

CREATING THE NEW ALBERTA

Taking sentiment into account in an economy where people count

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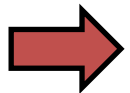
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But first – my biases



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My Evolution:

Immigrated to Edmonton, Alberta, Canada

1960-1972 Academia – College & University of Alberta

1972-1986 Government - Alberta

1987-2001 Corporate – KPMG Consulting

2001-2005 Angel Investor – Kinkaide Enterprises

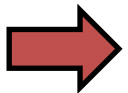
2006-2019 NGO – Alberta Council of Technologies

2019-2032 Play - Geriatric G-force

My Passions:

Change management – Personalizing systems and services

Now about Alberta



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ABOUT ALBERTA'S ECONOMY

Agriculture, Forestry, Energy (O&G)

Trucking, Rail, Pipelines

Wealth creation **\$** Wealth distribution
through

Raw carbon production and construction,
transportation and tourism, financing public
sector services of health, education and utilities

GOVERNMENT INTENSIVE

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- Alberta advantage – raw carbon resources, political stability/certainty, proximity to the US, and appeal to well-educated labor - in spite of the weather
- The PPP economic responsibility defaults to government: taxation/regulations, trade agreements, and capacity to attract corporate investment capital
- Political economic rhetoric is largely ideological – backed up by debt, stirred by crises and periodic whimsy for **diversification – such as NOW**

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Surprise! No standard measure of economic diversity.

Ralph Klein, economic surgeon, “When driven by ideology, I’ll know when to respond when I hit the bone.”

OPTION

Find or develop a measure of economic diversity for guiding development, assessing progress, and accountability to the taxpayer

“Get them by their measures and their hearts and minds will follow.”

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What is the status of Alberta's economic diversity and the capacity to change?



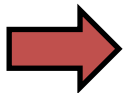
In 2015 ABCtech designed and launched a semi-annual (MAR and SEP) On-line **sentiment** survey of it's network. EDA joined in 2018. ODA *pending* for 2019.

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Survey of 7 standard questions – unchanged

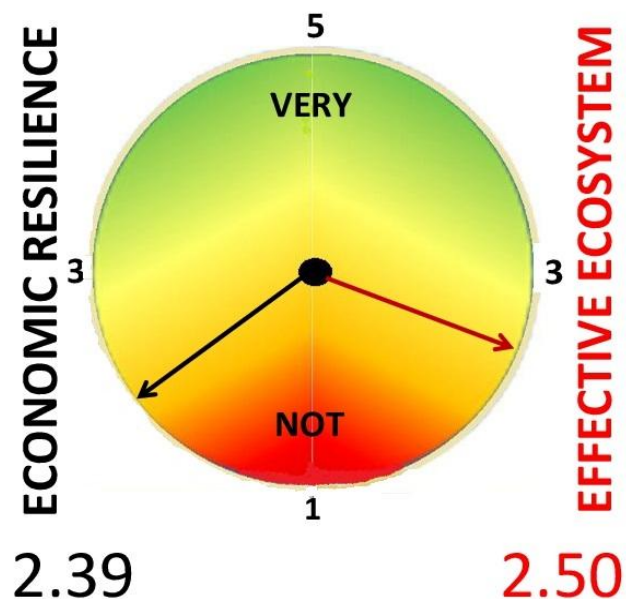
- Is the Alberta economy resilient?
- What are the most sensitive measures of resilience?
- What is your location?
- What are your industry(s) of interest?
- What is government's role in economic diversification?
- Is an innovation ecosystem needed for supporting entrepreneurs and SMEs?
- Is Alberta's innovation ecosystem effective?

What have we learned?



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THE CURRENT REALITY – Spring 2019



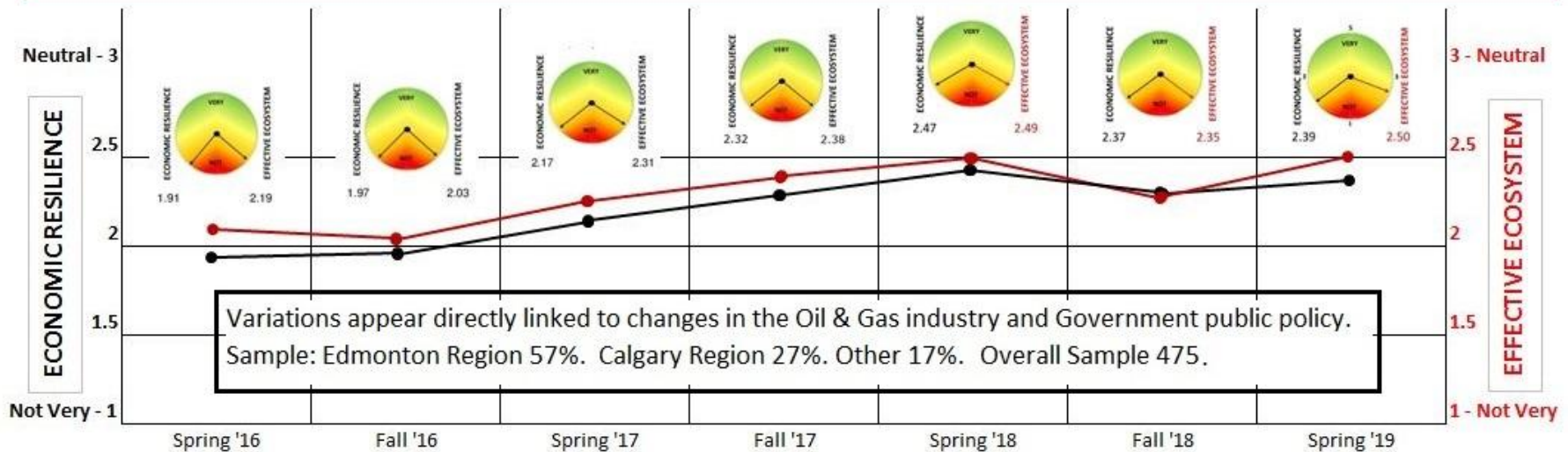
Edmonton Region	2.44	2.57
Calgary Region	2.39	2.32
Other:	2.25	2.54
North	2.10	2.50
Central	2.33	3.00
South	3.30	3.60

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Natural Resource Social Programs **Far Price** **O&G** Contracts
Market Fossil Fuels **Diversification** Innovation
Government Jobs **Oil Gas** Pipelines
Industries Service **Alberta** Tech **Resilient**
Creative **Dependent** Politics **Reliant** Future **Development**
Economic Circumstances **Strong Products**

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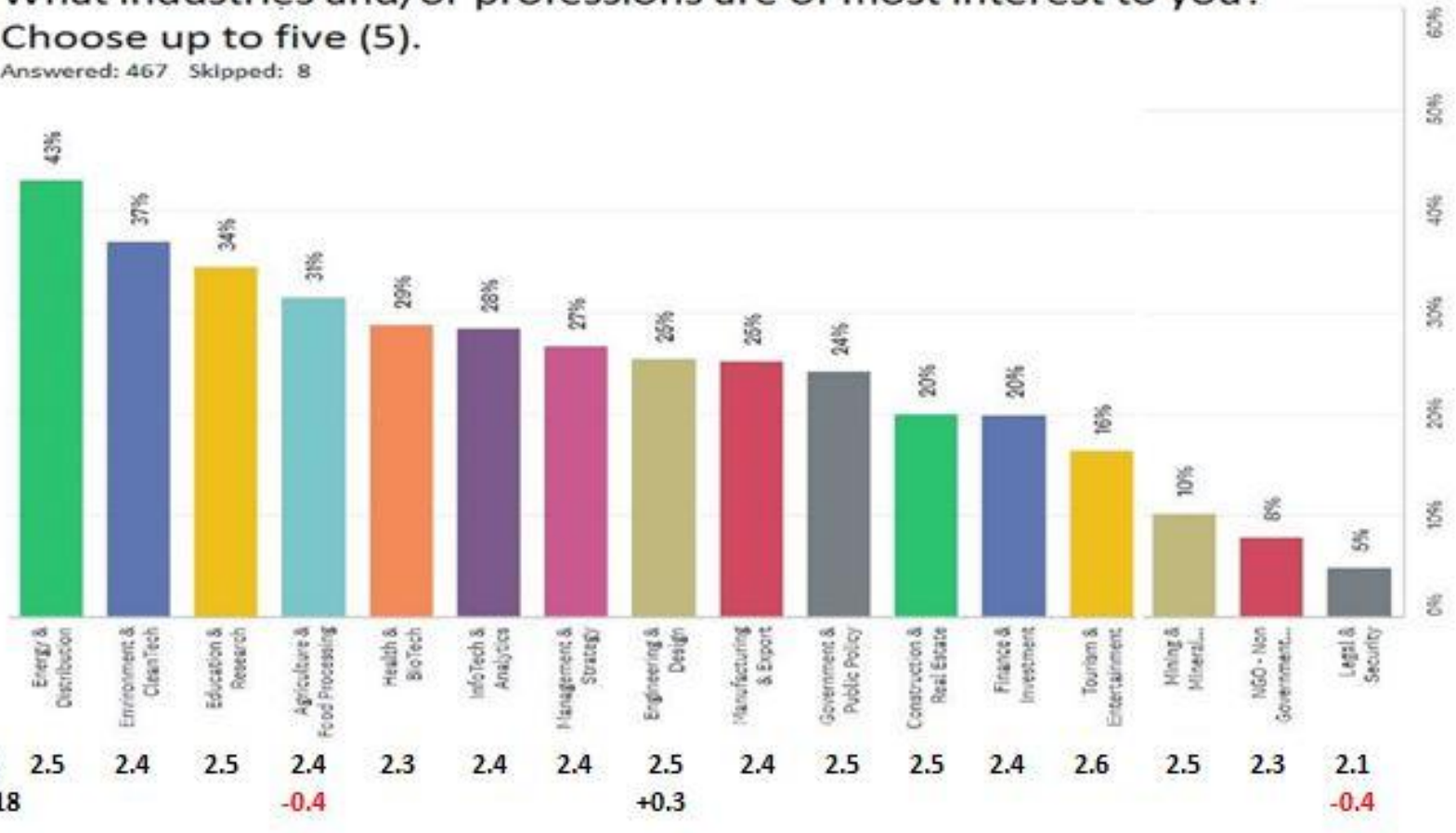
Both Economic Resilience and the associated effectiveness of Alberta's Innovation Ecosystem remain weak - well below 3.0 Neutral. Some recovery of both from the fall '18 seasonal decline.



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What industries and/or professions are of most interest to you?
Choose up to five (5).

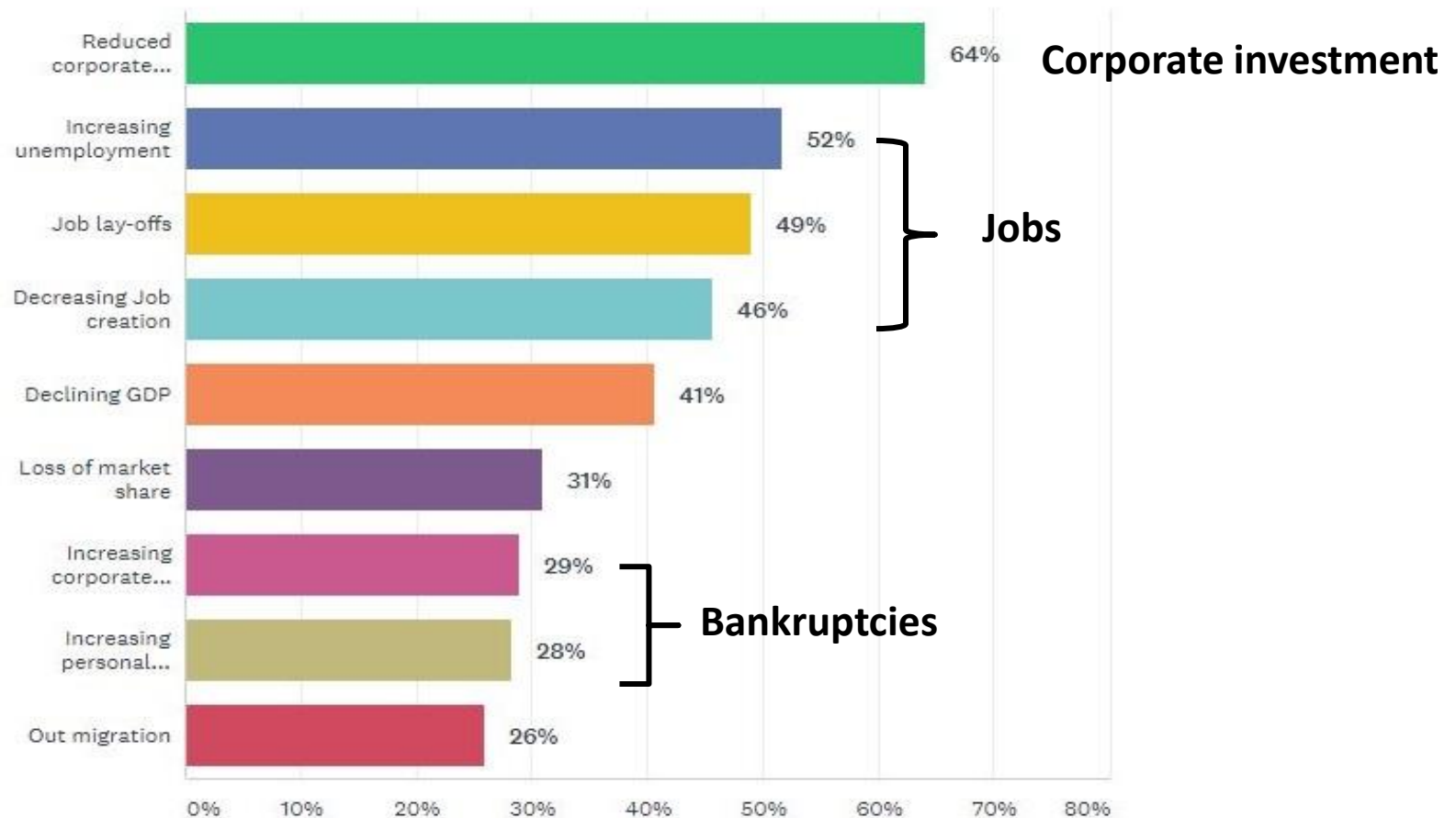
Answered: 467 Skipped: 8



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What factor(s) are the most sensitive measure(s) of the resilience of Alberta's economy?

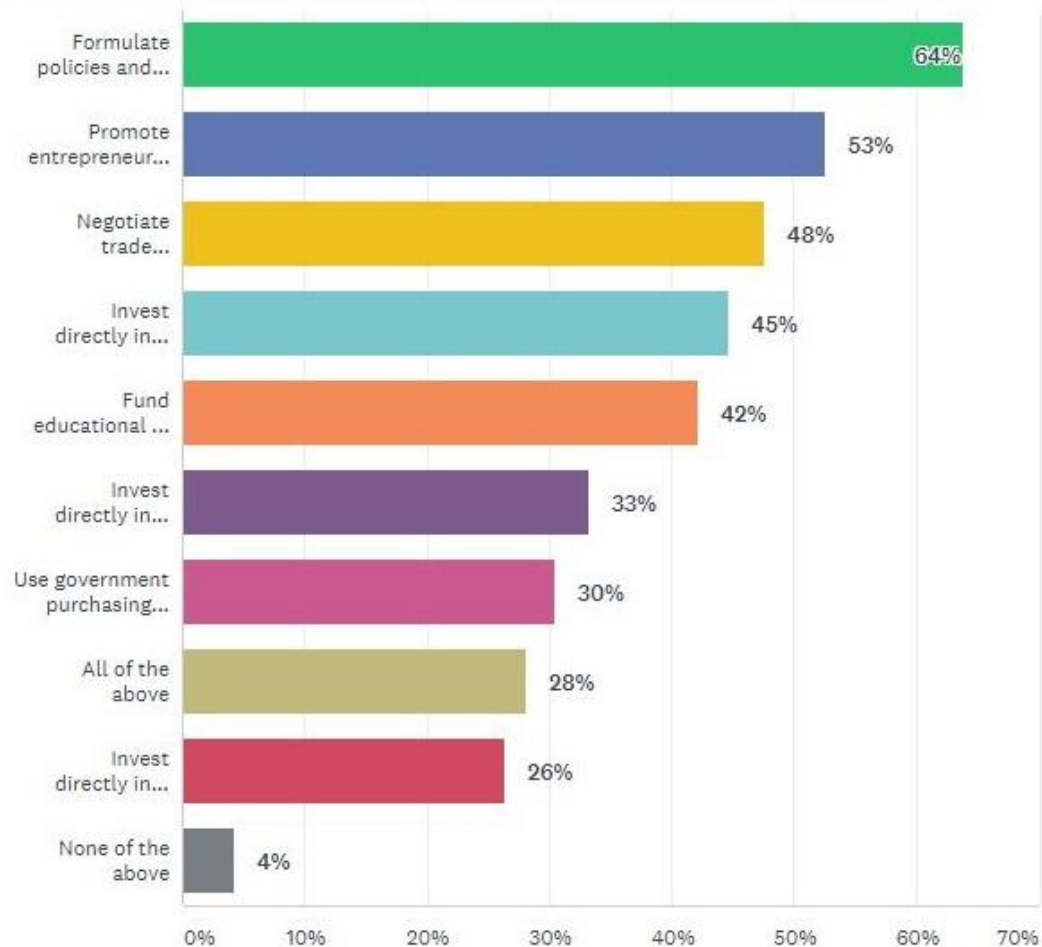
Answered: 448 Skipped: 27



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What role(s) are appropriate for government to make Alberta more resilient? Choose all that apply:

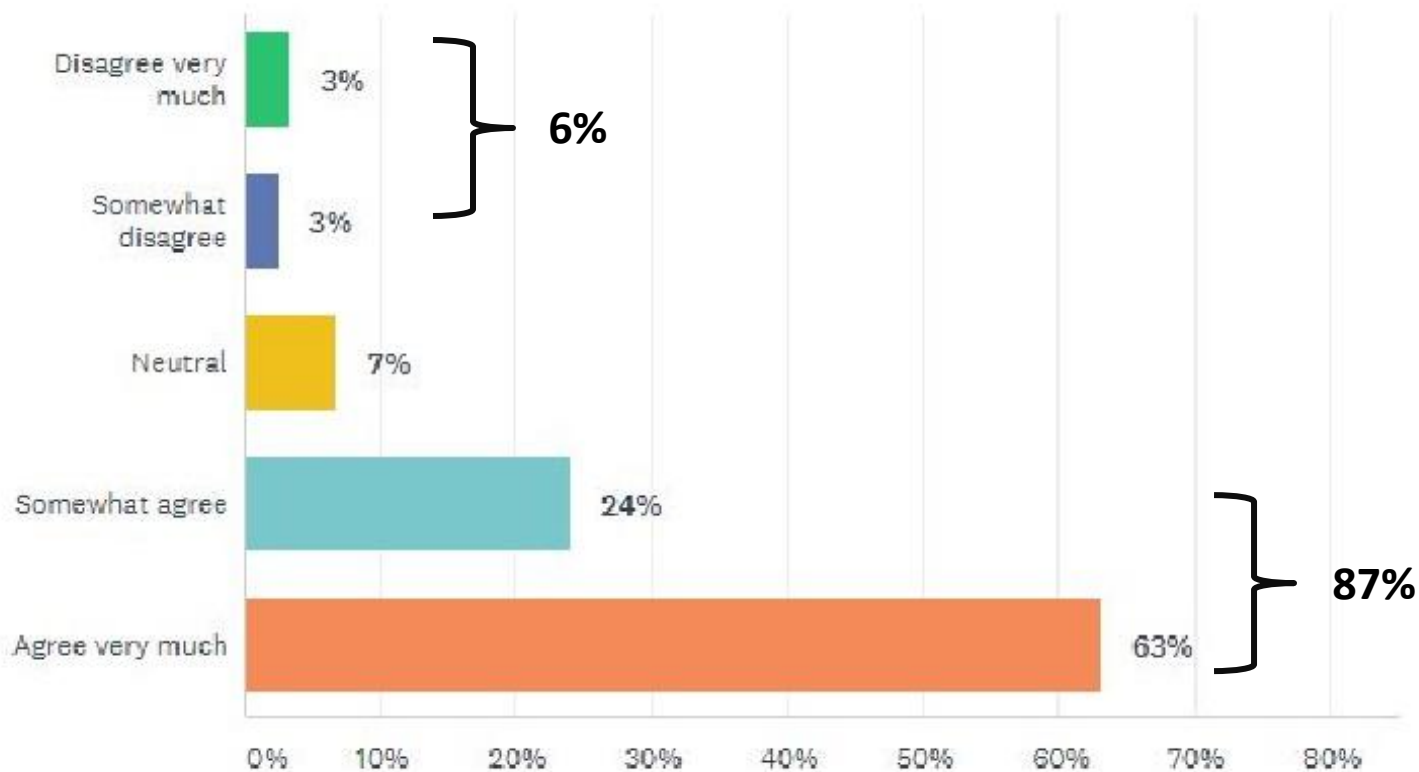
Answered: 470 Skipped: 5



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To achieve economic resilience/ diversification, Alberta needs an effective and continuously improving Innovation Ecosystem that supports the survival, growth, and retention of Alberta's entrepreneurs and SMEs. Do you agree?

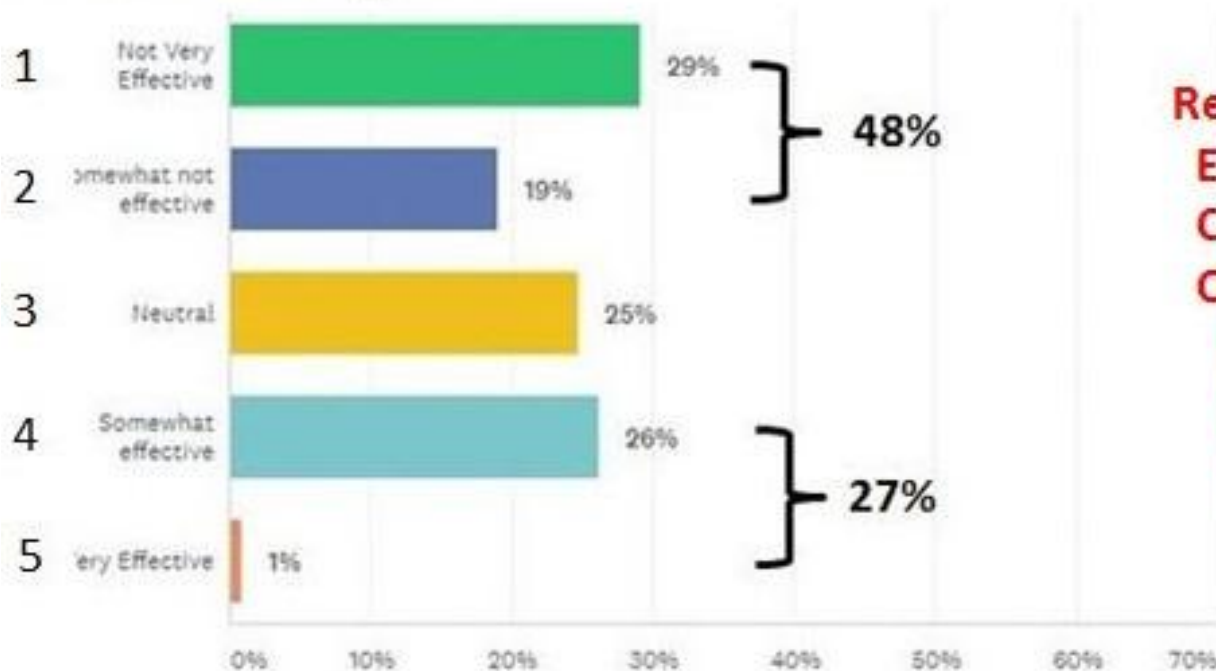
Answered: 470 Skipped: 5



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Is Alberta's Innovation Ecosystem effective in supporting the survival, growth and retention of entrepreneurs and SMEs?

Answered: 4657 Skipped: 8



Region:	<u>2.50</u>
Edmonton	2.44
Calgary	2.39
Other:	<u>2.25</u>
North	2.50
Central	3.00
South	3.60

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OVERVIEW

Alberta's economy is not diversified – overly dependent on the oil and gas and public sector services and not progressing.

WHY NOT?

Impediments for change are significant

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THE WILLED FUTURE

A diversified and demand driven economy engaged and global, nimble and market responsive, collaborative and sharing.

Where data enables service and product customization.

Accommodating emerging technologies (AI) that are rapidly automating decision-making and disrupting/ displacing the knowledge economy, e.g. personalized healthcare.

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IMPEDIMENTS/OPPORTUNITIES

SENTIMENT REVEALS

- Public sector institutional (and professional) rigidity and supply management mentality of health, education, and public utilities
- Former illusions prevail of ever-lasting prosperity - hope and euphoria
- Education and data access driving clients to become consumers. The beginning of the end of the knowledge economy
- Undervalued contribution of people and their enterprise. Witness SMEs failure (80%), to grow, to stay
- \$T intergenerational transfer languishing and public debt
- Fragmentation and sustained dependency on public grant's
- Activism among frustrated populist extremes
- Lack of vision and sustained leadership

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ACTION PLAN

Move the needle. Formula for a transition:

- Prepare the people. Targeting youth and relational skills
- Prepare the community. Networks of innovation/ creativity
- Develop the infrastructure. An innovation ecosystem

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Mobilizing the Creative Economy by bridging/ blending of arts and science, humanism and technology, markets and production.



The integration of creativity and logic, feelings and experience, are the foundations of learning, governance and commerce

			CREATIVITY – Right Brain		
			Feelings, Emotion, Imagination, Expression		
			Arts	Humanities	Markets
LOGIC – Left Brain	Experience, Numbers, Analytical, Language	Science	Education/ Learning		
		Technology		Professions/ Governance	
		Service/ Production			Business/ Commerce