.

And by making it a condition of their graduation from high school, we could ensure that everyone gets to try it.

#### **Proportional Representation**

Along with municipal governments, our provincial legislature is arguably the most important institution to have reflect the diverse populations they serve. All political parties talk a good game about diversity and inclusion, and some do a far better job than others of actually walking it. But at the end of the day, Alberta's legislature — like most elected bodies across the western world — remains disproportionately male, white, and able-bodied.

Electoral reform can change that. By trading our first-past-the-post system for one in which the votes cast more accurately reflect the seats won, we'd instantly be improving the representativeness of our democracy. We'd also encourage political parties to live up to their promises on diversity and inclusion, because under a proportional system they'd have far more input into which candidates get prioritized — and which ones don't.

A proportional system wouldn't just benefit traditionally under-represented groups like women, minorities, and people living with disabilities. Under a proportional system, parties that don't tend to elect representatives in cities could elevate candidates from there, as could the ones that don't tend to elect people in rural regions.

It wouldn't be a silver bullet, and countries that have adopted proportional systems don't see their elected bodies perfectly reflect the diversity of their population overnight. But experience from elsewhere shows that representational diversity does improve, and it should be reason enough for Alberta to take this seriously.

By trading our first-pastthe-post system for one in which the votes cast more accurately reflect the seats won, we'd instantly be improving the representativeness of our democracy.

#### **An Accessible Alberta Act**

Having experienced social isolation of various forms and intensity over the course of the COVID-19 pandemic, Albertans have gained a small glimpse into what millions of people living with disabilities deal with on a regular basis. Our public spaces and facilities are not universally accessible. In fact, the problem extends far beyond our built environment. And while the *Alberta Human Rights Act* includes physical and mental disability in its list of prohibited grounds for various forms of discrimination, this does not establish an active duty to accommodate people living with disabilities, which is becoming the norm elsewhere in Canada.

In 2019 both the House of Commons and the Senate of Canada unanimously passed Bill C-81, the *Accessible Canada Act*, the purpose of which is to make Canada barrier-free by January 1, 2040. This involves identifying, removing and preventing barriers in federal jurisdiction in a range of priority areas and creating unifying standards of accessibility, as well as bodies responsible for developing those standards.

In contrast, Alberta's current disability policy exists as a patchwork of legislation addressing specific aspects of accessibility but with no central principles ensuring a consistent approach and overarching goal. What this means for Alberta is that, as parts of the federal Act come into effect, facilities and services in Alberta that fall under federal jurisdiction will be governed by unifying standards of accessibility, while areas of provincial jurisdiction and the private sector will not.

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Other provinces have passed provincial accessibility legislation. The *Accessibility for Ontarians with Disabilities Act* (AODA) served as a model for the federal Act and all following provincial accessibility legislation. Manitoba and Nova Scotia have since passed similar acts, and British Columbia and Newfoundland and Labrador are in the midst of developing something similar.

Alberta should follow suit. An *Alberta Accessibility Act* would be a major step forward in establishing an enabling framework for greater inclusivity, helping us get closer to the point where everyone can participate with confidence.

## **Health & Wellness**

We need to be willing to experiment with new forms and methods of service delivery that can optimize the dollars in the system, spread them more widely, and improve access where and how possible. Few things separate Canada from our American neighbours more clearly than our attitude towards the delivery of healthcare. But while the pride we take in our system is understandable, America's relationship with the idea of public healthcare doesn't give us a free pass when it comes to improving our own. As our population continues to age, we are rapidly approaching the point at which our healthcare system cannot be sustained in its present form without either a substantial increase in taxes or a meaningful reduction in other public services.

Neither is an attractive option for most Albertans, least of all the elected officials who represent them. And so, it's time to re-assess exactly what we want out of our healthcare system — and how we'd like to see it delivered. Part of that reassessment involves broadening our understanding of what healthcare means and covers. The health and wellness of Albertans doesn't begin and end when they interact with the healthcare system, after all. In fact, we can help to reduce the cost and frequency of those interactions through interventions and steps that help prevent illness and promote wellness. In addition, paying more attention to the social determinants of health, like income and demographics, will help us avoid being caught playing catch up with the consequences. Preventing ill health and treating root causes is ultimately a far more efficient and effective solution than dealing with the problems once they have arisen.

Part of the reassessment requires us to make some tougher choices than we have in the past. More spending on our healthcare system isn't automatically the answer here, and while we might have been able to afford that — or at least, afford to overlook that — during the boom times, those days are behind us. Instead, we need to be willing to experiment with new forms and methods of service delivery that can optimize the dollars in the system, spread them more widely, and improve access where and how possible.

## Invest in Primary Care and Experiment with Integrative, Patient-focused Models

Primary care networks organize, co-ordinate, and deliver high-quality primary care services for Albertans. The clinics, offices, and "Health Homes" are often our first point of contact with the healthcare system. First and foremost, we need to make sure these networks and their multidisciplinary teams are well resourced. By investing in primary care and reducing the barriers people face using them, we will avoid expensive visits to the emergency department, admissions to hospital, and the negative potential healthcare outcomes associated with poor access to preventive care.

In addition to investing in primary care, we should experiment with new models for how they are organized and funded. The key to the experimentation is putting the patient at the centre, enabling collaboration and integration of providers from specialists and pharmacists to mental health supports and nutritionists. Alternative funding models could help incent a kind of bundled service delivery model and encourage primary care providers to leverage adjuncts to care that help to promote a holistic approach to health and wellness for patients, including nutrition, fitness, and mental health.

#### **A Wellness UBI**

The relationship between poverty and negative health outcomes is extremely clear. As the World Health Organization has stated, "poverty is the single largest determinant of health, and ill health is an obstacle to social and economic development. Poorer people live shorter lives and have poorer health than affluent people."

The solution here is deceptively simple: give those below a certain income threshold more money. A universal basic income (UBI), designed to improve healthcare outcomes and general wellbeing, would be an immediate improvement that delivers almost instant results. As we saw during the COVID-19 pandemic, when the federal government implemented a de-facto UBI in the form of the Canada Emergency Response Benefit (CERB), direct cash payments work.

Creative adaptations of the UBI could also be explored in conjunction with the new primary care models described in another Idea in this theme. For example, some portion of the benefit could potentially be provided as a basket of credits toward a range of complementary and alternative health services and/or health-promoting activities — a sort of individual health spending account.

Questions about how big the benefits should be, how they should be designed, and how we ought to pay for them are important to explore and to answer. But we can't ignore the fact that a Wellness UBI would immediately, and perhaps substantially, improve healthcare outcomes for thousands of people. And it's easy to see how that could, in time, end up paying for itself.

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#### A Task Force on Innovation

For many Albertans, the very mention of the term "innovation" within the healthcare system is a cause for concern because it could suggest the possibility of a role for the private sector in our beloved public healthcare system. But the reality is that healthcare is one of the most dynamic sectors of all for innovation, and the private sector is very much involved in some of the world's most efficient healthcare systems, from Sweden and Norway to Germany and the United Kingdom. Alberta should take note.

Providers at the front line in our healthcare system face daily complex health challenges and know the inefficiencies, hurdles, and barriers like no others. This task force would be comprised of such health care specialists, working together with patients, community leaders, academics, and healthcare and technology entrepreneurs. The group would be tasked with enabling innovation in the healthcare system. The potential synergy between the front-line "know-how", first-hand experience of the system as a user, and the entrepreneurial skill in product development, machine learning, and other technologies could enable the development of novel solutions to benefit Alberta's healthcare system and also create new business opportunities.

The task force might even be accompanied by an Innovation Fund that allows for experiments and prototypes of new models, partnerships or technologies to be developed outside of regular budget cycles. This could help the task force to test some of its ideas and inquiries in a lower-risk context that doesn't put the whole system in play for the sake of the learning. It could also create opportunities for innovation in business models so that some of the revenues generated from scalable innovations could be reinvested in the healthcare system.

Health care is a complex and often controversial topic. Meanwhile, the cost of caring for an aging population continues to grow. If we're going to provide the kind of high-quality healthcare that Albertans expect, and do it without crowding out other public spending priorities, we need to explore options to innovate and change the status quo. A task force on innovation could challenge us to think more creatively about what's possible without sacrificing what we value so highly.

#### The Ideas

### **ParticipACTION Alberta**

Alberta is blessed with mountains, hills, rivers, and other outdoor amenities, and its people aren't shy when it comes to putting in the work. That's why Alberta should set the goal of becoming the fittest province in Canada — and implement policies that help us get there, under a unifying brand like the widely recognized ParticipAction program.

All of the measures should all have one goal in mind: improving and increasing our physical fitness through daily activity. The policies could include funding for bike paths and public parks, a greater emphasis on youth sports and local recreation, improved walkability in cities and towns, and interconnecting infrastructure for physical activity among urban and rural communities. The provincial government, municipal governments and private sector actors could all be involved. All of the measures should all have one goal in mind: improving and increasing our physical fitness through daily activity. The benefits to the healthcare system would be enormous, as would the return on investment, not to mention the benefits to Albertans in terms of their day-to-day happiness and well being.

