



*P*People needed credit, companies needed credit to grow and where those standards of credit were established elsewhere in the country . . . where one size didn't fit all, ATB provided that 'made in Alberta,' home-grown sensitivity, understanding, responsiveness to Alberta business needs.

"There was a shift in the early to mid-1990s, to a different province building mode. We had the good fortune of a more robust economy. Banks were not withdrawing as they did earlier so ATB didn't play the same province building role as it did in the 1970s, 1960s, 1950s, 1940s and 1930s."

*Jim Dinning, Provincial Treasurer 1992 to 1997*



# Turning **the corner**

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# 1990-1994

**The early 1990s found Alberta still trying to recover from the economic devastation of the '80s. As agriculture struggled and oil prices remained soft, the provincial government went further into debt. Alberta's bond rating in New York slipped from AA+ to AA.**

Tough cuts to the government workforce and public service wages in 1993 were matched by ruthless cuts in the struggling oilpatch. Between 1987 and 1994, more than 65,000 people left the oil industry, and the unemployment rate hovered at 10 per cent. Even so, the Alberta economy was growing twice as fast as the national average.



**“In recent years we have seen a substantial change in the manner in which services are delivered to customers by the financial services industry in Canada. There will be more such changes. Technical upgrading, while necessary, should never mean giving up on ‘old fashioned’ service, rather, it should enhance it.”**

*Al Bray, ATB Superintendent 1985 to 1994 (with ATB 1973 to 1994)*



Although “doing more with less” was the predominant theme, the Treasury Branches began rebounding during this period. They were making regular profits and steadily reducing the accumulated deficit. Chartered banks closed branches in the early 1990s, and high interest rates drove many people out of business. Still, the Treasury Branches continued serving the needs of Albertans in 225 communities, 87 of which had no other financial institution.

By 1994, ATB had a total of 142 branches and 125 agencies with over 3,000 staff. There were 80 Automated Banking Machines. The more than 22,000 independent businesses that banked at the Treasury Branch helped to push deposits past the \$8 billion mark for the first time.

In 1992, the federal cabinet proclaimed changes to financial institution legislation such as *The Bank Act*. The changes, subject to debate for quite a number of years, permitted federal institutions to own other financial institutions, such as insurance companies and portfolio and investment management companies.

These changes affected Treasury Branches directly: ATB did not have the same powers as their competitors to deliver products such as mutual funds or securities.

#### **ABM ON THE ROAD**

**ATB put its Mobile Money Machine on the road in 1995, bringing the convenience of the Automated Banking Machine (ABM) to fairs, rodeos and other special events.**



# 1990-94



## **SUIT THE CUSTOMER**

In 1990, ATB introduced Any Time Banking, a service that allowed customers to conduct business with their home branch from any touch-tone telephone. This service was a first in bringing banking to the customer's home, not only here in Alberta but anywhere in Canada.



*Edmonton Strathcona Treasury Branch, 1991*



**“From some Alberta-based national banking directors, . . . I have heard the odd one say –  
'you know I couldn't say this publicly but I think it's great that ATB is there to stand on guard for us,'  
and they keep the national banks honest in Alberta. Not all the time but it keeps them on their toes.”**

*Jim Dinning, Provincial Treasurer 1992 to 1997*



In 1993, incoming Premier Ralph Klein appointed the Alberta Financial Review Commission to study all government operations, including ATB, and make recommendations addressing Alberta's economic and financial problems. Changes were recommended to ATB. As a result, the government appointed Gordon Flynn, Q.C., to review ATB's operations. Flynn recommended greater autonomy and financial accountability through the appointment of an Advisory Board and an Audit Committee; and in the longer term, appointment of a Board of Directors and making ATB a Crown corporation.

In the meantime, keeping a tight reign on expenses continued to be an important part of ATB's operations. In 1994, Treasury Branch expenses were kept at 1993 levels while deposits and loans continued to grow. Profits were applied against the accumulated deficit.

After over half a century of existence under a structure created in the 1930s, ATB's transformation was vital to allow it to successfully operate in the fiercely competitive financial marketplace of the late 1990s.



*Marshall M. Williams,  
ATB Chairman  
1996 to present*

**The Alberta Financial Review Commission was chaired by Marshall Williams who later became the first chairman of ATB's Board of Directors: “We saw a need for ATB to put more financial discipline on its operations. I am glad to see our recommendations were adopted.”**

