



Meeting with Minister of International and Intergovernmental Relations focused on competitiveness

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Members of the Chamber's Environment and Natural Resources Committees, along with its policy team, made economic and environmental policy recommendations during a December meeting with Ron Stevens, provincial Minister of International and Intergovernmental Affairs.

"Given current economic challenges, setting the right conditions for business success is more important than ever," said Geoff Pradella, Vice President of Public and Government Affairs. "Through prudent spending, personal tax relief, and competitive environmental and research policies, Albertans will be poised to achieve this goal."

Members continued their call for a competitive royalty regime during their conversation with the Minister, and suggested the government expand its plan to promote new drilling application through transitional royalty rates, thereby promoting growth throughout the industry.

"The government should closely monitor economic trends, petroleum markets and prices, and the health of the petroleum sector at large, with a view to adjusting royalty rates quickly, and in response to evidence of further risks to Alberta's wealth creation and prosperity," said Pradella.

The Chamber expressed support for the provincial government's climate change approach, and agreed with setting emissions intensity targets and allowing the purchase offset credits within the province.

Meeting participants also discussed the importance of investment in energy research to the province's future economic success, and applauded the new \$2 billion investment in carbon capture and storage as a positive first step.

The Chamber further advised that the province raise the priority and capacity of energy research through the creation of a \$5 billion endowment, the Research in Energy Futures - Innovation and Technology (REFIT) fund.

"This would constitute a major step forward in mitigating environmental risks and unlocking untapped energy resources, thereby positioning Alberta as a global leader in carbon smart technology," said Pradella.

With turbulent markets and uncertain oil prices, the Chamber also recommended prudent saving and spending of Alberta's resource revenues.

Recommendations included:

- Setting a schedule to decrease budgeted resource revenues as a proportion of total budgeted revenues from 19 per cent (six year average) to no more than 15 per cent during the next three years; and
- Depositing the resulting 'savings' in the Heritage Savings Trust Fund.



"By 2050, the Fund would generate over \$4.3 billion in additional annual payments," said Pradella. "Almost equalling and replacing the value of current budgeted resource revenues."

The Minister shared his appreciation for the past work of the Chamber's committees and urged the organization to continue to bring forward new ideas.