

Alberta's Crumbling Economy and Fiscal Foundation

A Conversation with Professors Emeritus, Uof A

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Principal, Abpolecon.ca

Real prices 2020

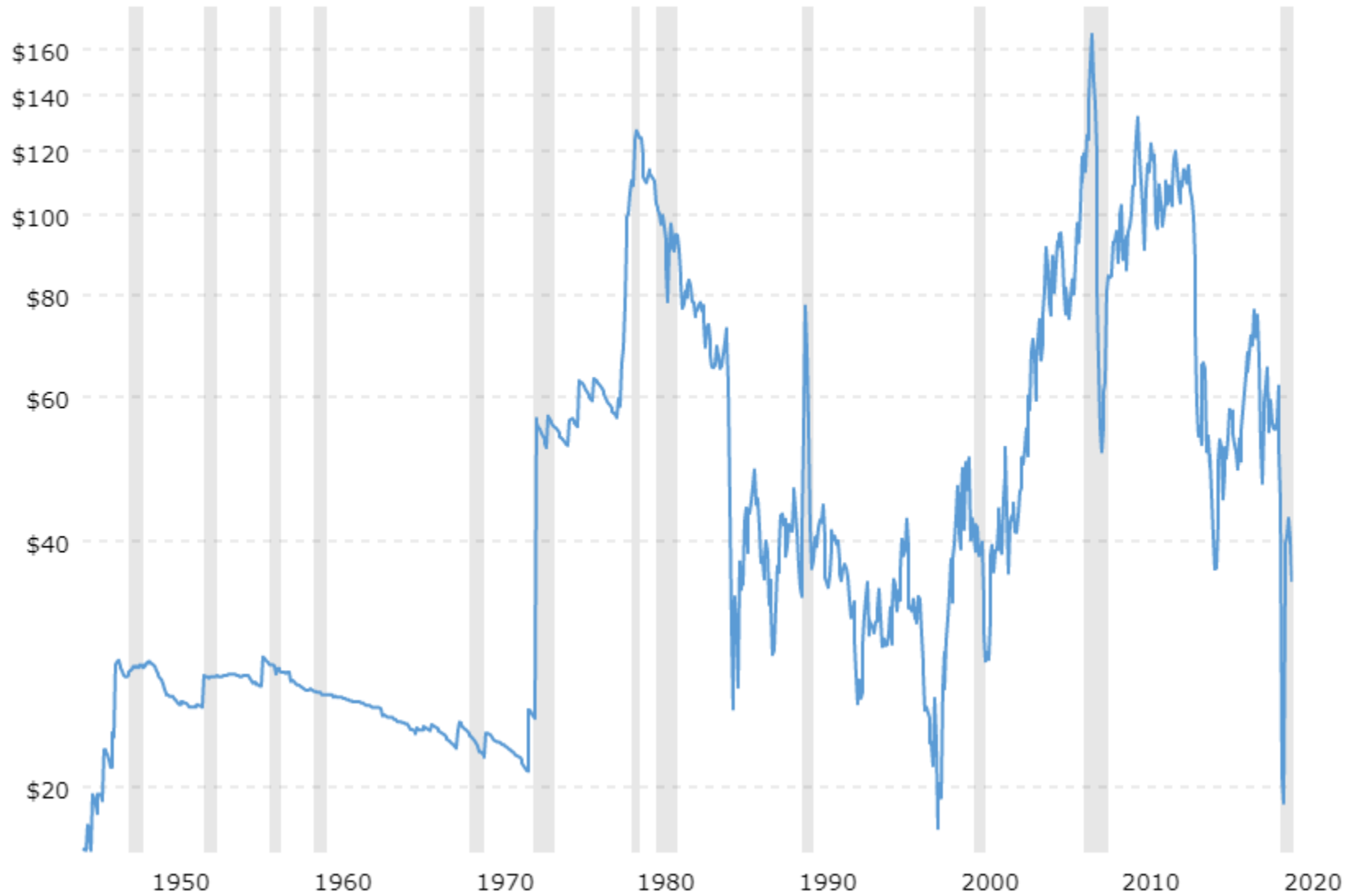
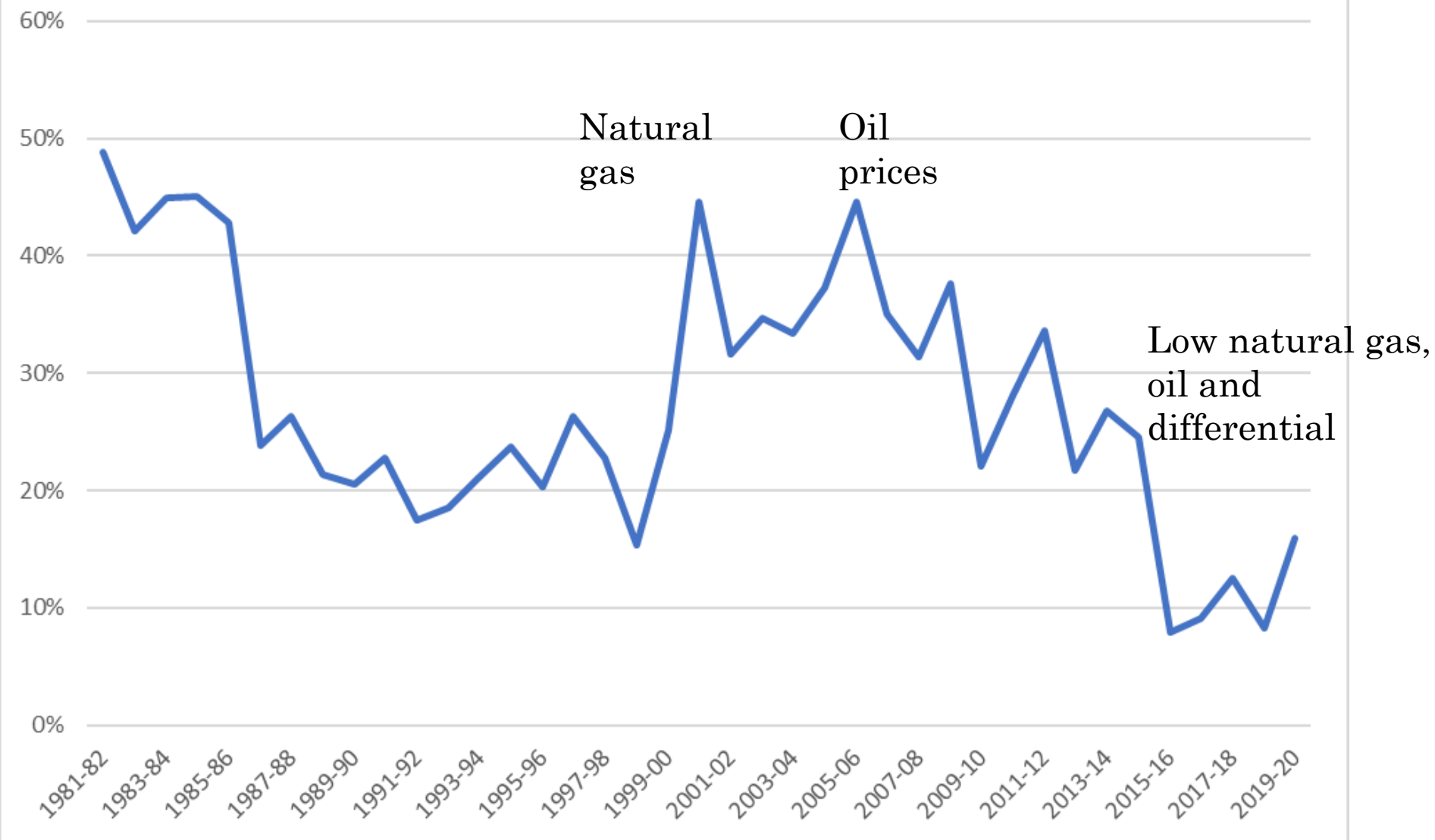
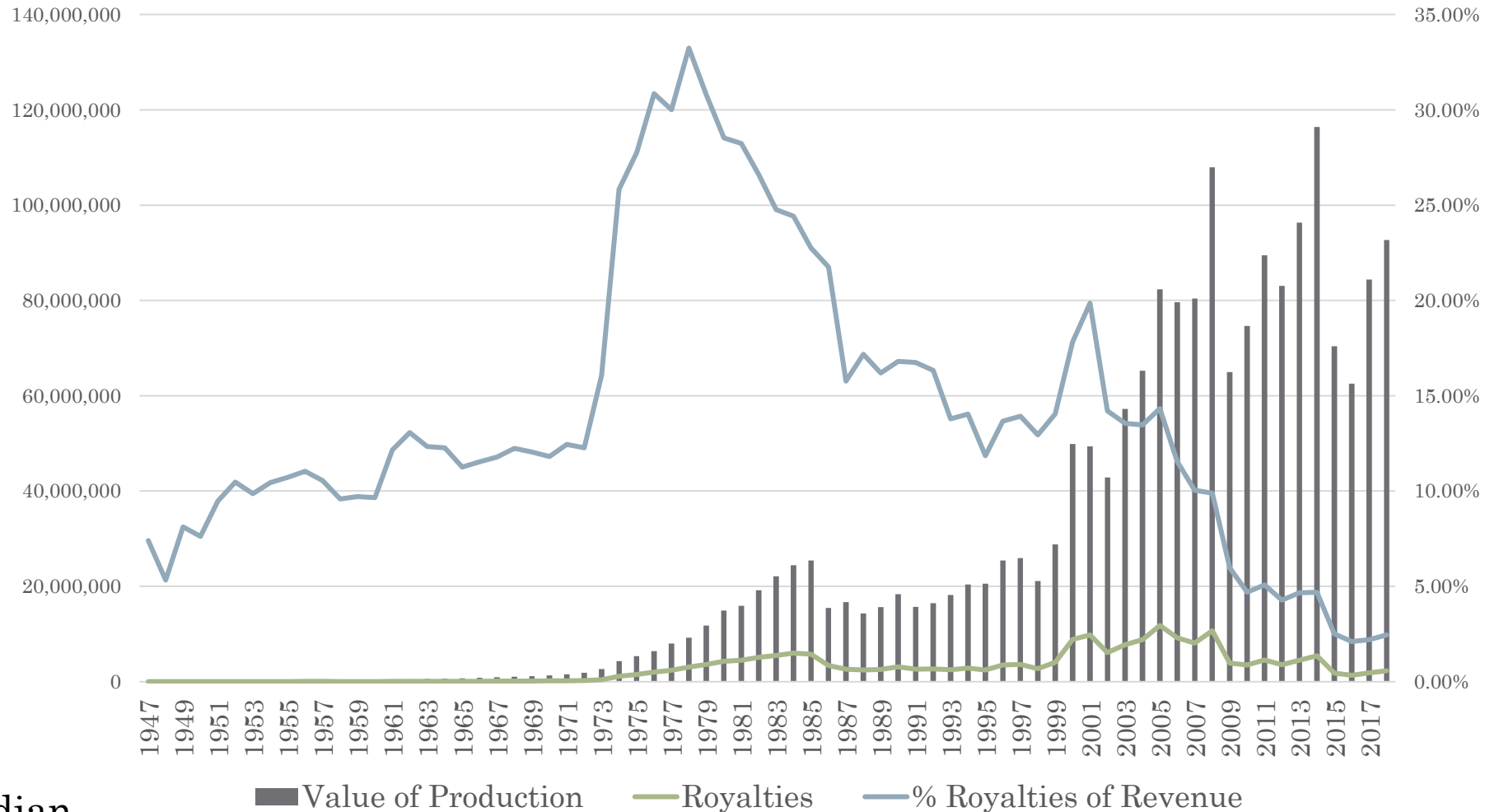


Figure 3.1 Non-renewable Resource Revenue as Per cent of Own Source Revenue 1981/82-2019/20



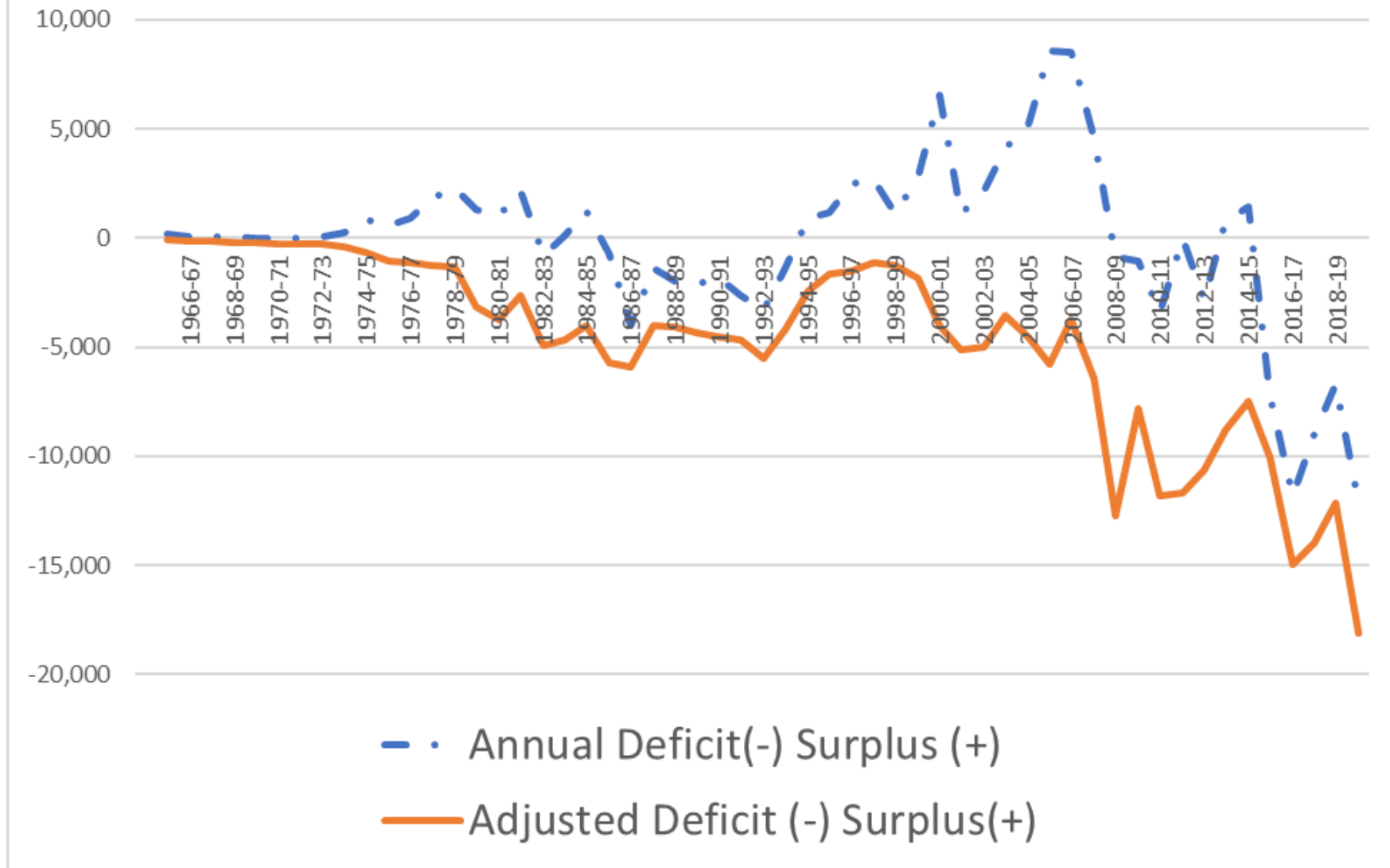
Source: Government of Alberta

Total Revenue, Royalties and Percentage Royalties/Total Production Value (\$000s): 1947-2018



Source: Canadian Association of Petroleum Producers

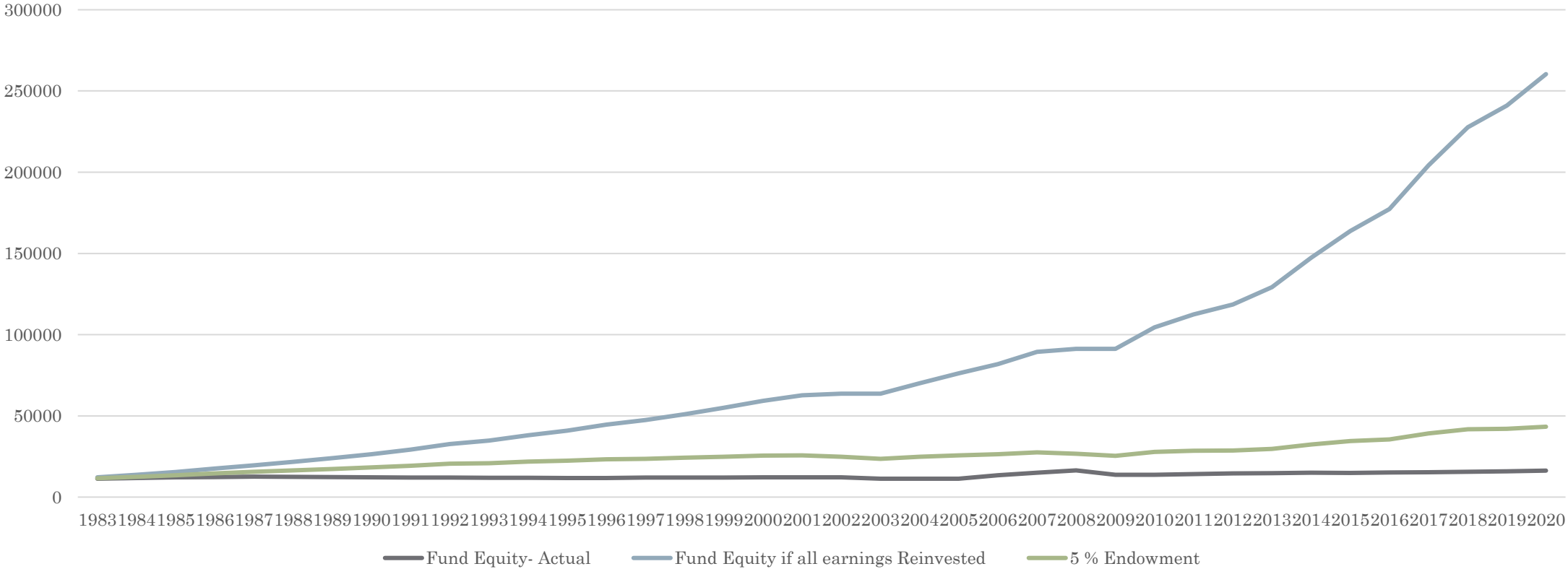
Figure 3.2- Annual Deficit/Surplus and Adjusted Deficit/Surplus
1965/66-2019/20



Source: Ron Kneebone and Margarita Wilkins

Lack of Savings

Value of Heritage Fund:
Actual, All Earnings Reinvested, 5 % Endowment Rule:
1983-2020



Source: Heritage Fund Annual Reports

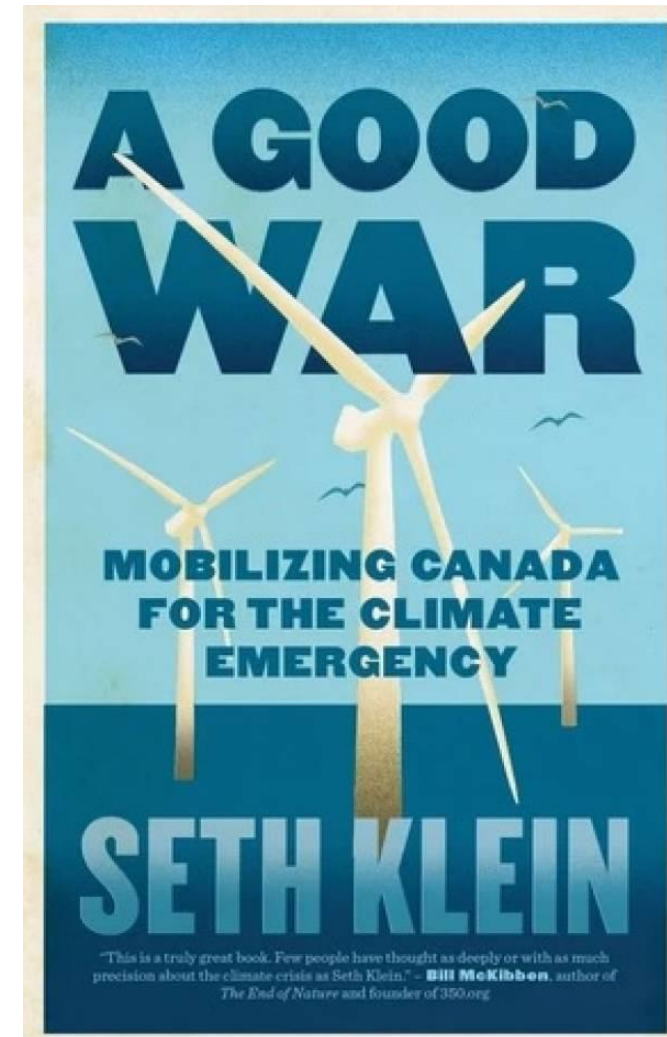
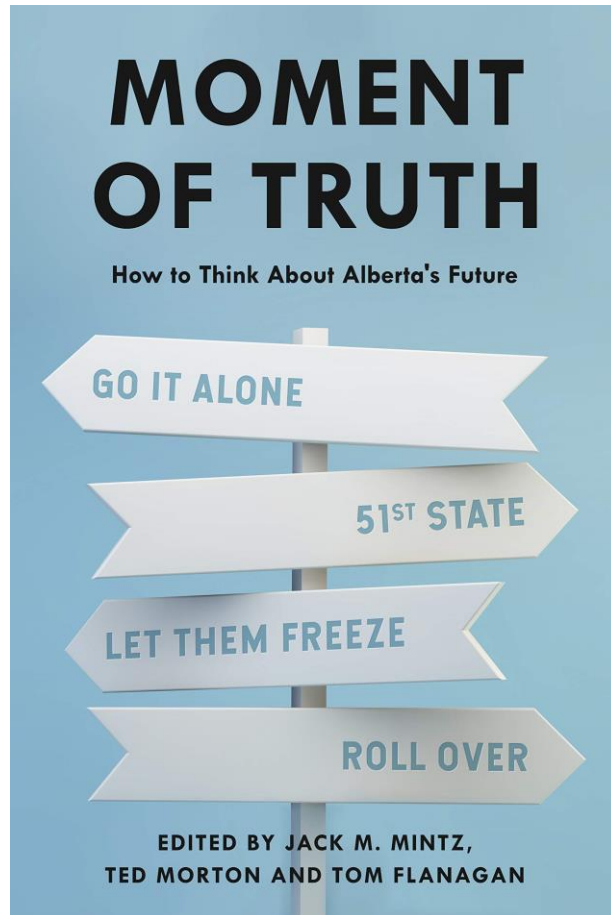
Poor investments- 1980s parallels?

- Oil by Rail- \$2.1 billion estimate
- North-west Redwater Partnership- \$2.7B
- Keystone Excel? \$7.5 billion potentially at risk
- Alberta Growth Mandate-(AHSTF) - \$500 million ?
- Trans Mountain \$2 billion loan guarantee backstop
- ATB Financial?
- Alberta Investment Management Corporation?

Is there hope?

- Young, well-educated society
- Huge opportunities for green economy- solar, wind, hydrogen
- Agricultural opportunities
- Relatively Open society
- Sales Tax?

Reading Suggestions



QUESTIONS

