



Joel Gehman

## Crafting Policy: The Government of Alberta and Microbreweries

The Honorable Joe Ceci, minister of finance and president of the treasury board for the government of Alberta, Canada, saw struggling industries everywhere he turned. He had been in office for only a year by early 2016, but already he had seen falling oil prices and an overall economic downturn in Alberta's energy sector produce skyrocketing unemployment rates.<sup>1</sup>

One industry, though, had come to a head; microbreweries were booming.

As Ceci, part of the freshly appointed New Democratic Party (NDP) in Alberta, reviewed the provincial budget outlining strategic priorities and spending over the next three years, he wondered if supporting the craft beer industry might give the local economy a kick.

The economic downturn had put pressure on the NDP government's fiscal policies, and Ceci was forced to reconsider where to best invest taxpayer dollars not only to improve the welfare of Alberta's citizens, but also to ensure funds were spent effectively moving forward.

While most industries suffered from the downturn in Alberta, the microbrewery sector had gained momentum to the point that "in less than three years, the number of craft breweries and small brewpubs [had] almost quadrupled, going from 14 to 52."<sup>2</sup> Under the previous conservative administration, changes to how a craft brewery was defined had encouraged many budding entrepreneurs to enter the business. New regulations from the Alberta Gaming and Liquor Commission (AGLC) had further enhanced the microbrewery industry.

Ceci's fiscal plan had already outlined a mandate to utilize "\$35 million over the next two years to attract and support new businesses and pursue regional economic development initiatives."<sup>3</sup> The minister thought this mandate might be fulfilled through supporting craft beer, but it was a difficult decision given the social implications of supporting alcohol and the opportunity costs of the investment.

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