THE ALBERTA BUCK

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Proposal for Ministry of Finance (v0) (PDF, other)

Research, Develop and Test Wealth-Backed Liquidity Option for Eliminating up to $23B in Annual Interest Transfers by Albertans to Commercial Banks

CAD$3M Investment	10 Senior Researchers	Prove Legality	Deliver Prototype

THE HIDDEN TAX ON ALBERTANS

$23 Billion Annual Interest Extraction

Category	Debt	Annual Cost
Household Mortgages	$197B	$10B/year
Business Debt Servicing	$203B	$10B/year
Provincial Debt Servicing	$83B	$3.2B/year
TOTAL	**$283B**	**$23B/year**

$63 million/day leaving Alberta's productive economy.

How Bad Is It ↓, and Is This Avoidable? →

IMPACT ON EVERY ALBERTA FAMILY OF FOUR:

- ~$8,000/year in public debt service costs
- This is *before* their own mortgage and debt
- Over 10% of average family income

WHERE DOES IT GO?

- Out of Alberta to distant financial institutions
- None builds wealth for Albertans
- None stays in local communities

Money flows OUT instead of building Alberta's future

HOMEOWNERSHIP CRISIS

YOUNG ALBERTANS FACE IMPOSSIBLE ODDS

- Housing: **10-15× income** (parents paid 3-5×)
- Birth rate: **1.41 children/woman**
  - 34% below replacement
- Many abandoning:
  - Home ownership
  - Family formation
  - *Staying in Alberta*

Many young Albertans have given up

DEBT VS WEALTH-BACKED LIQUIDITY

Metric	Mortgage Debt	Alberta Buck
Principal	$380,000	$380,000
Interest	$221,734	---
Insurance	$760/yr	$760/yr
25-Year Total	$620,734	$399,000
Savings	---	**$221,734**

$221,734 ($15,200 the 1st year) stays with the family

A MISSING MONETARY ELEMENT

This couldn't actually be possible, could it?

The buyer presents the same assets:

- a $125,000 down-payment is collected
- a $380,000 deposit is issued
- a $505,000 home is purchased
- the principal is paid off over 25 years

But $221,734 in interest avoided; *How*?

By allowing Albertans to do exactly what the banks do.

HOW YOU THINK BANKS LEND MONEY

The "Financial Intermediary" Story

1. Bank collects investor savings (deposits)
2. Bank pays investors interest (e.g., 2%)
3. Bank lends out that money to borrowers
4. Bank charges borrowers higher interest (e.g., 4%)
5. Bank earns the "spread" (2%)

Sounds reasonable, right?

If true, the bank's profit would be the difference between loan payments received and deposit payments made.

MORTGAGE PAYMENTS: LENDER MONEY

HOW BANKS ACTUALLY CREATE MONEY

Research by *Bank of England* 2014, and *Werner* 2014:

1. You get a mortgage with your home as collateral
2. The bank does **NOT** lend you existing deposits
3. Your payment stream serves as the bank's Asset
4. Bank **creates new money** Liability in your account
5. Your collateral backs the money; bank charges you interest for decades
6. If you default, the bank seizes your collateral

Banks monetize YOUR wealth and charge YOU interest for the privilege

MORTGAGE PAYMENTS: ISSUED MONEY

THE CENTRAL PROBLEM

Civilians lack access to this same wealth monetization capability

By only allowing commercial banks to issue broad money backed by collateral assets, private citizens and entrepreneurial commercial lenders are prevented from competing with banks.

Result: Structural wealth transfer from producers to financial intermediaries

THE SOLUTION - OVERVIEW

Wealth-Backed Money: The Alberta Buck

Instead of borrowing money backed by your debts,
create money backed by your assets

HOW IT WORKS:

1. **Attest your wealth**
    - Verify ownership and value of asset(s)
2. **Create Alberta Bucks**
    - Issue tokens representing a portion
3. **Use the liquidity**
    - Spend Alberta Bucks in the economy
4. **Pay insurance, not interest**
    - ~0.2-0.5% annual premiums vs. 5-7% interest
5. **Retain ownership**
    - Keep full use and control of your assets
6. **Redeem BUCKs issued when selling the asset**

CLAIM MONEY: VISUALIZED

Your insured, attested Asset (a home) is drawn down by a Liability (BUCKs issued). An insurer has a Lien on the portion of the Asset used. Your books balance.

JUBILEE: NO PERMANENT LIABILITIES

All claims against assets dissolve in 50 years

The Demurrage Mechanism

REDEMPTION FORMULA

To release an asset early, you pay:

$$\text{Redemption} = V \times (1 - 0.02 \times Y)$$

Where V = original value pledged, Y = years since pledge.

EXAMPLE: A PLEDGED HOME

After 50 years, the lien dissolves automatically

- Family assets recovered after poor decisions

THE SOLUTION - COMPARISON

Aspect	Bank Mortgage	Alberta Buck
Who creates money?	Bank from your debt's value	**You from your asset's value**
Annual cost	$21,000 interest	**Only insurance**
Asset at risk?	Foreclosure	**Insurance**
Interest?	Compounds	**No**
Ownership?	Until default	**Yes, always**
Obligation?	Debt w/ interest	**Issued money**

PROVEN TECHNOLOGY STACK

DeFi Validates the Model at $5B+ Scale

MAKERDAO: REAL-WORLD VALIDATION

- **$5+ billion** in real-world asset-backed stablecoins (DAI)
- Accepts tokenized real estate, bonds, and other assets as collateral
- Users retain ownership unless liquidated for value decline
- **Proves the core mechanism works at scale**

TECHNOLOGY COMPONENTS (ALL PRODUCTION-READY)

1. Blockchain infrastructure (Ethereum, Polygon, or Alberta-specific)
2. Smart contracts (automated insurance, minting, redemption)
3. Asset tokenization (NFTs for individual assets)
4. Fungible tokens (ERC-20 for circulation)
5. Oracle networks (Chainlink for price feeds and verification)
6. Parametric insurance (automated claims processing)

HOUSEHOLD SAVINGS ANALYSIS

40% Reduction in Home Ownership Costs

DETAILED COMPARISON: $380,000 HOME PURCHASE

TRADITIONAL MORTGAGE (5.5%, 25 YEARS)

- Year 1: $20,900 interest paid
- Year 5: $100,000 total interest paid
- Year 10: $185,000 total interest paid
- Year 25: **$275,000 total interest paid**
- **Total cost: $655,000**

ALBERTA BUCK (0.2% INSURANCE)

- Year 1: $760 insurance paid
- Year 5: $3,800 total insurance paid
- Year 10: $7,600 total insurance paid
- Year 25: **$19,000 total insurance paid**
- **Total cost: $399,000**

SUMMARY

Metric	Amount
Total 25-year cost	Traditional: $655,000 Alberta Buck: $399,000
Annual savings	**$20,240**
Lifetime savings	**$256,000**
Effective cost reduction	**39%**

AGGREGATE IMPACT

Household Savings Across Alberta

THE NUMBERS

- 580,000 mortgaged households in Alberta
- If just **50%** adopt Alberta Buck:
- 290,000 households × $20,000 average savings

$5.8 BILLION retained annually in Alberta economy

WHERE DOES THIS MONEY GO?

CURRENT SYSTEM

- Money flows to distant financial institutions
- Enriches shareholders elsewhere
- No local economic benefit
- Permanent wealth extraction

ALBERTA BUCK SYSTEM

- Money stays in Alberta communities
- Supports local consumption
- Enables business investment
- Builds generational wealth

This recirculates through local economies, supporting retail businesses, services, and employment

BUSINESS TRANSFORMATION - AGRICULTURE

Agricultural Sector Example

MID-SIZED GRAIN FARM ($4.5M IN ASSETS)

ASSET COMPOSITION

- Land: $3,000,000
- Equipment: $1,000,000
- Stored grain inventory: $500,000
- **Total attestable value: $4,500,000**

TRADITIONAL FINANCING

- Debt carried: $2,000,000
- Interest rate: 5%
- **Annual interest cost: $100,000**

In low commodity price years:

- Interest burden often **exceeds operating profits**
- Forces borrowing more just to service existing debt
- Vicious cycle driving families from agriculture

ALBERTA BUCK FINANCING

- BUCKs created (50% ratio): $2,250,000
- Insurance cost (0.67% on diversified assets): $15,000
- **Annual cost: $15,000**

Annual savings: $85,000

BUSINESS IMPACT - AGRICULTURE

What $85,000 in Savings Enables

IMPACT ON FARM OPERATIONS

Capability	Traditional Debt	Alberta Buck
Equipment modernization	Deferred (can't afford)	Possible ($85K freed)
Sustainable practices	Too expensive	Affordable
Succession planning	Burdened by debt	Viable path forward
Commodity price risk	Forced sales at harvest	Can wait for better prices
Operating margin	Often negative	Transformed to positive

STORED GRAIN OPPORTUNITY

Current cruel choice:

- Sell at harvest when prices are lowest (to service debt), OR
- Finance storage at interest hoping for price improvement

With Alberta Buck:

- Attest stored grain value
- Create BUCKs for immediate needs
- Redeem when selling at optimal prices
- Breaks the debt-driven cycle forcing unfavorable

BUSINESS TRANSFORMATION - MANUFACTURING

Small Business Renaissance

SMALL MANUFACTURER ($2.5M IN ASSETS)

ASSET COMPOSITION

- Manufacturing equipment: $2,000,000
- Inventory: $500,000
- **Total attestable value: $2,500,000**

TRADITIONAL FINANCING BURDEN

- Business debt: $2,000,000
- Interest rate: 6.25%
- **Annual interest cost: $125,000**
- Owner's salary: Often less than $125K

The business exists primarily to pay interest, not create owner wealth

ALBERTA BUCK ALTERNATIVE

- BUCKs created (50% ratio): $1,250,000
- Insurance cost (0.8% on equipment/inventory): $10,000
- **Annual cost: $10,000**

Annual savings: $115,000

BUSINESS IMPACT - MANUFACTURING

What $115,000 in Savings Enables

INVESTMENT OPPORTUNITIES

Investment Area	Impact
Hiring	2-3 additional employees for growth
R&D	Product development, process improvement
Market expansion	New territories, export capability
Equipment upgrade	Efficiency, capacity, quality improvements
Working capital	Reduced cash flow pressure

THE STRUCTURAL TRANSFORMATION

Current Problem: Banks prefer lending against real estate rather than productive assets, forcing businesses to leverage personal homes for commercial credit.

Alberta Buck Solution: Values productive assets directly—manufacturing equipment, inventory, intellectual property.

Aligns capital creation with productive capacity rather than real estate speculation.

AGGREGATE IMPACT

- 170,000 Alberta small businesses
- ~120,000 carrying debt
- Total business debt: $40+ billion
- Average savings per business: $70,000/year
- **Aggregate annual savings: $8.4 billion/year**

PROVINCIAL FISCAL REVOLUTION

Eliminating Debt Servicing Entirely

CURRENT PROVINCIAL DEBT BURDEN

Item	Amount
Provincial debt	$82.8 billion
Annual debt servicing	$3.2 billion
Cost per Albertan	$700/year
Cost per family of four	$2,800/year

This money is extracted from public services and infrastructure investment

ALBERTA'S ATTESTABLE PUBLIC WEALTH

Asset Category	Estimated Value
Heritage Savings Trust Fund	$30 billion
Crown lands	$100+ billion
Infrastructure (schools, hospitals, roads)	$50+ billion
Resource royalty streams (present value)	$200+ billion
Other provincial assets	$50+ billion
Total attestable wealth	**$430+ billion**

PROVINCIAL FISCAL IMPACT

The Transformation

Instead of issuing bonds (creating debt), Alberta could:

1. Attest public assets and resource streams
2. Create Alberta Bucks backed by these assets
3. Use BUCKs to fund infrastructure and services
4. Pay insurance premiums (~0.3% annually) instead of bond interest (4%+)

EXAMPLE: $10 BILLION INFRASTRUCTURE PROGRAM

Metric	Traditional Bonds	Alberta Buck
Principal	$10B	$10B
Term	20 years	20 years
Annual interest/insurance	$400M (4%)	$30M (0.3%)
Total 20-year cost	$18B	$10.6B
Savings	---	**$7.4B**

$3.2 billion per year freed for infrastructure, healthcare, education, and services

THE COMPOUND ADVANTAGE

30-Year Analysis: $80B Financing

SCENARIO: ALBERTA NEEDS TO FINANCE $80B OVER 30 YEARS

TRADITIONAL BOND FINANCING (4% INTEREST, 30-YEAR TERM)

- Principal: $80.0B
- Total interest paid over 30 years: $58.8B
- **Total cost: $138.8B**
- At end of 30 years: Debt is retired (nothing gained)

ALBERTA BUCK FINANCING (0.3% INSURANCE, OPERATIONAL COSTS)

- Principal (BUCKs created): $80.0B
- Insurance & operational costs over 30 years: $25.5B
- **Total cost: $105.5B**
- **Direct savings: $33.3B**

THE REAL TRANSFORMATION: COMPOUND INVESTMENT

With traditional bonds, Alberta pays $4.63B annually (principal + interest) for 30 years.

With Alberta Buck, Alberta pays $3.52B annually (principal + insurance) for 30 years.

What if Alberta invests the $1.11B annual savings?

At just 4% return (same rate bondholders earn):

- Year 10: Investment account = $13.5B
- Year 20: Investment account = $66.7B
- Year 30: **Investment account = $211.8B**

SUMMARY

Metric	Traditional	Alberta Buck
Total financing cost	$138.8B	$105.5B
Investment account value	$0	$211.8B
Net fiscal position	**-$138.8B**	**+$106.3B**
Total advantage	**---**	**$325.1B**

Heritage Fund ($23B today) could grow by an additional $325 billion through this mechanism alone over 30 years

CONSTITUTIONAL FOUNDATION

Alberta Has Unique Authority

SECTION 92(13): PROPERTY AND CIVIL RIGHTS

Constitution Act, 1867 grants provinces exclusive jurisdiction over:

- Property law and ownership verification
- Contract law and enforcement
- Insurance regulation and parametric insurance
- Civil transactions and dispute resolution

These are precisely the mechanisms required for wealth-backed money

SECTION 92A: NATURAL RESOURCES AUTHORITY

Alberta has exclusive provincial jurisdiction over:

- Resource development, conservation, and management
- Taxation of natural resources
- Resource royalty collection and management

This provides constitutional basis for monetizing resource wealth

WHY THIS DOES NOT CHALLENGE FEDERAL AUTHORITY

Federal Power (s. 91)	Alberta Buck	Conflict?
Currency issuance (s. 91(14))	Not issuing legal tender	**No**
Monetary policy (s. 91(15))	Not setting interest rates	**No**
Banking regulation (s. 91(15))	Using insurance, not banking	**No**
Legal tender laws	CAD remains legal tender	**No**

Alberta Buck operates as:

- Insurance-backed wealth attestation (provincial jurisdiction)
- Private contract enforcement (provincial jurisdiction)
- Digital asset/commodity (property rights

HISTORICAL PRECEDENTS

Concept Already Proven Across Centuries

PROVINCIAL FINANCIAL INNOVATION: ATB FINANCIAL

- Operating since 1938 (87 years)
- $60+ billion in assets
- Outside federal *Bank Act* jurisdiction
- Proves Alberta's capacity for provincial financial institutions

COLONIAL AMERICAN LAND BANKS (1680S-1750S)

- Created money backed by land value
- Operated successfully for 70+ years
- Financed colonial economic development
- Only ended when Britain forcibly closed them (Currency Act 1764)

SWISS WIR BANK (1934-PRESENT)

- Business-to-business complementary currency
- 90+ years of continuous operation
- 60,000+ participating businesses
- CHF 1.5B+ annual transaction volume
- Proves complementary currencies can operate alongside national currency

MAKERDAO/DAI (2017-PRESENT)

- $5+ billion in RWA-backed stablecoins
- Proves wealth-backed money creation at scale
- Demonstrates civilians can create money from attested wealth
- Validates core technical approach

USD STABLECOIN MARKET (2014-PRESENT)

- Market capitalization: $180+ billion
- Daily transaction volume: $50-100 billion
- Fastest growth of any payment system in history
- Demonstrates massive demand for blockchain-based money

ACADEMIC VALIDATION

Proven by Research

WERNER (2014): "HOW DO BANKS CREATE MONEY?"

- **Empirical study:** Actually watched a bank create a loan
- **Finding:** Banks create deposits from nothing when lending
- **Mechanism:** Borrower's asset backs newly created money
- **Implication:** Same mechanism can be used by non-banks

BANK OF ENGLAND (2014): "MONEY IN THE MODERN ECONOMY"

- **Official statement:** Confirmed banks create money when lending
- **Mechanism:** Not intermediation of deposits, but credit creation
- **Implication:** Lending is money creation, not money transfer

PRECEDENT SUMMARY

Precedent	Duration	Scale	Validation
Colonial Land Banks	70+ years	Colonial economies	Historical success
Swiss WIR Bank	90+ years	60,000+ businesses	Ongoing operation
ATB Financial	87+ years	$60B assets	Alberta capacity
MakerDAO/DAI	8+ years	$5B+ RWA	Technical proof
USD Stablecoins	10+ years	$180B market	Massive adoption

This is NOT theoretical or experimental. Wealth-backed money has worked for centuries. Modern technology makes it scalable and efficient.

WHY NOW? THE URGENCY

First-Mover Advantage Is Disappearing

GLOBAL MONETARY LANDSCAPE IS SHIFTING

STABLECOIN EXPLOSION

- USD-backed stablecoins: $180+ billion market cap
- Daily transaction volume: $50-100 billion
- Growing faster than any payment system in history
- Used globally for cross-border payments, remittances, store of value, DeFi collateral

CANADA IS FALLING BEHIND

- Bank of Canada restricting cryptocurrency access
- Preventing CAD-backed stablecoin development
- Crippling Canadian innovation in digital finance
- Driving crypto businesses to US and international jurisdictions

ALBERTA'S UNIQUE OPPORTUNITY

Alberta can offer the world's **first commodity-basket stablecoin:**

- Backed by stable, secure, unencumbered assets (real commodities)
- NOT backed by volatile debt instruments (like USD stablecoins)
- Provides true inflation protection
- Aligned with sound money principles

COMPETITIVE LANDSCAPE

Who's Already Moving

Jurisdiction	Initiative	Status
Wyoming	DAO legislation, stable token framework	Operational
Swiss Cantons	Monetary innovation, crypto-friendly	Active
Singapore	Digital asset framework	Advancing
Dubai	Crypto free zones	Attracting capital
El Salvador	Bitcoin legal tender	Implemented

WINDOW OF OPPORTUNITY: 12-24 MONTHS

After this window:

- Competitors will have established first-mover advantage
- Network effects will favor early adopters
- Talent and capital will have concentrated elsewhere
- Alberta will be a follower, not a leader

TECHNOLOGY READINESS

All components are production-ready TODAY:

✓ Real World Asset (RWA) tokenization platforms operational ✓ DeFi infrastructure battle-tested with years of operation ✓ Insurance frameworks proven in parametric models ✓ Oracle networks mature and reliable ✓ Smart contract security well-understood ✓ Regulatory pathways being established globally

Alberta is NOT early. Alberta is LATE.

The question is whether Alberta will be in time to capture first-mover advantage or will watch others

THE R&D APPROACH

Phase 1: 12-Month Research & Prototype Development

TEAM STRUCTURE: 10 SENIOR RESEARCHERS

LEGAL & REGULATORY TEAM (3 RESEARCHERS)

1. **Constitutional Law Expert**
    - Provincial jurisdiction analysis
    - Federal relationship navigation
    - Historical precedent research
2. **Securities Lawyer**
    - ASC regulatory pathway
    - Investment contract analysis
    - Compliance framework design
3. **Insurance Regulatory Specialist**
    - Superintendent of Insurance engagement
    - Parametric insurance framework
    - Risk transfer mechanisms

FINANCIAL ARCHITECTURE TEAM (2 RESEARCHERS)

1. **Monetary Systems Architect**
    - Currency design and stability mechanisms
    - Commodity basket composition
    - Economic modeling
2. **Risk Management Specialist**
    - Collateral valuation methods
    - Stress testing scenarios
    - Insurance premium modeling

CRYPTOCURRENCY ENGINEERING TEAM (3 RESEARCHERS)

1. **Blockchain Architect**
    - Platform selection/design
    - Smart contract architecture
    - Security framework
2. **Smart Contract Developer**
    - Token implementation
    - Insurance integration
    - Oracle connectivity
3. **Security Auditor**
    - Code review and testing
    - Attack vector analysis

ANALYSIS & LEADERSHIP (2 RESEARCHERS)

1. **Economic Modeler**
    - Impact projections
    - Adoption pathway simulation
    - Market dynamics modeling
2. **Project Director**
    - Cross-team coordination
    - Stakeholder management
    - Deliverable quality assurance

R&D DELIVERABLES

What $3M Buys After 12 Months

1. COMPLETE LEGAL COMPLIANCE FRAMEWORK

- Constitutional compliance opinion from leading constitutional lawyer
- Regulatory pathway documentation with ASC and Superintendent of Insurance
- Legal risk assessment and mitigation strategies
- Federal government engagement strategy
- Draft legislation for provincial digital asset framework

2. WORKING PROTOTYPE SYSTEM

- Testnet deployment of complete Alberta Buck system
- BUCK ERC-20 fungible token implementation
- $BUCK_{CREDIT}$ ERC-721 NFT implementation
- Asset attestation and verification protocols
- Parametric insurance integration
- Oracle network for price feeds
- DeFi pool architecture for liquidity
- User interface for asset owners

3. QUANTIFIED RISK/REWARD ANALYSIS

- Household impact modeling (10-year projections)
- Business sector analysis by industry
- Provincial fiscal impact over 30 years
- Adoption scenario modeling (optimistic, moderate, conservative)
- Sensitivity analysis to key parameters
- Comparison with status quo trajectories

4. REGULATORY PATHWAY DOCUMENTATION

- Step-by-step compliance roadmap
- Required filings and approvals
- Timeline estimates for regulatory engagement
- Precedent analysis and legal argumentation
- Risk mitigation for federal concerns

5. PILOT PROGRAM DESIGN

- Participant selection criteria
- Geographic/sector focus for initial rollout
- Measurement and evaluation framework
- Success metrics and KPIs
- Scaling strategy based on pilot results
- Timeline for Phase 2 implementation

Clear Go/No-Go Decision Point at Month 12

RESEARCH WORKSTREAMS

Four Parallel Tracks

TRACK 1: LEGAL & REGULATORY (MONTHS 1-12)

Month	Activities
1-2	Constitutional analysis initiation, precedent research
2-4	ASC preliminary engagement, securities law analysis
3-6	Insurance regulatory framework development
5-8	Draft legal opinions, compliance documentation
7-10	Federal relationship strategy, stakeholder consultation
9-12	Final legal framework, regulatory pathway documentation

Key Milestones:

- Month 3: Constitutional opinion first draft
- Month 6: ASC regulatory pathway identified
- Month 9: Insurance framework approved

TRACK 2: TECHNICAL ARCHITECTURE (MONTHS 1-10)

Month	Activities
1-2	Requirements gathering, platform evaluation
2-4	Architecture design, smart contract spec
3-6	Prototype development (testnet)
5-7	Oracle integration, insurance parametrics
6-8	User interface development
7-9	Security audit and penetration testing
8-10	Performance testing, optimization
10-12	Documentation, handoff preparation

Key Milestones:

- Month 3: Architecture design approved
- Month 6: Testnet prototype operational

TRACK 3: ECONOMIC MODELING (MONTHS 2-12)

Month	Activities
2-3	Data collection, baseline
3-5	Household impact modeling
4-6	Business sector analysis
5-8	Provincial fiscal projections
7-9	Adoption pathway simulation
9-11	Sensitivity analysis, scenarios
11-12	Final report with recommendations

Key Milestones:

- Month 5: Household savings analysis complete
- Month 8: Provincial fiscal model validated

TRACK 4: PILOT DESIGN (MONTHS 8-12)

Month	Activities
8-9	Stakeholder identification
9-10	Pilot program framework design
10-11	Measurement and evaluation criteria
11-12	Implementation plan for Phase 2

Key Milestones:

- Month 9: Pilot participants identified
- Month 11: Evaluation framework approved
- Month 12: Phase 2 implementation plan ready

RISK ASSESSMENT & MITIGATION

Addressing Key Concerns

PRIMARY RISKS AND MITIGATION STRATEGIES

FEDERAL CONSTITUTIONAL CHALLENGE

Mitigation:

- Frame as insurance and property rights (provincial jurisdiction)
- NOT as currency issuance (federal jurisdiction)
- Legal opinions from leading constitutional lawyers
- Precedent analysis (ATB Financial, WIR Bank, Land Banks)
- Gradual implementation to demonstrate non-competition
- Federal stakeholder engagement early

MARKET VOLATILITY

Mitigation:

- Diversified commodity basket (10+ commodities)
- PID controllers for supply management
- Insurance buffers (over-collateralization)
- Conservative loan-to-value ratios initially (40-50%)
- Oracle networks from multiple sources
- Circuit breakers for extreme events

ADOPTION RESISTANCE

Mitigation:

- Voluntary participation (alternatives remain available)
- Parallel system to existing finance (not replacement)
- Clear demonstration of savings
- Phased rollout with early adopter incentives
- Education and outreach campaigns

TECHNICAL COMPLEXITY

Mitigation:

- Proven DeFi infrastructure (not inventing new tech)
- Smart contract audits by multiple firms
- Testnet deployment before mainnet
- Gradual scaling based on system performance
- Emergency pause mechanisms

LIQUIDITY CONCERNS

Mitigation:

- DeFi pool architecture with AMM
- Market maker incentive programs
- Initial liquidity provision from Heritage Fund
- Multiple exchange integrations (BUCK/CAD, BUCK/USD)
- Strategic reserves for market stabilization

Research will quantify each risk with probability estimates and impact assessments. Government decision will be based on objective risk/reward analysis, not speculation.

BUDGET & INVESTMENT

CAD$3M for Transformative Research

DETAILED BUDGET BREAKDOWN

PERSONNEL (10 RESEARCHERS, 12 MONTHS): $2,400,000

Role	Annual	Total
Senior Constitutional Lawyer	$300K	$300K
Securities Law Expert	$280K	$280K
Insurance Regulatory Specialist	$220K	$220K
Monetary Systems Architect	$280K	$280K
Risk Management Specialist	$220K	$220K
Blockchain Architect	$300K	$300K
Smart Contract Developer	$260K	$260K
Security Auditor	$240K	$240K
Economic Modeler	$200K	$200K
Project Director	$100K	$100K
Subtotal Personnel		**$2.4M**

INFRASTRUCTURE & TOOLS: $300,000

Category	Amount
Development environment	$80K
Testing infrastructure	$70K
Security audits	$80K
Legal research tools	$40K
Software licenses	$30K
Subtotal Infrastructure	**$300K**

STAKEHOLDER ENGAGEMENT: $200,000

Category	Amount
Expert consultations	$80K
Regulatory discussions	$50K
Public presentations	$40K
Documentation & publishing	$30K
Subtotal Engagement	**$200K**

CONTINGENCY: $100,000

BUDGET SUMMARY

Category	Amount
Personnel	$2,400,000
Infrastructure & Tools	$300,000
Stakeholder Engagement	$200,000
Contingency	$100,000
TOTAL 12-MONTH BUDGET	**$3,000,000**

WHAT THIS INVESTMENT BUYS

Value Proposition

WHAT YOU GET:

- Complete feasibility assessment (legal, technical, economic)
- Working prototype system ready for pilot
- Quantified risk/reward analysis
- Regulatory pathway documentation
- Clear go/no-go decision point

WHAT IT DOES NOT REQUIRE:

- No commitment to implementation
- No policy changes
- No regulatory approvals
- No public announcements

Pure research to answer the question: Should Alberta do this?

SUCCESS METRICS

What Defines Success for Phase 1?

MUST-ACHIEVE OUTCOMES (GO/NO-GO CRITERIA)

1. CONSTITUTIONAL COMPLIANCE CONFIRMED

- Independent legal opinion from leading constitutional lawyer
- Detailed analysis of provincial vs. federal jurisdiction
- Precedent-based argumentation
- Risk assessment of federal challenge
- Recommended legal structure for compliance

Deliverable: 50+ page legal opinion with constitutional analysis

2. WORKING PROTOTYPE DEMONSTRATING CORE CAPABILITIES

- Testnet deployment of complete system
- BUCK token minting/burning functionality
- $BUCK_{CREDIT}$ NFT issuance
- Asset attestation workflows
- Insurance integration (parametric triggers)
- Oracle price feeds operational
- User interface functional

Deliverable: Live testnet system with documentation

3. QUANTIFIED RISK/REWARD ANALYSIS

- Household savings projections (10-year, 25-year)
- Business impact modeling by sector
- Provincial fiscal analysis (30-year)
- Adoption pathway scenarios
- Sensitivity analysis to key parameters

Deliverable: Economic impact report with quantitative models

4. CLEAR REGULATORY PATHWAY IDENTIFIED

- Step-by-step compliance roadmap
- Required filings with ASC and Superintendent
- Timeline estimates for approvals
- Stakeholder engagement strategy

Deliverable: Regulatory compliance roadmap document

5. PILOT PROGRAM DESIGN READY

- Participant selection criteria defined
- Measurement framework established
- Success metrics and KPIs identified
- Implementation timeline for Phase 2

Deliverable: Pilot program implementation plan

DECISION FRAMEWORK AT MONTH 12

Decision based on objective analysis, not politics or speculation.

If research shows it won't work, Alberta avoids costly mistake.

If research shows it will work, Alberta has blueprint for transformation.

BEYOND R&D: THE VISION

If Research Validates the Model

PHASE 2: PILOT IMPLEMENTATION (YEARS 2-3)

If Phase 1 research confirms feasibility:

OBJECTIVES

- Limited rollout with 100-500 selected participants
- Real transactions with real Alberta Bucks
- Real savings measurement and documentation
- Regulatory fine-tuning based on operational experience
- Market infrastructure development

SUCCESS METRICS

- Transaction volume and velocity
- Participant savings (measured vs. projected)
- System stability and reliability
- Participant satisfaction
- Regulatory compliance maintenance

Budget estimate: $5-10M for 24-month pilot

PHASE 3: SCALED ADOPTION (YEARS 3-5)

If pilot demonstrates success:

- Public availability for all Alberta residents
- Business integration across sectors
- Provincial government begins using Alberta Bucks for:
  - Employee salary payments (optional)
  - Vendor payments
  - Tax collection
  - Resource royalties
- Cross-border partnerships explored

Expected outcomes:

PHASE 4: ECONOMIC TRANSFORMATION (YEAR 5+)

If scaled adoption succeeds:

MAJORITY ADOPTION ACROSS SECTORS

- 50%+ of mortgaged households using Alberta Bucks
- Major agricultural and business participation
- Provincial government substantially reduced debt servicing

ECONOMIC IMPACT REALIZED

- $10-20B+ annual savings retained in Alberta economy
- Household wealth building accelerated
- Business competitiveness enhanced
- Family formation economically viable

DEMOGRAPHIC TRENDS REVERSE

- Housing affordability restored (income multiples normalize)
- Birth rates begin recovering
- Brain drain reverses (talent flows TO Alberta)
- Young professionals choosing to stay/return

STRATEGIC POSITIONING ACHIEVED

- Alberta recognized as global monetary innovation leader
- First-mover advantage in wealth-backed money
- Capital and talent magnet
- Model studied and replicated globally

THE TRANSFORMATION TIMELINE

Phase	Duration	Scale	Impact
Phase 1: R&D	Year 1	10 researchers	Feasibility confirmed
Phase 2: Pilot	Years 2-3	100-500 participants	Proof of concept
Phase 3: Scale	Years 3-5	Thousands	Regional impact
Phase 4: Transform	Year 5+	Majority adoption	$20B+ annual savings

From $3M research investment to $20B+ annual economic transformation in 5-7 years

COMPARATIVE ADVANTAGE

Why Alberta Is Uniquely Positioned

JURISDICTIONAL COMPARISON MATRIX

Factor	Alberta	Other Provinces	US States	Swiss Cantons	Emerging Markets
Constitutional authority	✓✓	Partial	Limited	✓	Varies
Attestable wealth ($T)	✓✓(1.6)	Limited	Varies	Moderate	Low
Financial innovation history	✓✓(ATB)	Limited	Moderate	✓✓(WIR)	Emerging
Political stability	✓✓	✓✓	✓	✓✓	Varies
Rule of law	✓✓	✓✓	✓	✓✓	Varies
Economic urgency ($B drain)	✓✓(23)	Lower	Varies	Low	High
Technical capability	✓	✓	✓	✓	Limited

ALBERTA'S UNIQUE CONVERGENCE

CONSTITUTIONAL AUTHORITY (SECTION 92A)

- Exclusive jurisdiction over natural resources
- Resource development, conservation, management
- Taxation of natural resources
- This is unique among provinces

MASSIVE ATTESTABLE WEALTH

- Real estate: $1.6 trillion
- Agricultural assets: $50+ billion
- Oil & gas reserves: $200+ billion PV
- Heritage Fund: $23 billion
- Crown lands: $100+ billion
- Infrastructure: $50+ billion
- **Total: $2+ trillion**
- **Per capita wealth: Highest in Canada**

PROVEN FINANCIAL INNOVATION

- ATB Financial: 87 years, $60B+ assets
- Outside federal Bank Act
- Demonstrates Alberta's capacity

ECONOMIC NECESSITY

- $23B+ annual extraction creates urgency
- Other jurisdictions don't face same pressure

Alberta's convergence of factors is unprecedented and time-limited. No other jurisdiction combines ALL these advantages simultaneously.

THE GENERATIONAL QUESTION

Families Are Making Irreversible Decisions

CURRENT REALITY FOR YOUNG ALBERTANS

HOUSING AFFORDABILITY CRISIS

Parents' generation (1980s-1990s):

- Housing: 3-5× annual household income
- Single income could support family
- 25-year mortgages paid off
- Wealth building through home equity

Current generation (2020s):

- Housing: 10-15× annual household income
- Dual income barely covers costs
- 25-30 year mortgages, often renewed at higher rates
- Debt servitude replaces wealth building

DEMOGRAPHIC COLLAPSE

Alberta birth rate: 1.41 children per woman

- 34% below replacement rate (2.1)
- Lowest in Alberta's history
- Accelerating decline

Why?

- Family formation economically impossible for many
- Housing costs prevent saving for children
- Dual-income requirement prevents stay-at-home parenting
- Student debt + mortgage debt = delayed family

BRAIN DRAIN ACCELERATION

Young professionals leaving Alberta for:

- Lower cost of living jurisdictions
- Better work-life balance opportunities
- Places where single income can support family
- Jurisdictions with housing affordability

Once they leave:

- Family roots established elsewhere
- Career paths set
- Children born in other provinces/countries
- **Irreversible loss to Alberta**

THE ALBERTA BUCK IMPACT ON FAMILIES

How This Changes Everything

HOUSING BECOMES ACHIEVABLE

Young Albertan earning $60,000/year:

TRADITIONAL PATH:

- Can afford only ~$240,000 mortgage (4× income)
- Average home costs $380,000+
- **Housing is out of reach**

ALBERTA BUCK PATH:

- Family attestation: Parents have $500K home equity
- Create $200K in Alberta Bucks from family wealth
- Young person buys $500K home with $200K down + $300K BUCKs issued
- Annual costs:
  - $300K BUCK insurance: $760/year
  - Redeem BUCKS issued over 25 years: $6,000/year
  - **Total: $6,760/year vs. $17,260/year traditional**

SINGLE-INCOME FAMILIES BECOME VIABLE

Family savings from Alberta Buck:

- Mortgage interest eliminated: $15,000-20,000/year
- Vehicle debt interest eliminated: $2,000-3,000/year
- **Total household savings: $17,000-23,000/year**

Impact:

- One parent can stay home with children
- Reduced childcare costs ($12,000-18,000/year

GENERATIONAL WEALTH COMPOUNDS

Traditional path:

- Young couple pays $275,000 in mortgage interest
- Little wealth building until house paid off age 50+
- Limited ability to help own children with housing

Alberta Buck path:

- Young couple pays $19,000 in insurance over 25 years
- **$256,000 savings** invested at 7% = $433,000 by age 50
- Can help children with housing

THE STARK CHOICE

Young Albertans Are Deciding Right Now

THE CHOICE FACING FAMILIES TODAY

Stay in Alberta	Leave Alberta
15× income housing multiples	5-8× elsewhere
Dual income required forever	Single income possible
Family formation delayed/abandoned	Family formation viable
Debt servitude	Wealth building possible
Interest extraction	Keep what you earn
Birth rate 1.41 (collapse)	Replacement possible

Families are making these decisions RIGHT NOW.

Every year Alberta delays, hundreds more families make irreversible choices:

- Move away and put down roots elsewhere
- Decide not to have children

THE REAL QUESTION

The question is not whether Alberta Buck can work.

The question is whether Alberta will act in time to give young Albertans a reason to stay.

THE ASK

CAD$3 Million for 12-Month R&D Program

WHAT'S AT STAKE

POTENTIAL ANNUAL SAVINGS (IF SUCCESSFUL)

- Households: $10B in mortgage interest
- Businesses: $10B in debt servicing
- Provincial: $3.2B in debt service
- **Total: $23B per year permanently retained in Alberta**

ROI CALCULATION

Metric	Amount
Research investment	$3M
Annual savings potential	$23B
First year ROI	**7,667×**
30-year value (present value)	**$325B+**

Even if only 10% of potential realized:

- Annual savings: $2.3B
- First year ROI: 767×
- Still transformative

INVESTMENT VS. STATUS QUO

Status Quo:

- $23B annual extraction continues
- = $63M per day
- = $2.6M per hour

Research Investment:

- $3M one-time
- = 47 hours of current extraction
- = 2 days of interest payments
- Could eliminate the entire extraction

Research costs $3M. The status quo costs $63M every

THIS IS NOT ABOUT GOVERNMENT REVENUE

Critical distinction:

This proposal is NOT about:

- Increasing government revenue
- New taxation mechanisms
- Government profit generation

This IS about:

- **Albertans keeping what they earn**
- Eliminating wealth extraction by financial intermediaries

DECISION FRAMEWORK

Three Scenarios for Alberta

SCENARIO A: LEAD

Action: Fund $3M R&D program now

Timeline:

- Month 12: Feasibility confirmed or rejected
- Years 2-3: Pilot program (if feasible)
- Years 3-5: Scaled adoption
- Year 5+: Economic transformation

Outcomes if successful:

- First-mover advantage in wealth-backed money
- $23B annual savings retained in Alberta
- Demographic trends reverse

SCENARIO B: FOLLOW

Action: Wait for other jurisdictions to prove concept

Timeline:

- Years 1-3: Watch Wyoming, Swiss cantons, others implement
- Years 3-5: Evaluate their results
- Years 5+: Attempt to adopt if successful

Outcomes:

- Lose first-mover advantage
- Network effects favor early adopters
- Talent and capital already concentrated

SCENARIO C: IGNORE

Action: Do nothing, maintain status quo

Outcomes:

- $23B annual extraction continues forever ($63M/day)
- Demographic collapse accelerates
- Brain drain becomes permanent
- Alberta loses competitive positioning
- Young generation builds lives elsewhere
- Family formation crisis worsens
- Housing affordability never improves

THE REAL CHOICE

Decision Point:

Invest $3M to investigate transformation? (2 days of current interest payments)

Or

Continue $63M daily extraction while young Albertans make irreversible decisions about where to build their lives?

NEXT STEPS

From Proposal to Program

IMMEDIATE ACTIONS (WEEKS 1-4)

MINISTRY DECISION ON R&D FUNDING

- Cabinet briefing and discussion
- Treasury Board approval for $3M allocation
- Formal program authorization

TEAM RECRUITMENT INITIATION

- Position descriptions finalized
- Recruitment agencies engaged
- Initial candidate outreach

LEGAL FRAMEWORK SCOPING

- Identify top constitutional lawyers
- Request preliminary opinions

STAKEHOLDER IDENTIFICATION

- ASC contact establishment
- Superintendent of Insurance outreach
- Federal government preliminary soundings

SHORT-TERM IMPLEMENTATION (MONTHS 1-3)

MONTH 1: PROGRAM LAUNCH

- Team assembly complete
- Office space and infrastructure setup
- Research workstreams initiated

MONTH 2: FOUNDATION WORK

- Constitutional analysis underway
- Technical architecture design starting
- Economic data collection initiated

MONTH 3: EARLY PROGRESS

- Constitutional opinion first draft
- Technology platform evaluation complete
- Economic baseline established

First Progress Report to Ministry

MEDIUM-TERM DEVELOPMENT (MONTHS 4-9)

MONTHS 4-6

- Smart contract development
- Testnet deployment
- Economic impact modeling

MONTHS 6-8

- Security audit preparation
- Risk assessment and quantification
- Regulatory compliance documentation

MONTHS 8-9

- System integration testing
- Legal opinion refinement
- Pilot program design initiation

Second Progress Report to Ministry

DECISION POINT (MONTHS 10-12)

MONTH 10: FINALIZATION

- All deliverables completion
- Security audits complete
- Documentation finalized

MONTH 11: REVIEW AND VALIDATION

- External expert review
- Ministry briefings
- Cabinet presentations

MONTH 12: DECISION

- Comprehensive findings presentation
- Go/no-go recommendation
- If GO: Phase 2 planning approval
- If NO-GO: Project conclusion with lessons learned

CLOSING: THE CHOICE

Alberta's Defining Moment

THE MISSING MONETARY ELEMENT: STATUS CHECK

Element	Status	Evidence
Identified	✓	Wealth-backed money (claim money)
Validated historically	✓	Colonial Land Banks, WIR Bank (90+ yrs)
Validated modern	✓	MakerDAO ($5B+), stablecoins ($180B)
Technically feasible	✓	Proven DeFi infrastructure
Constitutionally viable	✓	Legal analysis complete
Economically transformative	✓	$23B annual impact quantified
Implementation blueprint	✓	Complete architecture documented

WHAT REMAINS

Only two things:

1. **Political will to investigate**
    - $3M to rigorously assess feasibility
    - 12 months to answer all questions
    - Clear decision point with objective analysis
2. **Sense of urgency**
    - Window closing as competitors move
    - Young Albertans making irreversible decisions NOW
    - Every year of delay = $23B+ lost forever

THE FUNDAMENTAL QUESTION

Will Alberta seize this moment?

The technology exists. The legal foundation is clear. The economic necessity is urgent. The opportunity is time-limited.

What Alberta has that others don't:

- Unique constitutional authority (Section 92A)
- Massive attestable wealth ($2T+)
- Proven financial innovation (ATB Financial)
- Economic urgency ($23B annual drain)
- Complete implementation blueprint

FROM INTEREST EXTRACTION TO WEALTH CREATION

The Alberta Buck: Making the missing monetary element available to everyone

THANK YOU

For Alberta's Future

Dominion Research & Development Corp.