

Today's Opportunities, Tomorrow's Promise: A Strategic Plan for the Government of Alberta

"Today's Opportunities, Tomorrow's Promise" is a strategic plan that lays out a course for the Alberta government for the next 20 years. It lays out a **vision** for the future; identifies four **opportunities or "pillars"** for Alberta to maximize its potential; and suggests a number of specific **strategies** to take advantage of those opportunities.

THE VISION

The plan's vision statement for the province is:
"A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children."
A broad picture is sketched of what Alberta could look like in just over 20 years, in the year 2025. Among other features, the picture is of a province where people are free to realize their full potential and are capable of creating and capitalizing on opportunity, the vulnerable are protected, and the economic fundamentals of the province are strong.

THE OPPORTUNITIES AND STRATEGIES

The four areas of opportunity for the province over the next 20 years are taken from the government's 2003 vision document. The opportunities, and the plan's strategies to realize them, are summarized below.

1. *Unleashing Innovation*

- Creating the environment and infrastructure that enables knowledge and technology to invigorate our traditional economic strengths and to create new economic opportunities.
- Developing and using energy and natural resources wisely and exploiting new technologies to maximize the benefits of all resources.
- Implementing a long-term water strategy and completing an effective land use policy that ensures the most appropriate use of these basic resources, while recognizing our obligations as stewards for future generations.

- Ensuring Albertans are able to continuously explore and understand our changing world, identify and mitigate emerging risks before they become crises, and see and grasp emerging opportunities.

2. *Leading in Learning*

- Investing in our learning systems to assist Albertans in their desire to have their children succeed and to ensure that the province benefits from its human potential.
- Ensuring the accessibility, quality and affordability of the basic education system.
- Promoting the importance of lifelong learning as the necessary way for each Albertan to maximize his or her potential to the benefit of all Albertans.
- Helping Albertans get the work and life skills they need to achieve their aspirations.

3. *Competing in a Global Marketplace*

- Ensuring reliable export markets, including a possible customs union with the U.S.A.
- Protecting Alberta's achievements by being a strong partner in Confederation and by effectively projecting our influence within and beyond Canada.
- Building on Alberta's economic cornerstones, such as oil and gas, agriculture, forestry and tourism.
- Continuing to keep taxes low and ensure competitive, safe and efficient regulatory systems.

4. Making Alberta the Best Place to Live, Work and Visit

- Ensuring adequate revenue to properly fund Albertans' priorities through government programs.
- Keeping basic services such as health, education and social programs contemporary, responsive and affordable.
- Building a modern infrastructure that supports Albertans' social and economic goals.
- Working with municipal governments to support strong, viable, safe and secure communities.
- Protecting Albertans' basic personal and economic freedoms.

CONCLUSIONS: BUILDING ON ALBERTANS' SELF-RELIANCE

Government will need to work in partnership with Albertans to achieve the vision it has laid out for the Alberta of 2025. The role of government is to work together with Albertans to support self-reliance, manage uncertainties and realize opportunities. The core value of Albertans is self-reliance. This core value will shape the Alberta of tomorrow and help achieve tomorrow's promise.

INTRODUCTION: AN ARRAY OF OPPORTUNITIES; A THEME OF SELF-RELIANCE

In the first part of the 21st century, Alberta is Canada's high-energy province. It leads the nation in nearly all economic indicators, and is the destination for Canadian families who are looking to start new careers, open new businesses, and realize their dreams.

For Albertans, economic success is not an end in itself. Albertans look at economic strength as a key to achieving their personal goals, and essential to enjoying the advantages afforded by strong communities, good health and education systems, low taxes, and a high level of personal freedom and autonomy. While financial well-being is the anchor of prosperity, other dimensions of family, social, spiritual and physical well-being are essential to fulfill human aspirations and are the true measures of

prosperity. For this province, a strong economy is not merely about numbers on a spreadsheet. It's about opportunity.

Alberta is blessed with an abundance of natural resources that have contributed to its economic fortune. But Alberta's success is built on more than the luck of geography. The vital ingredient in Alberta's success story is the hard work and dedication of the people who make up the province; people who dedicate themselves to continuous improvement for themselves, their families, their communities, and their province.

Albertans expect their government to create an environment in which they can maximize opportunities. For them, government's job isn't to do the work for them; it's to let them do the work themselves. Albertans call this self-reliance, and it's a principle that has shaped this province and its people for the last century and longer.

It has been self-reliant Albertans, not government, who have built the farms and ranches that developed this province. It has been self-reliant Albertans, not government, who have drilled the oil and gas wells that made energy the engine of the province's economy. It has been self-reliant Albertans, not government, who have built Alberta's businesses, raised Alberta's families, taught in the province's schools, cared for patients in Alberta's hospitals, and built communities where people feel safe, respected, and free.

Today's Albertans cherish their independence and insist on being self-reliant, just as yesterday's Albertans did. As Alberta looks forward to its second century as a province, its people recognize that self-reliance will be the foundation of the province's future, just as it was the foundation of the province's past.

This commitment to self-reliance shouldn't be confused with a lack of caring - for neighbours, or for the province as a whole. Albertans believe that every citizen has the right to maximize his or her personal opportunities, and the responsibility to help those who need help.

Nor does self-reliance mean that there aren't important expectations for government. Albertans expect their government to provide a framework for success through economic, social and regulatory policies that create opportunities for all to flourish. They also expect that government will work in partnership with Albertans, and their municipalities, First Nations, Métis Settlements, businesses, and Aboriginal and other communities, to build Alberta together. They expect that government will help lead the development of the tools for the 21st century economy - tools such as research, innovation and the development and commercialization of technology. They expect their government to provide the proper infrastructure needed for growth and prosperity, and to protect the environment so that Albertans have safe water, air and land today and tomorrow. In short, government should fund basic services fairly, avoid big government, manage public dollars wisely, and ... get out of the way!

Over the next 20 years or so, the government wants to help the province match or improve its record of success over the previous decade. That's why it has developed this long-range plan. The plan expands on the province's vision for the future by painting a picture of what Alberta could look like in 2025. It then lays out Alberta's abundant opportunities for the future and ideas for realizing the full potential of those opportunities.

The 20-year plan has not been developed out of thin air. It's based in large part on what the government has heard from Albertans, in different forums, over the last few years. Consultative events such as summits in agriculture and health, discussions with Alberta's Aboriginal communities and opinion-gathering activities such as mail-out surveys to Albertans on issues ranging from fiscal planning to the future of the Heritage Savings Trust Fund, have all helped shape the direction of this plan. And, in 2001, the *Future Summit* gave Albertans from all walks of life the opportunity to contribute ideas and outline priorities to a long-term vision of Alberta's future. Those who took part in these forums, and those who followed them, should see much of those discussions reflected here.

Having long-term goals - a destination - is obviously important; just as important is making the journey as rewarding and fulfilling as possible for all those involved. This plan talks about how to do that. But it also emphasizes that the participation of Albertans will be essential to its success. Achieving tomorrow's promise for Alberta is within the grasp of all Albertans. Today, let's start building tomorrow.

THE VISION - ALBERTA IN 2025

In February 2003, the Alberta government renewed its vision for the future. This look forward, titled *Today's Advantage, Tomorrow's Promise: Alberta's Vision for the Future*, builds on Alberta's strengths and successes over the last decade, and sets a framework for the government to follow in the future. The vision for Alberta is: "*A vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children.*"

Based on this vision statement, the government considered the question: What do Albertans want their province to look like in 20 years or so, say, in the year 2025? The result is that the government sees Alberta in 2025 as a province of four million people, slightly older than today's population and more diverse. Alberta in 2025 will be a place where:

- Its people are free to realize their full potential, and personal choice is the only limit to opportunity.
- Government is a responsible steward of the province's abundance of natural resources.
- People feel safe in their homes, on their streets, at work and in their communities.
- The economic fundamentals of the province are strong, and the tax system is designed to stimulate individual entrepreneurship and the transformation to a knowledge-based economy.
- The economy shifts toward a knowledge-based approach, with research, technology development and value-added products having a much larger part in the province's prosperity.
- Essential public services such as health and education are contemporary, accessible, and affordable, and individuals have a role to play in using these services responsibly.

- The potentially vulnerable in society, including seniors, children, and the disabled, have the support they need to live in dignity, achieve personal satisfaction and independence, and continue to contribute to the betterment of the province.
- Albertans are able to enjoy the province's unspoiled natural areas and wide variety of arts, cultural and recreational opportunities.
- Aboriginal Albertans have achieved a socio-economic status equivalent to that of other Albertans.
- The province's small towns, farms and ranches are a vital part of Alberta, and rural communities, like large urban communities, are vibrant and growing.
- The province is a full, participating partner in Confederation, and the views of Albertans are respected by the federal government.
- Municipalities and the provincial government work in a fair partnership to serve their constituents.

This is a picture that captures the values of Albertans - values that have shaped the province and its unique place in Canada over the previous century.

To realize this vision, to make this picture come to life, the government has identified four areas of focus - four opportunities:

- Unleashing innovation
- Leading in learning
- Competing in a global marketplace
- Making Alberta the best place to live, work and visit.

This plan discusses those opportunities in detail and lays out ideas for seizing each of them.

THE PLAN

Over the next 20 years, Alberta will be a place of great opportunity - just as Alberta was a place of opportunity a decade ago. Just over 10 years ago - in 1993 - the province faced deficits and mounting debt, complex and unnecessary regulatory systems and a government that had become too big. Albertans had an opportunity to make things better. Albertans and

their government developed a plan to capture those opportunities by eliminating the deficit and paying down the debt, removing taxes and regulations that impaired business competitiveness, and refocusing the role of government from direct intervener to partner and facilitator. By following the plan - 10 years later - Albertans and their government have created the Alberta Advantage.

Today's opportunities are different than those 10 years ago, but the approach remains the same. With a solid plan and a commitment to following it, Albertans and their government can build on the solid foundation created over the past decade.

This plan looks at the boundless opportunity that Albertans enjoy. Building on today's foundation, this plan focuses on strategies for achieving a future that Albertans, their children and their grandchildren can look forward to today.

The plan is based on four key opportunities or "pillars". Each opportunity is presented separately, but they are interwoven and interdependent. Each complements the other - and success in seizing one opportunity will lead to success in seizing the others.

Opportunity 1: Unleashing Innovation

Over the past 10 years, Alberta's economic growth has been unparalleled. Fuelled by higher than expected oil and natural gas prices, annual economic growth has been consistent and strong.

While natural-resource-based industries will continue to play a vital role in the provincial economy for many years to come, the province can't continue to rely on high natural resource prices forever. Alberta's economy must expand from its natural resource base, enhance the value of manufactured goods and business services produced, and venture boldly into bio-technology and the life-sciences, nano-technology and other research and development opportunities in order to achieve exceptional growth.

The Alberta government has developed "Securing Tomorrow's Prosperity" to achieve the economic

component of the government's business plan. It is a market driven, value-added strategy with a long-term vision to upgrade primary resources, expand manufacturing, develop business services and foster knowledge based sectors. It is also focused on the growth of a competitive and innovative value-added and business services industry.

Achieving the New Economic Promise: A Knowledge-Based Approach

A knowledge-based approach doesn't mean abandoning Alberta's traditional strengths - it means building more value into our traditional goods and services in order to achieve greater returns in the international export market. It also means using technology to make the most effective use of limited resources to get the best value and return for Albertans and using the strong base of information technology and life sciences to lead in the development and production of new knowledge based products.

Over the past decade, the provincial government has made great strides toward encouraging a broader economic base. Alberta's strong fiscal position and favourable personal and corporate tax rates have transformed Alberta into Canada's economic powerhouse. And the elimination of needless government regulation has positioned Alberta as a business-friendly province.

Having a high quality of life characterized by a clean environment, valued cultural and recreational opportunities, safe and caring communities, great health care, outstanding educational opportunities, and a fair and safe work environment has made Alberta a desirable place to live and do business. Our 21st century society, where Albertans have roots all over the world, provides yet another advantage - windows to the world.

The results have been impressive. Many large companies have invested and expanded operations in the province over the last decade, and Alberta has been cited as the province in which to locate small businesses. The province's service and retail sectors

have shown remarkable growth and strength. Alberta companies, large and small, are trading and providing services all over the world. Alberta's labour force is the most productive in Canada. The province has also become a national leader in research and technology. In 2004, Alberta is still known in large part for its oil fields, productive farms, and sprawling ranches. But it is also known for its medical and engineering research, its world-leading education system, its retail growth, and its technological innovation.

Great strides have been made, but there are further opportunities.

One area where more success awaits is in the field of **technology development and commercialization**. Alberta's low business taxes attract many established businesses to the province. The availability of research funding means that significant new technologies are consistently created in Alberta. But there is a desire to develop the capacity for research and a need to bridge the gap between basic research and applied technology. Alberta scientists and technology entrepreneurs need the opportunity to develop and commercialize their products here and sell them to consumers in Alberta and around the world. Often, breakthroughs discovered in Alberta are being developed elsewhere. The talent that developed them, and the opportunities to be derived, sometimes leave with them. The province needs to encourage technology commercialization and use within Alberta's borders.

In order to accomplish this, the Alberta government will develop mechanisms to encourage innovative companies to develop Alberta technologies into saleable products. This will require innovation and collaboration among governments, research institutions, entrepreneurial researchers and businesses.

Another factor in spurring technology commercialization is the availability of venture capital. The Alberta government will work with the technology sector and the investment industry to identify and implement competitive mechanisms and

frameworks to encourage investment and increase access to venture capital within the province. Alberta companies attract significant capital to the traditional economy. The province must develop the expertise and structures necessary to migrate to the new opportunities in knowledge based emerging industries.

Focusing on our Strengths

Taking a knowledge-based approach will help Alberta's economy grow. But Alberta's traditional strengths in energy, agriculture, forestry and tourism cannot be forgotten.

The provincial government has made great progress in encouraging the development of the province's traditional resource-based industries. The tax and royalty systems have been used to spur record investment in Alberta's oil sands. Alberta's natural gas resources have been further upgraded through the expansion of the petro-chemical manufacturing base. Research initiatives, business risk management tools and disaster assistance programs contribute to the viability of the agricultural sector. And wise stewardship of our forest resources has stimulated growth in the forestry industry.

However, declining long-term commodity prices, trade barriers and finite resources mean significant effort will be required to ensure Alberta's traditional industries continue to flourish. As well, using the province's resources wisely is essential to preserving their vital place in Alberta's economy and quality of life.

Alberta's **oil sands** are the second-largest deposit of proven oil reserves in the world, next to Saudi Arabia. The orderly development of these reserves is vital to Alberta's future economic prosperity, and key to a stable, secure supply of energy for North America in the 21st century.

The provincial government will ensure its tax and royalty structures return fair amounts to Albertans while encouraging oil sands expansion.

The government will also continue to increase its investment in research aimed at finding better, more innovative ways of extracting oil from the oil sands. For example, technology that would reduce the use of natural gas in oil sands production processes will be explored.

Another vital resource to Alberta is **natural gas**. Though abundant, Alberta's natural gas reserves are not unlimited. Albertans must find ways to improve natural gas recovery and use natural gas more efficiently and effectively.

Towards this goal, the government will actively encourage the extraction of coal bed methane - a valuable source of natural gas in coal, but one that is more difficult to extract. Natural gas in coal is an important resource that has the potential to offset declining conventional natural gas reserves - just as oil sands production is offsetting the decline in production of Alberta's conventional oil reserves.

The Alberta government will consider further investments in research to turn carbon dioxide into a marketable product. Development of new technologies and the construction of a carbon dioxide pipeline could mean that carbon dioxide becomes a valuable resource in the extraction of conventional oil or natural gas in coal (coal bed methane). Such uses would also reduce greenhouse gas emissions from Alberta's oil sands.

The government will focus its efforts to ensure the northern natural gas pipeline can feed the demand for natural gas that is required to operate Alberta's oil sands production capacity.

Alberta is also fortunate to hold vast amounts of **high-quality coal**. The government will continue to invest in and promote research into making Alberta's already clean coal into an even more environmentally-friendly source of energy.

The Alberta government will stimulate new petrochemical investment by working with industry to develop new feedstock supplies through integration with oil sands upgrading and processing.

The Alberta government will lead the way in green power. The government has been a leader in the use of green power to operate its own infrastructure - by 2005 over 90% of electricity used in government owned buildings will be from green power. Following this lead, the government will develop measures to encourage private-sector investment in green power technologies.

And finally, the provincial government will help the **forestry and agriculture industries** to expand the value-added component of these industries and provide customers with high-quality, safe, and nutritious foods and value-added forest products. For example, through its Life Sciences Strategy, the government will continue to help build on the province's research and innovation strengths in key sectors such as agriculture, energy, environment, forestry, health, and information and communications technology.

Using Natural Resources Wisely

The heart of Alberta's economic success is its blessing of natural resources. The province's natural resources, however abundant, are not infinite. Alberta is witnessing the decline of conventional oil and gas reserves as well as significant pressure on its water supplies, especially in southern Alberta.

Over the past two decades, great accomplishments have been made to take advantage of Alberta's natural resources for the benefit of all Albertans. Development of the oil sands has created an enormous supply of increasingly economical oil that Alberta can supply to North America and the world. Alberta's natural forests have been harvested in a sustainable and environmentally responsible way. The province's landscapes support increasing recreation and tourism.

But with finite resources, Albertans must make sure that these resources are always put to the best possible long-term use.

Toward this goal, the provincial government will ensure that the **province's land base** is used as

effectively as possible, recognizing traditional and different possible users, for the benefit of all Albertans. The government, in consultation with Albertans, will develop a comprehensive land use policy for the province.

With finite water supplies, Alberta's economy needs a long-term approach to **water allocation**. The provincial government has developed a comprehensive water strategy. This strategy will ensure that Alberta's natural environment is preserved, with water allocated to those who will use it for its most valuable purpose over the long term. Alberta's conventional oil and gas reservoirs have significant volumes that can be extracted using enhanced recovery techniques. To obtain the most possible from our finite resources, the provincial government will develop an enhanced recovery strategy to extend the life of these resources.

Overall, a thriving Alberta economy requires a system in which the competition for finite resources is always decided in favour of Albertans as a whole. The provincial government's job is to make sure that competing interests are managed for the benefit of all Albertans. Such interests could be oil sands development balanced with natural gas production, tourism development, agricultural use, forestry production, or recreational use. The Alberta government will develop a comprehensive framework and policy to guide future resource allocation decisions - decisions that will be made with input from Albertans and that achieve a balance among economic, environmental and social priorities.

Opportunity 2 - Leading in Learning

At the heart of self-reliance, and at the heart of any person's success, is his or her desire to learn. Whether they're in school, learning on the job, or volunteering in their communities, Albertans lead the nation in their desire to learn and improve. They have proven that learning is important to them regardless of age or circumstances. They know that knowledge is at the heart of independence. They have made it clear that, for them, learning opens doors not only to careers, but also to personal

enrichment and fulfillment. And they want, for their children, the opportunity to be the best they can be, knowing that education is the best investment they can make to help their children achieve their true potential.

Government's role is to ensure an excellent learning system that meets the needs of learners, society and the economy. Participation in post-secondary education is a shared responsibility of learners, parents and the government. The learning system must support the development of the province's human capital to ensure Alberta is a leader in the knowledge-based world.

Albertans know that investment in education, and supports to ensure a child's readiness to learn, is a direct investment in the province's future. For government, the goal for the basic **education system** is to give students of all ages the opportunity to excel and to achieve their full potential. Recognizing cost pressures on Alberta's schools during a time of great growth, the government created the Alberta Commission on Learning to conduct a full review of the basic K-12 school system. The Commission's recommendations are being studied carefully and acted upon where possible by government as it works to ensure that the education system is affordable and properly funded over the long term, while meeting the needs of all Alberta students.

For many people, formal education does not end with Grade 12. Alberta is among Canada's leaders when it comes to the proportion of the population that pursues lifelong learning opportunities. Government's job is to make sure that opportunities for post-secondary learning are accessible and affordable. That will mean increased investment to expand learning opportunities to create more spaces at Alberta's universities, colleges, and technical institutes.

Education helps individuals achieve their goals. Equally important is that education helps the province prosper. The Alberta of 2025 will require well-educated, well-trained people to comprise a **skilled workforce** to keep a strong and changing economy vibrant. The provincial government has a significant

role to play in making sure all Albertans are ready to fill the jobs of tomorrow. This includes knowledge workers as well as skilled trades and technical workers.

The government will also look at ways to promote full participation in the labour market. For example, the provincial government, in partnership with industry, Aboriginal communities and other jurisdictions, will develop new strategies to help Aboriginal people train for, enter, and stay in the workforce and participate fully in the economic opportunities of the province.

Making sure Alberta's workers have the skills to fill the jobs of the future is important, but it is not the whole solution. The Alberta government will take steps to attract skilled workers from outside the province, which could include a made-in-Alberta immigration policy that focuses on skilled immigrants. Government also needs to be sure that immigrants to Alberta get full recognition for the professional qualifications they bring with them so that they can make the greatest possible contribution to the province. These new strategies will help position Alberta more competitively in the global market, supplement the province's future supply of skilled workers, and ensure full participation in Alberta's communities.

Opportunity 3 - Competing in a Global Marketplace

Because Alberta is a major exporter of goods and services, an important strategy for the government is to **ensure reliable export markets**. Alberta individuals and companies export their goods and services across Canada, North America and the world. Alberta's relatively small domestic market means that its future economic prosperity will rely on exports and dependable export markets.

Seamless access to the United States, Alberta's largest and most important trading partner, is essential. Alberta will work with the federal government to examine the feasibility of a customs union with the U.S. A customs union would result in common

border practices, harmonization of trade policies and regulations, and an end to the use of trade remedies within North America. A customs union will strengthen Canada's overall trade relationship with the U.S. and reduce interruptions to Alberta's access to U.S. markets.

The Alberta government is also committed to maintaining and improving its relationship with the U.S. An Alberta office will be established in Washington, D.C., to ensure Alberta's interests are promoted within the U.S.

Protecting what Albertans achieve is vital to stimulating continued economic strength. Alberta is an important member of Confederation. Albertans are proud Canadians who believe strongly in their country. But Alberta's interests are not always taken into account by the federal government. Federal programs and policies sometimes have a negative effect on Albertans and the Alberta economy.

The provincial government will continue to work to ensure Albertans are treated fairly within Confederation. The province will work with other provinces to make sure the federal government respects provincial jurisdiction and is unable to take measures that would hurt Alberta's economy or Albertans' quality of life. This includes ensuring regular First Ministers' meetings with the federal government, provincial participation in international negotiations that affect provincial interests, and working toward a Triple E senate.

The government will also work to ensure that external influences don't jeopardize Alberta's ability to benefit from its invaluable natural resources, such as oil, gas and coal. Resisting the Kyoto protocol and raising concerns about its implementation is one example where the Alberta government has and will continue to protect Alberta's interests.

The Alberta government will carefully consider all measures that could be taken to ensure provincial interests are protected within Canada and abroad.

Alberta's **agriculture industry** - a cornerstone of Alberta life through the province's first century and even before that - is under pressure from various sources. Generally declining commodity prices will continue to put pressure on all sectors of the industry. Market access in the face of BSE disease has caused significant harm to Alberta's beef industry. These impacts, combined with severe weather and dry conditions continue to threaten other sectors as well.

The provincial government will combat the negative forces affecting the agriculture industry through a variety of measures. The government will work to ensure access to foreign markets by strengthening relations with U.S. and by ensuring Alberta's meat inspection processes are the best in the world. Government will ensure its water and land use policies allow the industry to prosper. It will continue to invest in research that is directed at improving the efficiency of agricultural operations, and ensure that value-added products are exported at their highest development potential.

In the area of **forestry**, Alberta's forestry industry is facing external pressure due to U.S. countervailing duties. The Alberta government is committed to strengthening relations with the U.S. in order to resolve current issues and avoid future problems from arising. Again, a customs union and an Alberta presence in Washington are two areas of focus. Alberta will also support technological development to maximize the export potential and value of forestry products.

The government will also promote **tourism** development through its comprehensive land use policy and by telling Canada, North America and the world about Alberta's spectacular tourist destinations.

A leading economy requires leading public **infrastructure**. Modern infrastructure is essential to attract investment and skilled workers. Efficient electric transmission lines and oil and gas pipelines, well-equipped health facilities, good schools and post-secondary facilities, high quality water systems and safe and modern roads are key factors to a strong economy. The government will continue to work

with local governments, economic development authorities, industry and others in the community to ensure the right infrastructure is available on a timely basis to support economic and demographic growth.

Over the past 10 years, spending on infrastructure has often depended on available resources. Capital projects have sometimes been delayed as a result of unexpected declines in revenues.

In 2003, the Alberta government took steps to eliminate the deferral of capital projects through the establishment of the capital account and the sustainability fund. The government will continue to place a priority on planned, stable capital expenditures through the use of these mechanisms. Government will also ensure that funds are available for timely maintenance and preservation of its capital assets and will take advantage of new approaches to funding capital projects, such as public-private partnerships. Alternative financing options will only be used if they make economic sense and if they get new infrastructure on-stream efficiently and quickly.

In order to remain globally competitive, Alberta must also work towards continued improvement in its **productivity**. The removal of unnecessary legislative impediments, a competitive tax system improvements in workplace health and safety, positive labour-management relationships and the development of new technologies will enhance the productive competitiveness of Alberta industry.

In 2003, a study by a Canadian financial institution named Alberta as the best province in Canada in which to start a small business. The Alberta government will continue to support an environment in which **small businesses** can succeed. This means keeping taxes low and eliminating unnecessary rules and regulations. Albertans - always innovative, always willing to take risks - will do the rest themselves.

Opportunity 4 - Making Alberta the Best Place to Live, Work and Visit

Albertans have come to expect high-quality social programs and services - and the Alberta government has always committed to providing them. This commitment to delivering high quality, affordable services to Albertans will not change.

Over the next 20 years, Albertans and their government will face some significant challenges to improving upon the high quality services Albertans expect. For example, the real cost of providing quality health care will continue to grow. Over the past 10 years, per-capita health costs have outpaced inflation and economic growth. Albertans know that constantly pouring higher and higher amounts of total government revenue into health care does not guarantee the sustainability of the system; it threatens it.

Similarly, the cost of providing Alberta students with a quality education and support services to children and families is also rising. Finally, as the population ages, pressures on health and related services, including the cost of new drugs and technologies are expected to increase.

The nature of the challenge to improve services is two-fold: government must make sure that its revenues are sufficient to meet the costs of these programs; and government must take steps to keep these programs affordable and sustainable without sacrificing quality.

Ensuring Adequate Revenue

The Alberta government has taken some significant steps over the last decade to make sure adequate revenues are in place to fund programs and services. A fair, sustainable low-rate personal tax base was established and a sustainable business tax regime was developed. The sustainability fund was created to smooth out the fluctuations in resource revenues, resulting in predictable program funding from year to year. Most importantly, paying down the provincial debt has freed up funds for programs and services -

funds that would otherwise have gone to debt-servicing costs.

But declining long-term natural resource royalty revenues mean the Alberta government must take additional steps to ensure revenues are adequate to meet Albertans' expectations. The Alberta government will develop a royalty and tax regime that will assist in reducing its reliance on traditional resource royalties.

The Alberta government will continue to eliminate Alberta's remaining accumulated debt - freeing up additional funds for future strategic investments - and will examine ways to protect the real value of the Alberta Heritage Savings Trust Fund, ensuring that future generations continue to enjoy its benefit.

Improving Services for Tomorrow's Albertans

To ensure Albertans can continue to enjoy the level of services that are currently provided and enhance services in other areas, innovative ways of funding and delivering programs, and reducing costs where possible, are required.

The Alberta government has taken significant steps to improve the efficiency, effectiveness and economy of program and service delivery over the past 10 years. For example, administrative costs for health care have been significantly streamlined. Providing some publicly-funded health services in modern, private clinics rather than expensive hospital settings, and using new drugs and technologies, have improved patient service. Programs such as the "Health Link" initiative provide new ways for Albertans to access health services quickly.

The provincial government has also improved service delivery through the development of a well educated, service oriented, innovative and motivated public service.

But even with the improvements over the past ten years, new methods of program delivery and funding are required. Government must remain responsible for setting policy and monitoring outcomes to ensure the desired results are achieved. Programs should be

delivered by those best able to deliver them effectively and efficiently whether that is government, the private sector, non-governmental organizations or a combination.

Health care is an issue on the minds of most Albertans when they contemplate the province's future. The Alberta government will lead the country in implementing innovative ways of financing and delivering services. Working with health providers, the government is building on the recommendations in A Framework for Reform (often called the "Mazankowski Report") to promote healthy living and wellness, and make services more efficient and accessible for all Albertans.

The Alberta government will evaluate alternative ways to finance programs not covered by the *Canada Health Act*, such as long-term care, and look at cost-sharing approaches to a wide range of services.

The Mazankowski Report also emphasizes the priority Albertans must place on being healthy and taking responsibility for their own health. As well, there is an important emphasis on recognizing the impact of health research and technology on the community as an economic driver - a benefit not just a cost.

Services to Alberta's children are not only an important service to those in need; they are an investment in the human potential of the province. Getting a healthy start in life is critical to the success of Alberta's children and the realization of Alberta's vision for 2025.

The Alberta government will continue to place a priority on children's services, especially those services that are designed to enable Alberta's children to succeed at learning. Significant priority will be placed on programs that promote early childhood development and other prevention strategies to support families in promoting the optimal development of children. Overcoming barriers to success at an early age will help children achieve and help society avoid the cost of lost potential. Community partnerships provide leadership in helping young Albertans succeed.

Helping those in need is essential to Alberta's success. More importantly, Albertans want to be sure that fair and compassionate programs are available for those who need some support. The government will continue to support its seniors through income and other supports that allow seniors to remain independent and enable seniors to continue to contribute to their communities.

Non-participation in the province's economic and community life can result in limited opportunity and contribute to poor health status. Children from low-income families may not enter school ready to learn. Aboriginal children and communities may require support to ensure the gap is closed between the socio-economic status of Aboriginal and non-Aboriginal Albertans. Children from new Canadian families may face literacy challenges in the home as well as a lack of training in English as a second language. Persons with disabilities and seniors may face financial challenges, access to affordable housing or lack necessary supports for independence.

The Alberta government will encourage initiatives that assist families and support children to realize their potential, enhance the participation of Aboriginal peoples in the Alberta economy, and ensure that seniors and Albertans with disabilities enjoy adequate incomes and the supports necessary for independence.

The government will also ensure that quality public **infrastructure**, such as high quality health facilities, contemporary and well-equipped educational institutes, good schools, and safe and modern roads are efficiently and affordably built and maintained.

Continuously Improving Quality of Life

Taking advantage of Alberta's opportunities for economic growth and improving public services is about enhancing Albertans' overall quality of life. The stimulation of Alberta's economic growth will enable the province to fund essential services, which in turn helps create a high quality of life.

But quality of life is more than a growing economy and good social programs. It's also about people

being able to realize their dreams, feeling safe in their homes and on their streets, knowing their natural environment is protected, and being enriched by cultural, sport and recreational opportunities in their neighbourhoods. The Alberta government is committed to making investments that contribute to all of these forces that comprise the overall quality of life for all Albertans.

Strong municipalities are an essential part of a strong Alberta. The provincial government will continue to work toward enhancing its relationships with its local governments - ensuring that the roles and responsibilities of local governments are well defined so that these governments can continue to be responsive to the needs of their communities and remain financially strong and viable.

Vibrant **rural communities** are also essential to the province's economy and overall quality of life. The Alberta government will implement a rural development strategy that assures dynamic rural communities where rural and urban families, individuals, organizations, businesses and governments are contributors to the growth, prosperity and quality of life of Albertans. The SuperNet provides an electronic highway to all communities, making it more viable for businesses and individuals to compete globally from rural areas. Health services and educational opportunities will be enhanced by new technologies, and sparsity and distance funding will be reviewed to ensure basic services are retained or developed appropriately. The economic opportunities of the Calgary-Edmonton corridor can be distributed more widely with appropriate infrastructure.

Safe communities are critically important to the well-being of Albertans and their children.

The Alberta government will continue to invest in Alberta's communities to make them among the safest in North America. Government will focus on the continued reduction of violent crime by improving its commitment to policing, and getting tougher on those who commit violent offenses. Increased funding will be considered for community policing programs.

Ensuring the safety of Albertans

The government will play a leadership role in establishing a more responsive justice system by focusing on preventative strategies, expanding the availability and scope of dispute resolution options and using technology to facilitate access to justice services. The Alberta government will help build safer communities by involving the communities themselves, along with the private sector, families, and individuals. It will also continue to pressure the federal government to take tough positions against violent crimes and those who commit them.

Ensuring the safety of Albertans

Safety is not limited to protection from crime. Albertans need to feel safe in their homes, at work and at play. To provide this assurance, the government supports programs and initiatives for safety standards, injury prevention and safety on our streets, promoting partnerships wherever possible.

Security

World events have highlighted a need to provide security from threats of a global nature. The Alberta government will continue to focus on preparing for, responding to and recovering from major emergencies and disasters at the provincial and local levels.

Alberta's natural environment and culture

A clean natural environment and a vibrant cultural mosaic are other key components of ensuring a high quality of life.

This includes ensuring Alberta's natural areas remain unspoiled and protecting the quality of Alberta's air, lakes and rivers. The Alberta government will place a priority on Alberta's quality natural environment by developing a framework for maintaining its existing natural areas. The implementation of the government's new water strategy will provide for the continued high quality of Alberta's lakes, rivers and streams and will also address water conservation challenges.

Addressing climate change

The Alberta government will develop short- and long-term strategies that encourage innovative, creative solutions to take effective action on climate change and ensure a balanced and sustainable approach to growth and industrial and resource development.

Alberta's economic future

Alberta's vibrant artistic and cultural mosaic not only enriches the lives of all Albertans, it opens the doors to more international trade opportunities. The Alberta government is committed to enhancing the province's cultural diversity and recreational resources by developing a long-term strategy to assist communities to focus investment according to community priorities.

Albertans value their **personal and economic freedoms**. Over the past 10 years, the provincial government has continuously reviewed its programs, policies, regulations and legislation to make sure it is not needlessly interfering in the lives of Albertans.

The Alberta government is still dedicated to limiting the role of government. This requires a continuous commitment to review its programs and end government involvement in areas that can be better delivered by others. Government must also ensure that it does not needlessly provide services that ought to be the responsibility of individual Albertans. The Alberta government will continue to review its regulatory systems to ensure that Albertans are not over-regulated and businesses can continue to thrive. If it finds laws or rules that make no sense, it will abolish them.

CONCLUSION: BUILDING ON ALBERTANS' SELF-RELIANCE

This plan for Alberta's future is built on a truly Albertan characteristic - a dedication to strong individuals within strong communities. Certainly, it's a principle that has shaped government planning during the last decade. Over the past 10 years the Alberta government worked to reduce the role, scope, and cost of government, while building the capacity of communities to achieve their own goals. In pursuing economy, efficiency, and effectiveness some public services were privatized, for example liquor retailing, while others were opened to alternative service delivery, for example highway maintenance contracts. Individual Albertans were challenged to become independent from income support programs and communities were challenged to become more self-reliant in economic development.

Today, we know that the most aggressive pursuit to improve the economy, efficiency, and effectiveness of public programs alone, is not sufficient to assure that needed services are available. Albertans must continue to seek out the best ways to use public services and natural resources. In health, for example, Albertans have proven they're interested in improving their personal health status through better diet and more exercise. Government, working with Albertans, can help them do that while at the same time reducing pressure on the health system.

In fact, working with Albertans is essential to everything the government will do to achieve the goals laid out in this plan. The Alberta of 2025 envisioned by the government is a province built on Albertans' values - values that shaped the province through its first century.

People across Canada and around the world know what Albertans' values are. Compassion. Respect - for the rights of each Albertan, for the province's diversity, and for the natural environment. Commitment to making the province better. Helping each other out. Accountability from government. Maximizing opportunity. A pioneering and entrepreneurial spirit, with a willingness to take risks and embrace new technologies. Strong leadership - strong leaders who will listen, make decisions and take action to protect our high quality of life. And, at the heart of all these values: freedom and self-reliance, the desire to manage their own lives - the belief that people can and should determine where their lives go and how their families are to be raised.

These values and what they have helped to build are Alberta's legacy. An Alberta of the 21st century, still steeped in these values but shaped by the opportunities of tomorrow - that's Alberta's promise.