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Alberta Chambers of Commerce

ALBERTA PERSPECTIVES

A REPORT TO ALBERTA CHAMBERS OF COMMERCE

ALBERTA TODAY: PUBLIC AND BUSINESS ATTITUDES TO KEY POLICY ISSUES

July 2023

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ABOUT THE RESEARCH

About the Research

OBJECTIVES

- This is the Alberta Chambers of Commerce's (ACC) fifth annual survey that includes both public and business community perspectives.
- Surveys including the public take place annually, with the first public survey held in the summer of 2019.
- This survey includes a wide variety of tracking questions that primarily explore perceptions of the province's economic situation.
- The ACC will make use of these surveys in a number of ways:
  - Use the findings to broaden and deepen the evidence the ACC and local chambers can bring forward to articulate the perspectives of the province's business community;
  - Compare and contrast the viewpoints of the public and business communities; and
  - Make the research available to individual chambers for their own use with local municipalities.

METHODOLOGY

- Utilizing the Alberta Perspectives platform, the ACC sent an invitation with a link to the online survey to all member chambers across the province. Chambers then sent this invitation to their members. Other sources were also used to survey businesses, including non chamber members.
- A total of 453 participants completed the survey through this approach. As part of the survey, those experiencing supply chain issues were also asked to complete a few additional questions related to this issue, with a further 193 answering these questions
- This large number of responses allows the ACC to speak with authority about members' views, strengthening advocacy on behalf of Alberta's business community.
- Those responding to the survey who are defined throughout the survey as businesses, self identify as either a business, a not-for-profit organization or a public sector organization.
- As in previous years, the ACC made use of an online panel of 800 members of the public, living in Alberta, who agreed to complete a survey in return for an incentive.
- The business survey took place between May 5th and June 1st, 2023.
- The public survey took place between May 30th and June 4th, 2023.

↑ Means significantly **higher** at 95% confidence level.

↓ Means significantly **lower** at 95% confidence level.

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OVERVIEW

Overview

- The significant and positive change in the economic and fiscal mood of the province continues. And appears to be leading to some shift in priorities for both businesses and the public. This year for the first-time health care has emerged as the most dominant concern among the two groups and has displaced inflation. This change of focus is also reflected by majorities of businesses and the public supporting increased spending on health care.

- At the heart of the renewed perception of prosperity is the oil and gas sector and a continuing recognition of its importance to the province. However, there is growing divide identified last year between those who seek as much oil and gas extraction as possible and those who seek to limit extraction. This issue is likely to become more divisive in future as it appears that there are a growing number supporting limiting extraction and especially among younger Albertans. This group, among both business and the public, are especially likely to support diversifying the economy as a major priority. However, support for diversification also hinges on positive perceptions of the prosperity of the O/G sector. This year has seen a weakening among both business and the public overall in this priority, but it remains a key priority.

- Perceptions, among businesses about the province's financial situation are at their highest level since we began surveying in 2019, although there are still concerns these have been declining. These more positive perceptions appear linked to higher support among business for increased health care spending and spending on public schools, this is tempered by a continuing desire to pay down the provincial debt and balance the budget.

Overview

- Among the public, there is support for increased spending in terms of O/G royalties and less focus on paying down the debt and a balanced budget. At the same time, aside from more spending on health care, the demand for more spending on programs like public schools or post secondary education has not climbed significantly. This suggests that while there may be some willingness for more public spending, aside from health care, it has not really materialized in a specific type of spending. This may suggest that, aside from health care, there is some satisfaction with the current state of provincial spending.

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KEY FINDINGS

Key Findings

1

THE PUBLIC AND BUSINESS ARE ALIGNED THAT THE PROVINCE'S HEALTH CARE SYSTEM IS THE MOST IMPORTANT ISSUE TO DEAL WITH

There has been a shift from inflation to healthcare among business, with one-in-five (21%) citing health care with inflation declining to 11%.

Although inflation continues to be a significant concern for the public, access/quality of the health care system increased significantly again this wave surpassing inflation.

This concern is confirmed by the fact that majorities of the public and businesses now support increasing spending in health care. For business, this is the first year a majority have supported increased spending.

2

THE POSITIVE ATTITUDES ABOUT THE PROVINCE'S LONG-TERM FUTURE AMONG BOTH BUSINESS AND THE PUBLIC REPORTED LAST YEAR HAVE BEEN MAINTAINED THIS YEAR.

Business continue to have a more positive sense than the public, with a 10-point different this year.

In fact, it appears that the public and the business community are starting to diverge over their view related to the province's long-term future.

This gap may reflect a different perspective: employers focusing on how their business is doing and the public still concerned with inflation and the cost of living, which may impact their sense of optimism.

Key Findings

3

LARGE MAJORITIES BELIEVE THE OIL AND GAS SECTOR IS 'VITALLY/VERY' IMPORTANT TO THE ALBERTA ECONOMY AND FEW BELIEVE IT WILL BE LESS IMPORTANT OVER THE NEXT FEW YEARS.

In all, 84% of businesses and 75% of the public say it is vitally/very important.

The public continues to lag business in the extent to which they believe the sector is seen as 'vitally' important.

That said, the expectation among a strong majority of both employers (79%) and the public (77%) is that the industry 'will be more important/will continue to be as important' over the next few years. Among the public, the proportion believing the industry will be 'less important' has been trending down since 2021 to only 16% in 2023.

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HOWEVER, THERE ARE INCREASING CHALLENGES TO THE SECTOR COMING FROM THOSE CONCERNED WITH CLIMATE CHANGE ISSUES.

When offered two positions on oil and gas extraction, by wide margins, there is continued support for extracting as much oil and gas as possible in order to realize the economic benefits, as opposed to reducing oil and gas extraction.

However, among both business and the public, the proportion with the point of view that the province should extract as much as it can has declined compared to a year ago.

And, there tends to be a divide with the urban areas of Edmonton and Calgary more supportive of reducing the amount extracted than other regions, as well as by age with residents under the age of 55 more supportive than those aged 55+.

Key Findings

5

PERCEPTIONS REGARDING ALBERTA'S FINANCES CONTINUE TO IMPROVE.

While few say 'excellent', those describing the province's financial situation as at least 'fair' continues to trend upward, with 87% among businesses and 78% among the public reporting this.

While more optimistic about the province's financial situation, large majorities in both groups continue to express some level of concern about the state of the province's finances (although there were directional declines measured among business this wave).

This concern is likely driven by their experiences over the last five years of shifts in the province's finances and a recognition that this is largely driven by the fortunes of the oil and gas sector.

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WHEN ASKED TO SELECT JUST ONE PRIORITY THE TWO GROUPS AGREE THAT DIVERSIFYING THE ECONOMY AND REDUCING TAXES ARE THE MOST IMPORTANT

However, when asked about their priorities in general, rather than just one, the top priorities of business are encouraging businesses/public to shop locally and attracting investments from outside the province; followed by strengthening local supply chains and diversifying the province's economy.

Among the public, diversifying the province's economy is followed by reducing taxes, attracting investments from outside the province, balancing the provincial budget, and reducing the provincial debt.

When priorities relating to government finances, are combined (balancing the budget, reducing debt and saving oil royalties) the combined percentages for both groups approach the level of focus on other top priorities.

Key Findings

7 WHILE PAYING DOWN THE PROVINCIAL DEBT REMAINS AN IMPORTANT PRIORITY, OTHERS ARE NOW EMERGING.

However, business and the public are diverging on what to do with O/G revenues. For the public there has been a substantial increase in investing in infrastructure, reducing taxes and increased spending on public services.

While for businesses there is far less volatility in priorities.

Support continues to trend up for increased spending for health care, the public school system and, to a lesser extent, the post-secondary education system.

Support for spending on economic development continues to be a priority for both business and the public, with results remaining stable since 2020.

8 BOTH BUSINESS (92%) AND THE PUBLIC (85%) CONTINUE TO REPORT THAT INFLATION IS HAVING AN IMPACT ON THEIR BUSINESS/HOUSEHOLD.

Again, businesses (57%) are more likely to indicate they are impacted ‘greatly’ than the public (38%). Importantly, among the public, the extent of the impact of inflation has declined.

Among businesses that report inflation is ‘greatly’ or ‘somewhat’ impacting them, there has been an increase in the proportion citing the range of inputs required to run their business as being the most important way inflation is causing an impact, with half (48%) saying ‘all of these’ in 2023.

For business this suggest that inflation is having a broader impact and impacting more areas of their business than when it first emerged.

Key Findings

9

CONCERNS ABOUT THE COST OF ENERGY AMONG BUSINESSES REMAINS HIGH AND RESULTS IN A DEMAND FOR MORE COMPETITION.

While the level of concern surrounding the rising costs of energy has dropped somewhat from the high of last year, concern remains high with an uptick this year to 57% ‘very’ concerned about the cost of electricity to their business.

Similar to last year, half (48%) of businesses are ‘very’ concerned about the cost of natural gas.

Overall, almost all businesses (94%) believe that it is important that the province pursue all options to increase market competition in the supply of electricity to reduce the cost to their organization, with 68% reporting this is ‘very’ important.

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WHILE SUPPLY CHAIN DISRUPTION APPEARS TO BE LESSENING, 64% OF BUSINESSES REPORT THIS ISSUE IS STILL ‘GREATLY/SOMEWHAT’ IMPACTING THEIR BUSINESS.

Importantly, those being impacted by supply chain disruption are now more likely to be struggling to find local suppliers (up 17-points compared to a year ago).

There are no significant differences for business demographics in terms of struggling to find local suppliers.

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DETAILED FINDINGS

- Economic Outlook and Expectations
- What Are The Issues?
- How Are Issues To Be Resolved?
- Who Can Resolve Issues?
- Supply Chain Ombudsman

There has been a dramatic shift in the major concern of business over the past year moving from inflation to access/quality of the health care system. Although inflation continues to be a significant concern for the public, access/quality of the health care system increased significantly again this wave surpassing inflation.

- While level of concern for inflation is similar, there is higher intensity among businesses that are members of a chamber of commerce (23%) for health care compared to those who are not a member (13%).
- Among the public, those aged 18-34 cite inflation as the most important issue, while those aged 35+ are most concerned about the health care system.

BUSINESS

	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Ensuring access to, and the quality of, our health care system	8%	4%	4%	12% ↑	21%↑
Inflation	-	-	-	25%	11%↓
Exporting Alberta's oil and gas (gas added Jul'22)	26%	23%	11%↓	11%	11%
Negative attitudes towards the oil and gas industry	-	-	11%	9%	11%
The provincial economy	28%	32%	28%	8% ↓	9%
Climate change/global warming	8%	2%	4%	3%	7%↑
Utility costs	-	-	-	-	4%
Relations with the federal government	1%	3%	3%	5%	3%
Ensuring access to, and the quality of, our education system	6%	4%	3%	4%	3%
The provincial deficit and debt	5%	5%	8%	3%	3%
The level of taxes	4%	3%	3%	3%	3%
Interests rates	-	-	-	3%	3%
Controlling provincial government spending	4%	2%	3%	2%	3%
Regulatory burden on business	4%	4%	4%	3%	2%
Continued development of coal resources	-	-	<1%	1%	1%
Unemployment	3%	8%	3%	1%	-
Other	3%	4%	10%	8%	8%

PUBLIC

	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Ensuring access to, and the quality of, our health care system	12%	9%	13%	22% ↑	29%↑
Inflation	-	-	-	24%	21%
The provincial economy	24%	25%	20%	7% ↓	9%
Exporting Alberta's oil and gas (gas added Jul'22)	26%	17%	12%	7%	5%
Negative attitudes towards the oil and gas industry	-	-	-	7%	5%
Climate change/global warming	7%	3%	6%	5%	5%
Unemployment	9%	11%	10%	4%	4%
The level of taxes	5%	2%	4%	4%	4%
Interest rates	-	-	-	3%	4%
Ensuring access to, and the quality of, our education system	3%	5%	6%	3%	3%
Relations with the federal government	2%	2%	3%	3%	3%
The provincial deficit and debt	4%	6%	10%	2% ↓	2%
Controlling provincial government spending	3%	3%	3%	2%	1%
Continued development of Alberta's coal resources	-	-	-	1%	1%
Regulatory burden on business	1%	<1%	1%	<1%	<1%
Other	3%	4%	4%	5%	4%

Q1. (B) Which of the following do you believe to be the most important issue facing Alberta, that is the one you are personally most concerned about?
(P) Which of the following do you believe to be the most important issue facing Alberta, that is the one you are personally most concerned about? (previous phrasing) Which of the following do you believe to be the most important issue facing Alberta, that is the one about which you are most concerned?

Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

The positive attitudes about the province's long-term future among business and the public reported last year have been maintained this year, although businesses responses are down slightly from six months previously. Business continue to have a more positive sense than the public, with a 10-point difference in May 2023.

- The public and businesses views on the future have been diverging for the past year and now show a 10% gap.
- This gap may reflect a different perspective: employers focusing on how their business is doing and the public still concerned with inflation and the cost of living, which may impact their sense of optimism.

	BUSINESS											PUBLIC						
	Jul '19	Nov '19	Jul '20	Nov '20	Mar '21	Jul '21	Nov '21	Jul '22	Nov '22	May '23	NET Change Jul'22 – May'23	Jul '19	Jul '20	Jul '21	Mar '22	Jul '22	May '23	NET Change Jul'22 – May'23
TOTAL POSITIVE	62%	42%	36%	41%	53%	44%	43%	59%	68%	61%	+2	57%	42%	44%	64%	52%	51%	-1
Very positive	10%	6%	3%	5%	8%	5%	7%	10%	13%	11%	+1	8%	5%	6%	14%	8%	9%	+1
Somewhat positive	52%	36%	33%	36%	45%	40%	36%	49%	55%	50%	+1	49%	37%	38%	50%	44%	42%	-2
Somewhat negative	27%	36%	43%	37%	32%	38%	32%	29%	22%	30%	+1	30%	36%	36%	20%	29%	29%	0
Very negative	6%	18%	17%	20%	12%	14%	23%	9%	7%	4%	-5	6%	15%	14%	7%	11%	12%	+1
TOTAL NEGATIVE	33%	54%	60%	57%	44	52%	55%	39%	29%	35%	-4	36%	51%	49%	28%	40%	41%	+1
Don't know/not sure	5%	4%	3%	2%	3%	4%	2%	3%	4%	4%	+1	7%	7%	6%	8%	8%	8%	0

Women (41%) are far less likely than men (62%) to say the long-term future is positive

Q2. Overall, how do you feel about the long-term future of the province?

Base: Total sample Business: Jul'19 n=714, Nov'19 n=1028, March'20 n=353, Jul'20 n=502, Nov'20 n=847, Jul'21 n=613, Nov'21 n=359, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Mar'22 n=800, Jul'22 n=800, May'23 n=804

The proportion believing the oil and gas sector is 'vitally/very' important to Alberta's economy remains high among both businesses and the public, although over the past two years businesses and the public have diverged, with the public being somewhat less convinced of the industries importance.

- The public continues to lag business in the extent to which they believe the sector is seen as 'vitally' important. This is in large part linked to attitudes toward O/G extraction; among those wanting less extraction only 12% say the sector is vitally important compared with 52% among those supporting as much extraction as possible.
- Businesses and the public living in the northern part of the province compared with the southern region are far more likely to say the industry is vitally/very important: business – 93% in north and 77% in south; public – 91% in north and 75% in south.

Importance of Industry for Province's Economy

	BUSINESS					PUBLIC				
	Jul '19	Jul '20	Jul '21	Jul '22	May'23	Jul '19	Jul '20	Jul '21	Jul '22	May'23
TOTAL VITALLY/VERY IMPORTANT	89%	82%	82%	88%	84%	88%	82%	76%	82%	75%↓
Vitally important	59%	60%	51%	60%	53%↓	52%	43%	36%	41%	36%↓
Very important	30%	22%	30%	28%	30%	36%	39%	39%	41%	39%
Somewhat important	9%	14%	13%	8%	10%	10%	15%	19%	13%	18%↑
Not too important	1%	3%	4%	2%	6%	1%	2%	3%	2%	1%
Not at all important	1%	1%	1%	2%	<1%	<1%	<1%	1%	1%	2%
TOTAL NOT TOO/NOT AT ALL IMPORTANT	2%	4%	5%	4%	6%	1%	2%	4%	3%	3%
Don't know	-	-	-	<1%	-	1%	1%	1%	1%	4%

Q8. How important is the oil and gas industry for the province's economy?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

The majority of both businesses (79%) and the public (77%) continue to believe that the oil and gas industry will either become more important in future or continue to be as important as it is today.

- Of note, among both groups, the proportion believing the industry will be ‘less important’ has been trending down since 2021. The increases in 2020 and 2021 were likely a result of lower oil prices and the return to higher prices has again reinforced the importance of the industry to the province’s economy.
- The pairing of the fortunes of the oil and gas industry with perceptions the province’s economic wellbeing is illustrated by the fact that among the public who say they are very positive about the province’s future 55% say the O/G sector will be more important in future compared 14% saying this among those who say they are not too or not at all positive.
- However, attitudes to the extent to which O/G should continue to be extracted at current or increased levels has led to very divergent views of the importance of the sector in future. Among businesses, among those supporting extracting as much as possible, only 3% say the sector will be less important while among those seeking to reduce extraction, 71% say it will be less important.

Expectations as to Continued Importance of Industry

	BUSINESS					PUBLIC				
	Jul ’19	Jul ’20	Jul ’21	Jul ’22	May '23	Jul ’19	Jul ’20	Jul ’21	Jul ’22	May '23
Will be more important	24%	23%	21%	27%	25%	22%	17%	12%	21%	20% ↓
Will continue to be as important as it is today	60%	51%	53%	55%	54%	59%	51%	48%	55%	57%
Will be less important	16%	25%	26%	17%	19%	16%	30%	37%	20%	16%
Don't know/not sure	<1%	1%	<1%	1%	1%	3%	3%	3%	5%	7%

Q9. Over the next few years, what are your expectations for the importance of the oil and gas industry for the province’s economy. (In 2019 the question was slightly different: Overall, what are your expectations over the next few years regarding the importance of the oil and gas industry?)

Base: Business: Jul’19 n=714, Jul’20 n=502, Jul’21 n=613, Jul’22 n=564, May'23 n=453; Public: Jul’19 n=834, Jul’20 n=800, Jul’21 n=801, Jul’22 n=800, May'23 n=804

When offered two positions on oil and gas extraction, by wide margins, there is continued support for extracting as much oil and gas as possible in order to realize the economic benefits, as opposed to reducing oil and gas extraction.

- However, among both business and the public, the proportion with the point of view that the province should extract as much as it can has declined compared to a year ago.
- The top priorities for the royalties among businesses supporting reduced extraction are investing in renewable energy infrastructure and increased spending on public services. Those supporting extracting as much as possible prioritize reducing taxes and paying down the provincial debt.

	BUSINESS		PUBLIC	
	Jul ’22	May '23	Jul ’22	May '23
That the province should extract as much oil and gas as it can sell to ensure that the economic benefits are realized, even if this means it will take longer to reach carbon neutrality.	84%	**75%** ↓	69%	**62%** ↓
That the amount of oil and gas extracted in Alberta should be reduced over the next few years, despite the economic cost, to help Canada reach its carbon neutral targets.	16%	**25%** ↑	31%	**38%** ↑

- Younger Albertans tend to be more supportive of reducing the amount extracted over the next few years: 18-34 (50%↑); 35-54 (40%); 55-64 (23%↓); 65+ (27%↓).
- Regionally, this view is stronger in the cities of Calgary and Edmonton: Calgary (45%↑); Edmonton (42%↑); South (26%); Central (32%); North/Mountain Parks (26%).
- Women (46%↑) are more likely to have this POV than men (30%).

Q10(B) Q10(P). There has been discussion in the media about oil and gas extraction in Alberta with two primary narratives: Which one best reflects your point of view? (P) which one of the options below best reflects your view?

Base: Business: Jul’22 n=564, May'23 n=453; Public: Jul’22 n=800, May'23 n=804 (excluding don’t know/not sure)

Perceptions regarding Alberta's finances continue to improve. While few say 'excellent', those describing the province's financial situation as 'excellent/good/fair' continues to trend upward to 87% of employers and 78% of the public.

- Among the public, women (29%) are far less positive than men (50%) in believing the provinces financial situation is excellent/good.

Perception of Alberta's Financial Situation

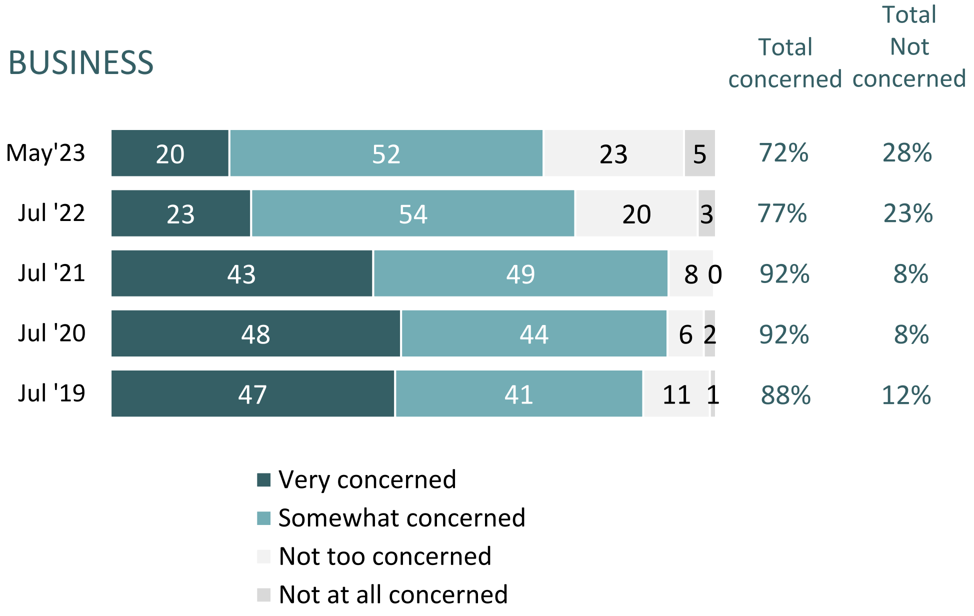
	BUSINESS					PUBLIC					
	Jul '19	**Jul '20**	**Jul '21**	**Jul '22**	**May '23**	**Jul '19**	**Jul '20**	**Jul '21**	**Mar'22**	**Jul '22**	**May '23**
TOTAL EXCELLENT/GOOD/FAIR	47%	31%	34%	76%↑	87%↑	54%	46%	42%	68%↑	75%↑	78%
Excellent	1%	-	<1%	5%↑	7%	0%	<1	<1	5%↑	5%	4%
Good	10%	5%	5%	28%↑	42%↑	13%	7%	7%	23%↑	32%↑	35%
Fair	36%	26%	29%	43%↑	38%	41%	38%	35%	40%↑	38%	39%
Poor	35%	45%	39%	15%↓	10%↓	32%	36%	36%	19%↓	15%↓	12%
Very poor	16%	23%	24%	5%↓	2%	12%	15%	17%	7%↓	5%	4%
TOTAL POOR/VERY POOR	51%	68%	62%	20%↓	12%↓	44%	51%	54%	26%↓	20%↓	16%↓
Don't know/not sure	2%	1%	3%	3%	1%	2%	4%	4%	5%	5%	5%

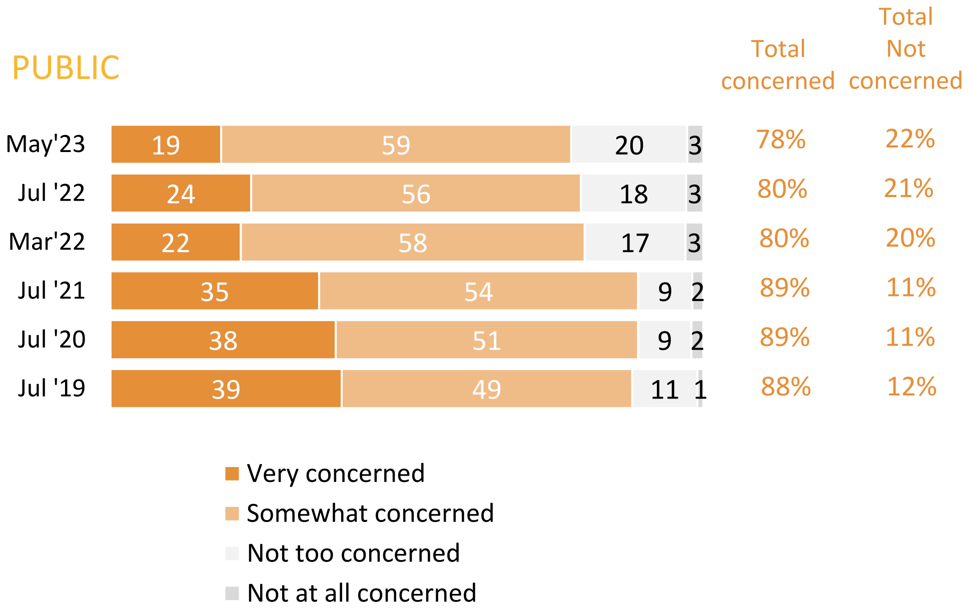
Q13(B) Q13(P). Overall, how would you describe the province's financial situation?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Mar'22 n=800 Jul'22 n=800, May'23 n=804

While more optimistic about the province's financial situation, large majorities in both groups continue to express concern about the state of the province's finances, although these have declined significantly since 2021.

- Among the public, there are clear links between perceptions of the province's finances and their concerns over inflation. Among those who are greatly concerned with the impact of inflation on their households, 85% say they are very/somewhat concerned about the province's finances.

Level of Concern about Alberta's Finances





Q14(B) Q14(P). How concerned are you about the state of the province's finances?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Mar'22 n=800, Jul'22 n=800, May'23 n=804

Almost all continue to report that inflation is having an impact on their business/household, with business (57%) again more likely to indicate 'greatly' than the public (38%). Importantly, among the public, the extent of the impact has declined somewhat.

- While the tourism sector, relative to others sectors continues to report being more 'greatly' affected by inflation, there was a decline since July 2022 (71% and 80%, respectively, saying greatly/somewhat.).

	BUSINESS		PUBLIC	
	Jul '22	**May'23**	**Jul '22**	**May'23**
TOTAL GREATLY/SOMEWHAT	93%	**92%**	89%	**85%** ↓
Greatly	60%	**57%**	44%	**38%** ↓
Somewhat	34%	**35%**	45%	**48%**
Not too much	4%	**6%**	8%	**12%** ↑
Not at all	1%	**1%**	1%	**1%**
TOTAL NOT TOO MUCH/NOT AT ALL	5%	**7%**	9%	**13%** ↑
Don't know/not sure	1%	**<1%**	2%	**2%**

- Aged 65 years + (30%)
- Household income $100K + (27%), <$50K (50%)
- University (30%); high school (44%)
- Oil/gas industry vitally important (47%)
- Limit oil/gas extraction (32%)

Q6(B) Q6(P). To what extent, if at all, is inflation impacting your business? (P) To what extent, if at all, is inflation impacting your household?
Base: Business: Jul'22 n=564, May'23 n=453; Public: Jul'22 n=800, May'23 n=804

Among businesses that report inflation is ‘greatly’ or ‘somewhat’ impacting them, there has been an increase in the proportion citing all the factors listed to run their business as having an important impact and with half (48%) now saying ‘all of these.’

- However, significantly fewer businesses now say the cost of materials is the most important way.
- Among the public, there was a decline in the importance of the ‘cost of household items/groceries’ and ‘all of these’.
- About one-in-ten business (8%) or the public (14%) cite utility costs.

BUSINESS

	Jul ‘22	May '23
Staff pressuring for wage increases	10%	11%
Cost of materials	23%	10%↓
Customers buying less	12%	9%
Utility costs*	-	8%
Unable to increase prices	4%	5%
Difficulty hiring staff	5%	4%
All of these	40%	48%↑
Other	3%	4%
Don’t know/not sure	2%	<1%

- Among businesses of 50 or more 23% report staff pressuring for wage increases
- Smaller businesses (10 or fewer staff) are more likely to cite utility costs (11%)

PUBLIC

	Jul ‘22	May '23
Cost of household items/groceries	47%	36%↓
Utility costs*	-	14%
Harder to make ends meet	10%	11%
Buying fewer things	2%	5%
Going out less	3%	3%
Driving less	2%	1%
All of these	35%	26%↓
Other	2%	1%
Don’t know/not sure	1%	<1%

- Age: 18-34 (10%), 35-54 (14%), 55-64 (20%), 65+ (17%)
- Household income: <$50K (10%), $50K-$99,999 (12%), $100K-$149,999 (19%↑), $150K+ (22%↑)

Q7(B) Q7(P). Which of the following is the most important way inflation is impacting your business? Please check one only (P) Which of the following is the most important way inflation is impacting your household? Please check one only

Base: Greatly/Somewhat inflation impacting Business: Jul’22 n=526, May'23 n=419; Public: Jul’22 n=715, May'23 n=687

* Added in 2023

5

DETAILED FINDINGS

- Economic Outlook and Expectations
- What Are The Issues?
- How Are Issues To Be Resolved?
- Who Can Resolve Issues?
- Supply Chain Ombudsman

Paying down the provincial debt is the most important priority for both business (51%) and the public (45%) with similar proportions of the public also ranking reducing taxes (43%) and investing in infrastructure (40%) as top priorities.

- Asked in 2023, one-quarter (24%) of businesses would like these resources invested in renewable energy infrastructure. New businesses place a higher priority on investing in this area (<6 years 49%; 6-10 years 39%; 11-20 years 24%; 21+ years 18%).
- The decline in some spending areas for business is in part a result of a new priority being added this year (energy infrastructure) and respondents still being asked to select two priorities. Given this, the fact that save the money and increase spending on public services have remained stable suggest these remain priorities of some importance for business.

	BUSINESS		PUBLIC	
	Jul ’22	May '23	Jul ’22	May'23
Pay down provincial debt	60%	**51%**	48%	**45%**
Invest in infrastructure	51%	**37%**	32%	**40%** ↑
Save them (e.g. Heritage Fund)	34%	**35%**	25%	**25%**
Reduce taxes	35%	**27%**	30%	**43%** ↑
Increase spending on public services	22%	**25%**	23%	**36%** ↑
Invest in renewable energy infrastructure	-	**24%**	-	-
Don’t know	-	-	7%	**6%**

Among the public:
- Regionally, paying down the provincial debt is lowest in Edmonton and Calgary.
- Those aged 65+ (38%) are more likely to prioritize saving them compared to younger residents.
- Men are more strongly focused on paying the debt than women (51% and 39%), while the reverse is true for increasing spending on public services (31% and 41%).
- Those in favour of less oil extraction are also more likely to want infrastructure spending (46%) and spending on public services (50%) than debt payment (30%).
- Those in favour of expanding oil and gas production are more likely to prioritize paying down the debt (53%) and reducing taxes (49%).

Q16(B) Q16(P). Oil and gas royalty revenues for the province have increased significantly in recent months. Which of the following options are your top priorities for what the province should do with these non-renewable resource revenues? (Please rank two options)

Base: Business: Jul’22 n=564, May'23 n=453; Public: Jul’22 n=800, May'23 n=804

Large majorities of both business (82%) and the public (75%) report that it is ‘very/somewhat’ important to them that the provincial government deliver balanced budgets. The proportion of businesses saying it is ‘very’ important (42%) increased in 2023.

- Among businesses, those in the private sector are significantly more likely to say this is important that those in the public/not for profit sector (85% and 75%, respectively).

	BUSINESS		PUBLIC	
	Jul ’22	**May '23**	**Jul ’22**	**May'23**
TOTAL VERY/SOMEWHAT IMPORTANT	80%	**82%**	77%	**75%**
Very important	35%	**42%** ↑	34%	**30%**
Somewhat important	45%	**40%**	43%	**46%**
Not too important	13%	**12%**	15%	**15%**
Not at all important	6%	**5%**	6%	**4%**
TOTAL NOT TOO/NOT AT ALL IMPORTANT	19%	**17%**	21%	**20%**
Don’t know/not sure	1%	**<1%**	3%	**5%**

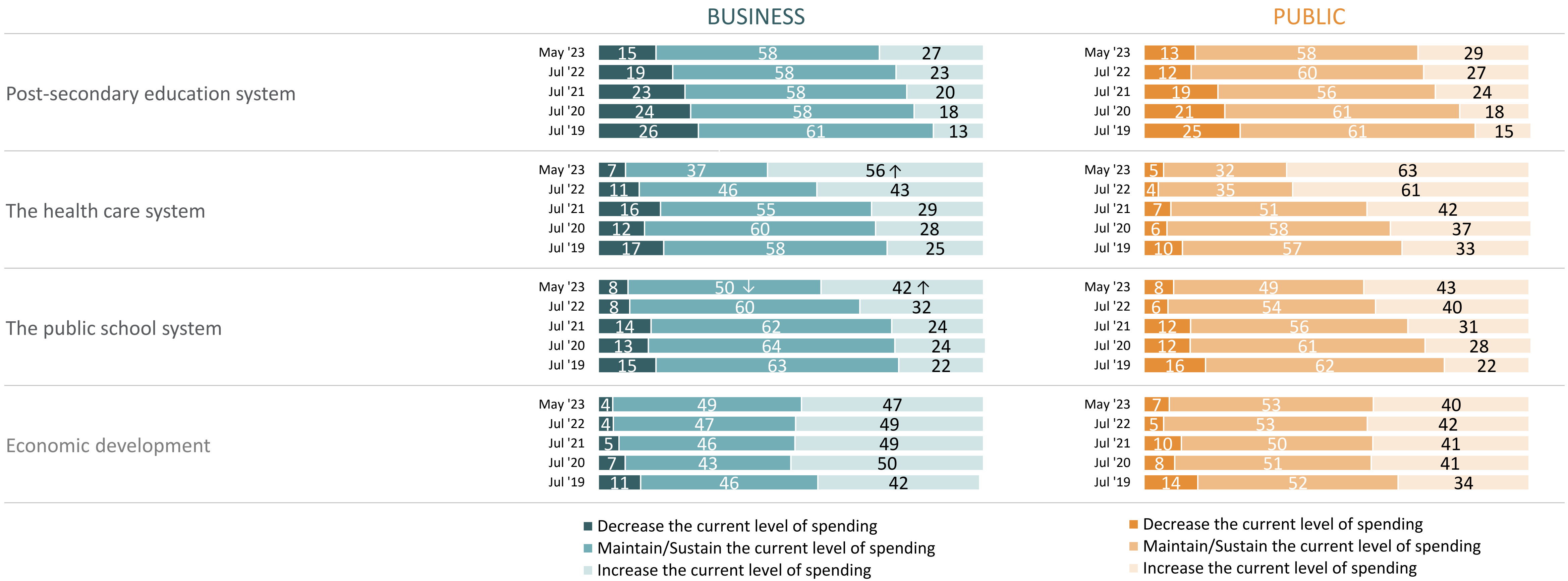
- Age: 18-34 (71%), 35-54 (72%), 55-64 (88%↑), 65+ (81%↑)
- Pro O/G extraction (84%↑) ; should be reduced (61%)

Q15(B) Q15(P). How important is it to you that the provincial government deliver balanced budgets? (Previously) How important is it to you that the provincial government achieve balanced budgets as soon as possible?

Base: Business: Jul’22 n=564, May'23 n=453; Public: Jul’22 n=800, May'23 n=804

For both businesses and the public, support continues to trend up for increased spending for health care, the public school system and, to a lesser extent, the post-secondary education system. Majorities of both businesses and the public now want increased spending on health care.

- Support for spending on economic development continues to be a priority for both business and the public, with results remaining stable since 2020.
- Among the public, support for an increase in spending for the health care system is similar across all age groups.
- There are similar levels of support for increased spending on economic development among businesses in both the private (47%) and public/not-for-profit (48%) sectors.



Q18 (B) Q18 (P). What do you think is the appropriate action for government spending on each of the following priorities? (previous phrasing) For the following priorities, what level of government spending do you prefer?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

There continues to be limited support for tax increases of almost all kinds. The exception remains increasing corporate taxes as a favoured public option (although a decline was measured among the public in 2023). The acceptance level for all other options is at 30% or below.

- Support among business for increasing or introducing user fees continued to trend down this wave.
- Among the public, support for these tax increases/new taxes is lowest in South, Central, and North/Mountain. As well, support declines among those aged 55+. And, with the exception of user fees, those that believe oil extraction should be reduced are more supportive of these changes.

Among businesses, those with 200 or more employees show the highest levels of support for corporate tax increases (59%) or introducing a provincial sales tax (43%).

% Very acceptable/Somewhat acceptable

	BUSINESS TOP 2 BOX					PUBLIC TOP 2 BOX				
	Jul '19	Jul '20	Jul '21	Jul '22	May '23	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Increasing corporate taxes	45%	40%	41%	39%	**38%**	67%	64%	68%	65%	**60%** ↓
Taxing the public on carbon-based products	36%	38%	33%	27%	**29%**	45%	38%	35%	30%	**30%**
Increasing or introducing user fees	45%	40%	37%	38%	**25%** ↓	32%	27%	22%	18%	**19%**
The introduction of a provincial sales tax	33%	38%	32%	26%	**24%**	28%	33%	27%	21%	**22%**
Increasing education taxes	-	22%	21%	16%	**17%**	-	24%	21%	20%	**24%**
Increasing personal income tax	26%	22%	18%	13%	**16%**	23%	24%	20%	15%	**21%** ↑
Introducing an employer health tax	-	-	-	15%	**14%**	-	-	-	28%	**27%**

Q17(B) Q17(P). If the provincial government decided that some form of tax increase or new tax was necessary to both balance the budget and save revenues from non-renewable resources, how acceptable to you is each of the following? (Previous phrasing) If the provincial government decided that some form of tax increase or new tax was necessary to balance the budget, how acceptable to you is each of the following?

Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

Among those indicating new taxes or a tax increase is only acceptable if absolutely necessary, views have remained relatively stable over the five years of tracking. This continues to suggest very limited support for tax increases and resistance remains high and is not softening.

% Only acceptable if absolutely necessary

	BUSINESS					PUBLIC				
	Jul '19	Jul '20	Jul '21	Jul '22	May '23	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Increasing personal income tax	42%	45%	44%	40%	43%	43%	39%	38%	37%	36%
Increasing education taxes	-	43%	42%	40%	39%	-	43%	39%	43%	42%
Increasing corporate taxes	34%	36%	34%	34%	37%	25%	27%	24%	25%	25%
Introducing an employer health tax	-	-	-	33%	36%	-	-	-	40%	38%
Increasing or introducing user fees	31%	33%	32%	27%	33% ↑	33%	32%	34%	34%	29% ↓
Taxing the public on carbon-based products	28%	32%	32%	29%	29%	26%	33%	30%	34%	33%
The introduction of a provincial sales tax	24%	26%	27%	23%	21%	30%	28%	32%	28%	27%

Q17(B) Q17(P). If the provincial government decided that some form of tax increase or new tax was necessary to both balance the budget and save revenues from non-renewable resources, how acceptable to you is each of the following? (Previous phrasing) If the provincial government decided that some form of tax increase or new tax was necessary to balance the budget, how acceptable to you is each of the following?

Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

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DETAILED FINDINGS

There is a good deal of consistency, among businesses, regarding their top priorities; majorities say encouraging local shopping, attracting investments from outside the province, strengthening local supply chains, and diversifying the province's economy are very important priorities for them.

- In most cases businesses of varying sizes have similar priorities, there are two exceptions: those with 200+ employees are far less likely to cite encouraging local shopping as very important (41%) compared to those smaller (66%) and businesses of 20+ employees are far more likely than those smaller to cite attracting skilled workers from outside the province as a priority (58% to 49%, respectively). Smaller businesses likely rely more on their local community and may be less likely to have the resources to seek workers outside Alberta.
- Among the public, there is less agreement about priorities and less agreement with the business community's priorities, but diversification and attracting investment are two priorities they share with business.

BUSINESS

Very Important

	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Encouraging businesses and the public to shop locally	-	-	-	59%	61%
Attracting investments from outside the province	-	-	-	-	61%
Strengthening local supply chains	-	-	-	63%	57% ↓
Diversifying the province's economy beyond oil/gas industry	52%	63%	62%	52% ↓	53%
Reducing the regulatory burden on business	53%	48%	52%	51%	50%
Saving royalties from government oil and gas revenues	37%	35%	37%	40%	46% ↑
Attracting skilled workers from outside the province	-	-	-	-	44%
Balancing the provincial budget	45%	30%	37%	41%	42%
Reducing taxes	38%	25%	32%	38%	40%
Reducing the provincial debt	47%	34%	41%	38%	37%
Maintaining the current level of government services	28%	32%	29%	29%	35%↑
Developing clean/non-polluting technologies	35%	31%	37%	34%	35%
Reducing greenhouse gas emissions	26%	15%	19%	18%	28%↑

PUBLIC

- Age: 18-34 (41%)

Very Important

	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Diversifying the province's economy beyond oil/gas industry	57%	57%	63%	54% ↓	46%↓
Reducing taxes	37%	29%	36%	45% ↑	43%
Attracting investments from outside the province	-	-	-	-	40%
Balancing the provincial budget	42%	34%	42%	40%	39%
Reducing the provincial debt	45%	37%	44%	42%	38%
Strengthening local supply chains	-	-	-	47%	36%↓
Saving royalties from government oil and gas revenues	39%	35%	41%	42%	35%↓
Developing clean/non-polluting technologies	39%	35%	43%	40%	35%
Maintaining the current level of government services	35%	35%	36%	37%	34%
Encouraging businesses and the public to shop locally	-	-	-	36%	33%
Reducing greenhouse gas emissions	30%	27%	34%	32%	32%
Attracting skilled workers from outside the province	-	-	-	-	28%
Reducing the regulatory burden on business	27%	21%	27%	24%	22%

Q3. How important to you are each of the following priorities?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804 (excluding don't know responses)

MOST IMPORTANT PRIORITY AMONG THOSE CITED AS VERY IMPORTANT

There is some agreement among business and the public regarding the most important priorities. Both cite reducing taxes and diversifying the economy as important, with 35% of businesses and 44% of the public citing one of these as their top priority.

- Those supporting less O/G extraction among both business (33%) and the public (31%) cite diversifying the province's economy as their top priority.
- Among the public those aged 15 – 64 are easily the most likely to cite reducing taxes as their top priority (32%).

BUSINESS

	May '23
Diversifying the province's economy beyond the oil and gas industry	19%
Reducing taxes	16%
Encouraging businesses and the public to shop locally	11%
Attracting investments from outside the province	8%
Reducing the regulatory burden on business	7%
Developing clean/non-polluting technologies	7%
Balancing the provincial budget	6%
Reducing the provincial debt	5%
Attracting skilled workers from outside the province	5%
Saving royalties from government oil and gas revenues	5%
Strengthening local supply chains	4%
Maintaining the current level of government services	4%
Reducing greenhouse gas emissions	4%

PUBLIC

	May '23
Reducing taxes	24%
Diversifying the province's economy beyond the oil and gas industry	20%
Maintaining the current level of government services	8%
Reducing the provincial debt	8%
Balancing the provincial budget	6%
Attracting investments from outside the province	6%
Reducing greenhouse gas emissions	5%
Saving royalties from government oil and gas revenues	5%
Developing clean/non-polluting technologies	4%
Encouraging businesses and the public to shop locally	4%
Attracting skilled workers from outside the province	3%
Reducing the regulatory burden on business	3%
Strengthening local supply chains	2%
Don't know/not sure	3%

Q4(B) Q4(P). And, which of the priorities you selected as very important is the most important to you personally?
Base: Business: May'23 n=446; Public: May'23 n=696

Both the public and business continue to identify agriculture food products as the single best opportunity in Alberta for business growth outside the oil and gas sector.

- In addition, tourism, the hydrogen industry, health innovation, and new technologies (digital technologies/AI) continue to be identified as important ways to diversify (as well as encouraging entrepreneurial activity among business). The public seems less sure of the best opportunities in 2023 with many of the options declining.
- Of note, the proportion citing nuclear energy 9especially among businesses) as a growth opportunity has increased slowly, but steadily, over the last four years.

BUSINESS

	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Agriculture food products	56%	69%	64%	60%	62%
Encouraging entrepreneurial activity	59%	65%	57%	49% ↓	51%
Tourism	43%	51%	52%	46%	48%
Hydrogen Industry	-	-	-	39%	48%↑
Health innovation	45%	48%	45%	38% ↓	44%
New technologies (e.g., Digital technologies/Artificial intelligence)	48%	53%	46%	48%	43%
Manufacturing	40%	50%	49%	42%	43%
Value-add petrochemical products	38%	40%	38%	30% ↓	33%
Nuclear energy	13%	13%	23%	25%	31%↑
Rural broadband connectivity	26%	27%	33%	31%	29%
Connecting Alberta businesses to overseas opportunities	34%	39%	30%	25%	29%
Enabling commercialization of research and products	32%	36%	32%	27%	28%
Forestry value-added products	24%	28%	32%	27%	27%
Increasing the number of int'l students at Alberta's colleges and universities	7%	11%	10%	11%	14%
Other	5%	6%	4%	4%	5%
None of these	1%	1%	1%	1%	1%
Don't know/not sure	4%	2%	3%	4%	3%

PUBLIC

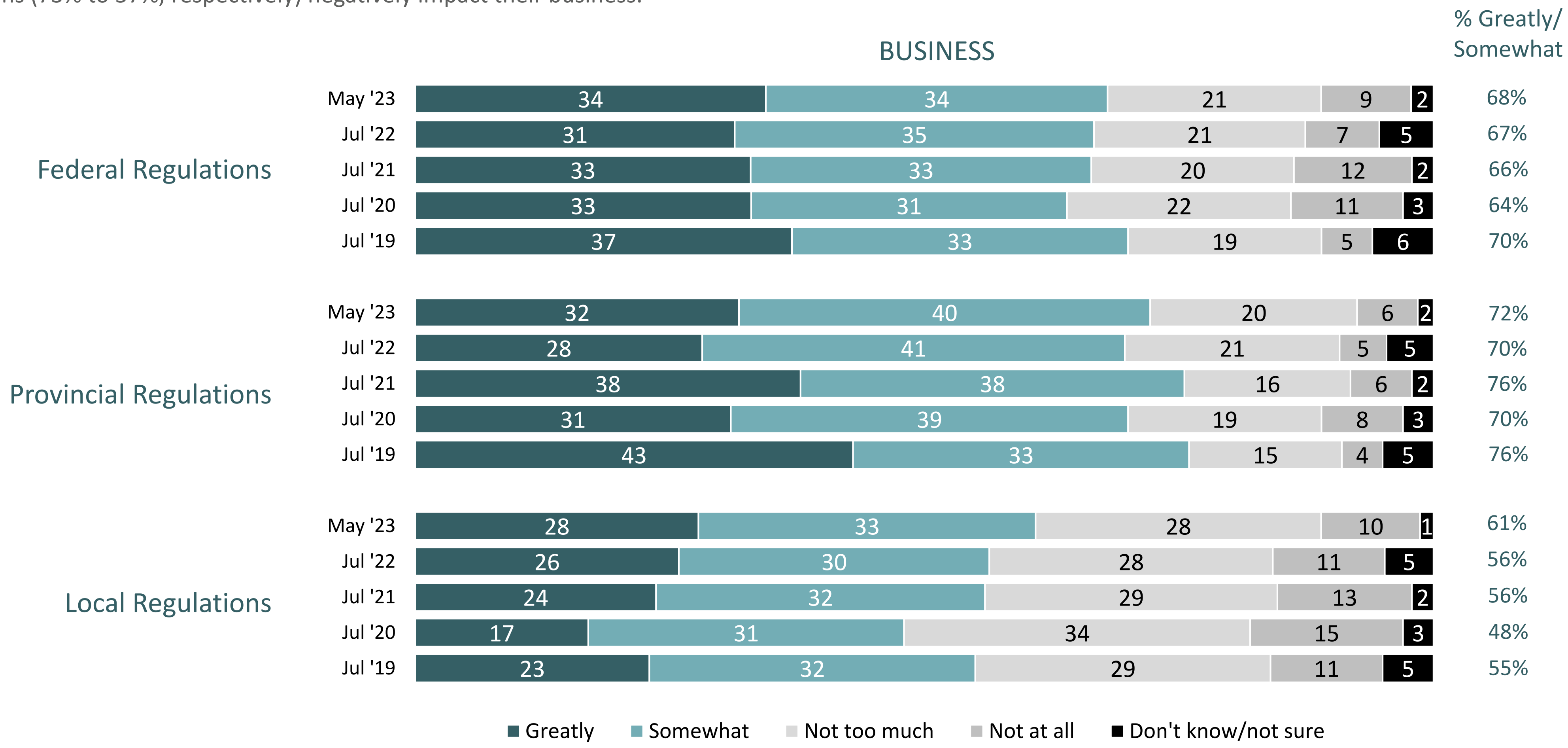
	Jul '19	Jul '20	Jul '21	Jul '22	May '23
Agriculture food products	48%	53%	52%	53%	44%↓
Health innovation	48%	51%	50%	46%	40%↓
New technologies (e.g., Digital technologies/Artificial intelligence	49%	51%	54%	46% ↓	38%↓
Tourism	45%	48%	51%	45%	37%↓
Manufacturing	34%	42%	38%	40%	32%↓
Hydrogen Industry	-	-	-	35%	31%
Encouraging entrepreneurial activity	46%	46%	42%	37%	30%↓
Connecting Alberta businesses to overseas opportunities	42%	35%	33%	28%	27%
Forestry value-added products	21%	24%	24%	25%	22%
Value-add petrochemical products	29%	29%	27%	24%	22%
Enabling commercialization of research and products	30%	32%	29%	26%	18%↓
Rural broadband connectivity	15%	17%	20%	19%	16%
Increasing the number of int'l students at Alberta's colleges and universities	10%	10%	13%	13%	10%
Nuclear energy	15%	15%	22%	21%	24%
Other	2%	3%	4%	2%	1%
None of these	1%	1%	1%	3%	2%
Don't know/not sure	8%	6%	7%	11%	12%

Q12(B) Q12(P). Which of the following offer the best opportunities in Alberta for industries not reliant on growing oil and gas exports? (Please check all that apply) (previously phrasing) Which of the following offer the best opportunities for the emergence of industries not reliant on growing oil and gas exports?

Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

The regulatory environments at all three levels of government are still seen as hampering business. Local regulations are considered the least likely to negatively impact business, but over half of businesses still report a negative impact (and results are now the highest since tracking began).

- Of note, businesses in the tourism sector continue to be more likely than other businesses to believe that provincial regulations (87% to 71%, respectively) and local regulations (73% to 57%, respectively) negatively impact their business.



Q19. To what extent do regulations at each of the following levels of government directly and negatively impact your business?
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453

Just over half (55%) of businesses indicate that increasing unionization of the provincial labour force would harm the competitiveness and viability of their organization.

BUSINESS

	May '23
BENEFIT	**6%**
Greatly benefit	**2%**
Somewhat benefit	**4%**
No impact	**28%**
Somewhat harm	**15%**
Greatly harm	**40%**
HARM	**55%**
Don't know/not sure	**11%**

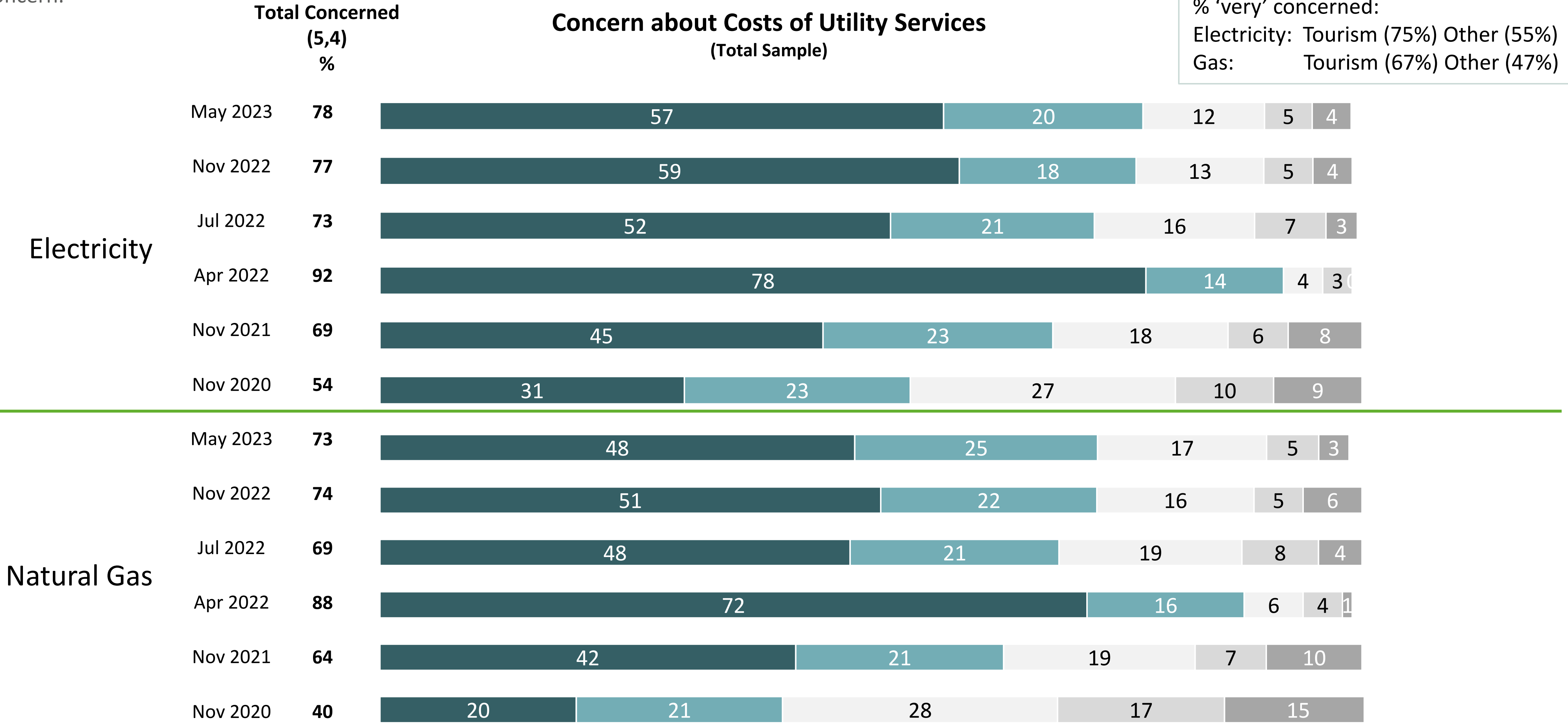
- Among businesses, those in the private sector (61%) are significantly more likely to believe it will harm their organization than are those in the public sector/not-for-profit (39%).
- This is also the case for businesses with 10-199 employee compared to under 10 or 200+.

Q20(B). To what extent would increasing unionization of the provincial labour force harm or benefit the competitiveness and viability of your organization?
Base: Business: May'23 n=453

The level of concern has risen dramatically, especially for electricity prices, since surveying started on this issue in Nov. 2020, and remains high.

- Businesses in the tourism sector remain the most concerned about energy costs compared with those in other sectors. Regionally, businesses operating in the South and the North indicate the most concern.

% 'very' concerned:
Electricity: Tourism (75%) Other (55%)
Gas: Tourism (67%) Other (47%)



Q20. On a scale of 1 to 5, how concerned are you about the costs to your business of the following utility services?
Base: Total sample (May '23 n=453, Nov 2022 n=539, Jul 2022 n=564, Nov 2021 n=359, Nov 2020 n=243)

Among those concerned about energy costs, the increase for both electricity and gas, as a percent of monthly operating costs, while down compared to a year ago and significantly down compared to April’22, is still very high relative to when this question was first asked (but combining gas and electricity) in Nov. 2020.

- When don’t know responses are removed (see box below) it is also clear that there have also been increases (especially for electricity) since Nov. 2021.

When “don’t know” responses are excluded from the percentages, those saying increases are 20% or more are as follows:
Electricity: May ’23 (51%), Jul ‘22 (57%) and Nov. ‘21 (44%);
Gas: May ‘23 (48%) Jul. ‘22 (57%) and Nov. ‘21 (42%).

Estimation of Electricity and Gas Costs Increase

(Increased as a percentage of monthly operating costs)

	Electricity					*Gas*					*Electricity and Gas*
	Nov’21	Apr ’22	Jul’22	Nov’22	May'23	Nov’21	Apr’22	Jul’22	Nov’22	May'23	Nov 2020
Less than 5%	9%	1%	3%	4%	**3**	11%	2%	3%	6%	**3**	**13%**
5%-9%	12%	5%	8%	6%	**8**	12%	6%	9%	9%	**10**	**28%**
10%-14%	11%	8%	13%	15%	**18**	11%	8%	12%	16%	**15**	**26%**
15%-19%	10%	13%	14%	16%	**13**	9%	13%	13%	15%	**17**	**15%**
20%-24%	8%	20%	16%	14%	**16**	9%	18%	16%	12%	**16**	**3%**
25% or more	25%	42%	34%	28%	**28**	22%	40%	33%	24%	**25**	**4%**
Don’t know/not sure	25%	11%	12%	16%	**14**	26%	12%	14%	18%	**15**	**10%**

Q21 How much do you estimate electricity and gas utility costs for your business have increased as a percentage of your monthly operating costs in the last 6 months? (Previously: Asked in April and July 2022. How much do you estimate electricity and gas utility costs for your business have increased as a percentage of your monthly operating costs over the last 6 months? Asked in Nov 2021. How much do you estimate power and gas utility costs for your business has increased as a percentage of your monthly revenue for August 2021 compared to August 2020?

Base: “Concerned” at Q21 (Nov 2020 Increased at Q3 (n=134), Nov 2021 n=258, April 2022 n= 489, Jul’22 n=459, Nov 2022 n=433, May'23 Electricity n=352, Gas n=331)

Overall, almost all businesses (94%) believe it is important the province pursue all options to increase market competition in electricity supply; intensity is high with 68% reporting this is ‘very’ important.

- Of note, there are no significant differences by business demographics.

BUSINESS

	May '23
VERY/SOMEWHAT IMPORTANT	**94%**
Very important	**68%**
Somewhat important	**26%**
Not too important	**3%**
Not at all important	**1%**
NOT TOO/NOT AT ALL IMPORTANT	**4%**
Don’t know/not sure	**2%**

Q21C(B). How important is it that the province pursue all options to increase market competition in the supply of electricity to reduce the cost of electricity for your organization?
Base: Business: May'23 n=364

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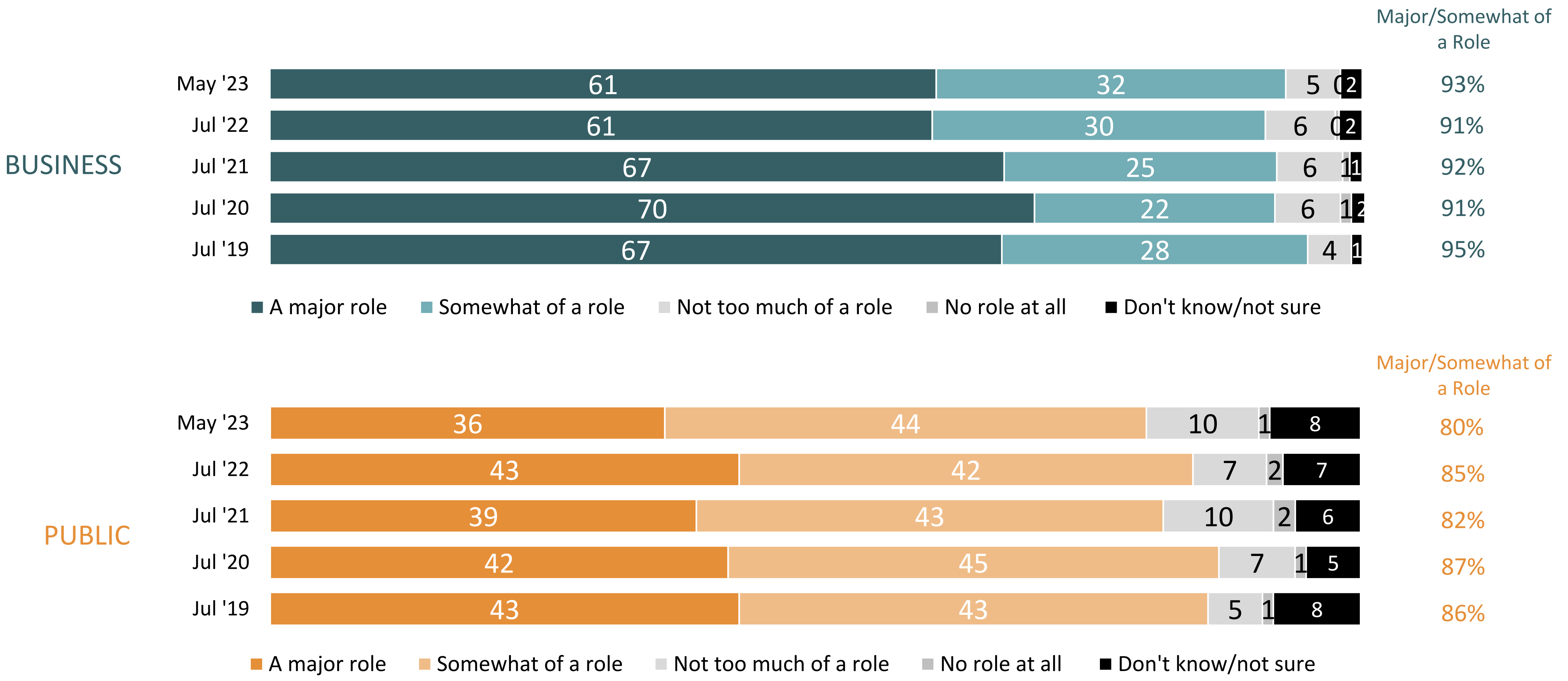
DETAILED FINDINGS

- Economic Outlook and Expectations
- What Are The Issues?
- How Are Issues To Be Resolved?
- Who Can Resolve Issues?
- Supply Chain Ombudsman

As in previous years, both business and the public continue to believe the business community has a role in assisting the province to move forward; however there has been some decline in the proportion saying a 'major role' over time.

- For business, this is a 'major role,' while the public is less certain regarding the extent of the role.



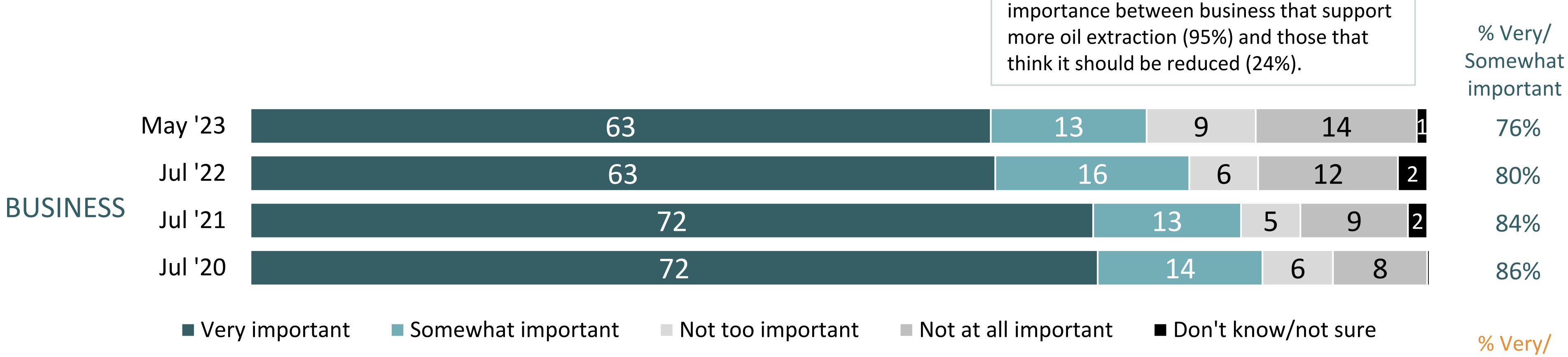
Q22(B) Q22(P). To what extent does the business community in Alberta have a role in developing a vision and providing leadership to move the province forward?
(previous phrasing) To what extent does the business community in Alberta have a role in developing a vision and providing leadership to assist the province to move forward?

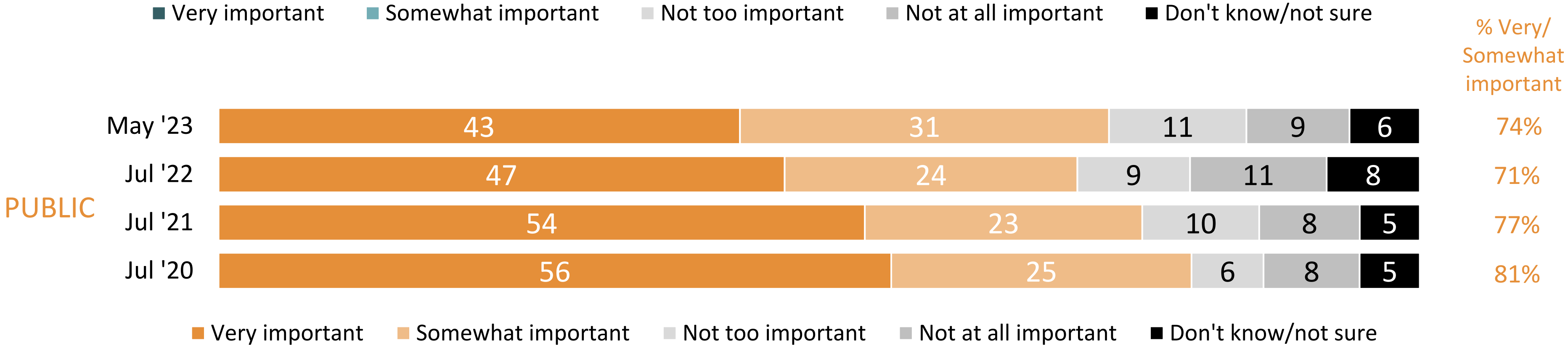
Base: Business: Jul'19 n=714, Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'19 n=834, Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

Overall, three-quarters of businesses (76%) and the public (74%) say that it is important to them that Alberta negotiate new terms with the federal government regarding of equalization payments among the provinces.

- However, among both segments there have been significant declines in terms of both being 'important' and 'very' important since tracking began in July'20.

There remain significant differences in importance between business that support more oil extraction (95%) and those that think it should be reduced (24%).





This is also the same among the public although the gap is less pronounced: support more oil extraction (85%) and those that think it should be reduced (56%).

Q23(B) Q23(P). How important or unimportant is it to you that Alberta negotiate new terms with the federal government regarding equalization payments among the provinces?
Base: Business: Jul'20 n=502, Jul'21 n=613, Jul'22 n=564, May'23 n=453; Public: Jul'20 n=800, Jul'21 n=801, Jul'22 n=800, May'23 n=804

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DETAILED FINDINGS

- Economic Outlook and Expectations
- What Are The Issues?
- How Are Issues To Be Resolved?
- Who Can Resolve Issues?
- Supply Chain Ombudsman

While supply chain disruption appears to be lessening, 64% of businesses report this issue is still 'greatly/somewhat' impacting their business. Importantly, those being impacted by supply chain disruption are now more likely to be struggling to find local suppliers (up 17-points compared to a year ago).

- There are no significant differences for business demographics in terms of struggling to find local suppliers.

Extent Supply Chain Disruption is Impacting Business

	BUSINESS	
	Jul '22	May '23
TOTAL GREATLY/SOMEWHAT	72%	**64% ↓**
Greatly	31%	**19% ↓**
Somewhat	41%	**45%**
Not too much	19%	**24% ↑**
Not at all	8%	**12% ↑**
TOTAL NOT TOO MUCH/NOT AT ALL	26%	**35% ↑**
Don't know/not sure	2%	**1%**

- Tourism sector 84%↑; Other 57%
- # of Employees: 1-4 (53%); 5-9 (69%); 10-19 (71%); 20-49 (76%); 50-199 (67%); 200+ (66%).

Business Struggles to find Local Suppliers

	BUSINESS	
	Jul '22	May '23
Yes	62%	**79% ↑**
No	30%	**19% ↓**
Don't know/not sure	7%	**2%**

Q5. To what extent, if at all, is supply chain disruption impacting your business?
Base: Jul'22 n=564, May'23 n=453
Q29. Does your business struggle to find local suppliers?
Base: Jul'22 n=293, May'23 n=193

Among those businesses ‘greatly’ or ‘somewhat’ affected by the issue (and agreeing to answer supply-related questions), most are not producing or manufacturing.

Does business produce or manufacture?

	Jul ’22	May '23
Yes	28%	**26%**
No	71%	**73%**
Don’t know/not sure	2%	**2%**

-

Q30. Does your business produce or manufacture?
Base: Jul’22 n=293, May'23 n=193

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ABOUT THE RESPONDENTS

Respondent Profile – Business

% GENDER n=453

45	Female
51	Male
<1	None of the above
<1	Other
4	Prefer not to answer

% REGION n=453

20	All regions of Alberta
11	Calgary area
22	Central
20	Edmonton area
4	Mountain parks
12	Northeast
19	Northwest
7	Southeast
8	Southwest

% JOB TITLE n=453

60	President, CEO, Owner or Executive Director
4	Vice president or equivalent
3	C-Suite executive (CFO, CMO, CTO, CXO)
6	Partner, advisor or associate
9	Other senior manager
9	Contractor or self-employed
6	Assistant, coordinator or manager (or equivalent)
<1	Unemployed
2	Other

% IN TOURISM INDUSTRY n=331

23	Yes
77	No

% YEARS IN BUSINESS n=319

3	Less than 2 years
10	2 – 5 years
12	6 – 10 years
11	11 – 15 years
10	16 – 20 years
16	21 – 30 years
22	31 – 50 years
13	More than 50 years
2	Don't know/not sure

% SECTOR n=453

16	Public
71	Private
13	Not for profit

% OWNER/PARTNER IN ORGANIZATION n=399

73	Yes
27	No

% MEMBER OF LOCAL CHAMBER OF COMMERCE n=450

76	Yes
21	No
3	Don’t know/not sure

% INDUSTRY BUSINESS OPERATES n=453
(Mentions of 2% and above are shown)

14	Retail trade
11	Other services (except public administration)
10	Professional, scientific and technical services
7	Construction
5	Food services
5	Finance
4	Agriculture
4	Manufacturing
3	Oil & Gas
3	Transportation
3	Health care
3	Recreation
3	Accommodation
2	Insurance
2	Private real estate
2	Educational services

% SIZE OF COMPANY (EMPLOY IN ALBERTA) n=453

12	None, just me
23	2-4
19	5-9
17	10-19
10	20-49
10	50-199
4	200-499
6	500+

Respondent Profile – Public

% GENDER n=804

48	Male
51	Female
1	Transgender
<1	Other
<1	Prefer not to answer

% AGE n=804

11	18 – 24
20	25 – 34
16	35 – 44
18	45 – 54
11	55 – 64
24	65 and over

% REGION n=804

35	Calgary area
12	Elsewhere in southern Alberta
11	Central Alberta
33	Edmonton area
6	Northwest Alberta
3	Northeast Alberta
1	Mountain parks

% HOUSEHOLD INCOME n=804

17	Under $50,000
34	$50,000 - $99,000
21	$100,000 - $149,000
16	$150,000 or more
12	Prefer not to answer

% EDUCATION n=804

18	High school
37	NET - COLLEGE
13	Some college
24	College certificate/diploma
44	NET - UNIVERSITY
27	Bachelor’s degree
10	Post-graduate degree
7	Professional degree
2	Other

% YEARS LIVED IN ALBERTA n=804

40	All my life
6	5 years or less
7	6 – 10 years
7	11 – 15 years
41	More than 15 years