

**PEOPLE, ECONOMY, JOBS:**



**Alberta Party**

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**SHADOW BUDGET 2021**

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# Letter from Acting Leader Jacquie Fenske

**A**n Alberta Party tradition, the Shadow Budget has always been presented as an alternative vision to the government of the day. This proposed financial plan comes from everyday Albertans rolling up their sleeves to think about how to build a better province.

This tradition is now more important than ever. The crash in oil prices in 2020 coincided with the COVID-19 pandemic, which further depressed oil prices and sent the rest of the economy into a tailspin. We are only just starting to work our way out of this challenge, as vaccines reach more and more Albertans every day.

Now, more than ever, Albertans need a vision of an economy that is non-ideological. We need a plan that is driven towards recovery now, and sets us up for future prosperity with hard work and good management.

We know a recovery will not come fast. Oil prices may recover, and alongside it government revenues, but new technology and efficiencies will mean employment in the industry will not grow at the same pace. So we need to make a forceful, concentrated, and inclusive effort to build an economy that is multi-faceted and dynamic, where jobs are plentiful and all Albertans can take part.

Last year, we released *Rebuilding Alberta*, the Alberta Party's plan to recover from the economic downturn while building a foundation for future prosperity. This year's Shadow Budget, *People, Economy, Jobs*, builds upon that approach.

*People, Economy, Jobs* was built through deep and intensive research while staying true to our core values: prosperity, fiscal responsibility, social responsibility, sustainability, democracy, and quality of life. All must be balanced and based on evidence-based policy making. *People, Economy, Jobs* does that.

I cannot be prouder of Albertans for their perseverance. Though the days have been dark, we are emerging from the shadows. We have hope because of who we are. We are Albertans. We are hard working and innovative. We care about our neighbours and plan for our children. Most of all, we are a people who never give up. *People, Economy, Jobs* is a plan to empower Albertans to do what they do best: build, invent, and grow, together.



A stylized, handwritten signature of the name "Jacquie" in a cursive script.

**Jacquie Fenske**, Acting Leader of the Alberta Party

# Letter from Party President Conrad Guay

**A**lbertans are facing adversity not seen for generations. The COVID-19 pandemic has accelerated economic and societal changes that were already on the march. These changes need not be negative. With the leadership of the Alberta Party, we can harness them and propel our province into a prosperous future.

Once again, the Alberta Party has personified the can-do spirit of Alberta. We responded to the pandemic by first suspending, then re-orientating our fundraising efforts; running a successful virtual AGM; and hosting virtual meetings and roundtables with Albertans from across our province. Now, once again, we are presenting a Shadow Budget developed using countless volunteer hours and virtual meetings and consultations.

*People, Economy, Jobs* is a framework not only for economic recovery and growth, but our values as a party and as Albertans.

The Alberta Party firmly believes Alberta is built on a collective entrepreneurial spirit and that government exists to make it easier for all Albertans to tap into that spirit to ensure future success. Supporting startups and small businesses while continuing to attract national and international investment secures our economic future.

Our core industries — energy, forestry and agriculture — are key economic drivers that must be supported while also fostering growth in technology, innovation, tourism, arts, and sport and culture across the province. Building a more diversified, sustainable, and resilient economy benefits all Albertans, both rural and urban. Economies do not grow only due to investment and tax policy. The people who sustain them must have access to an excellent standard of living. Government must ensure education, health care, sports, parks, culture, and other life-enhancing pursuits are available to all Albertans. Alberta's First Nations, Métis, and Inuit (FNMI) are important partners in our prosperity. Creating dynamic partnerships with Alberta FNMI through consultation, small business support, and representation is essential to our success. These are core principles of the Alberta Party.

Also core to our identity is a commitment to fiscal responsibility. We remain committed to treating tax dollars as a sacred trust, not an entitlement. We believe a balanced budget is necessary for our prosperity. However, further values of social responsibility and ensuring a high quality of life cannot be minimized.

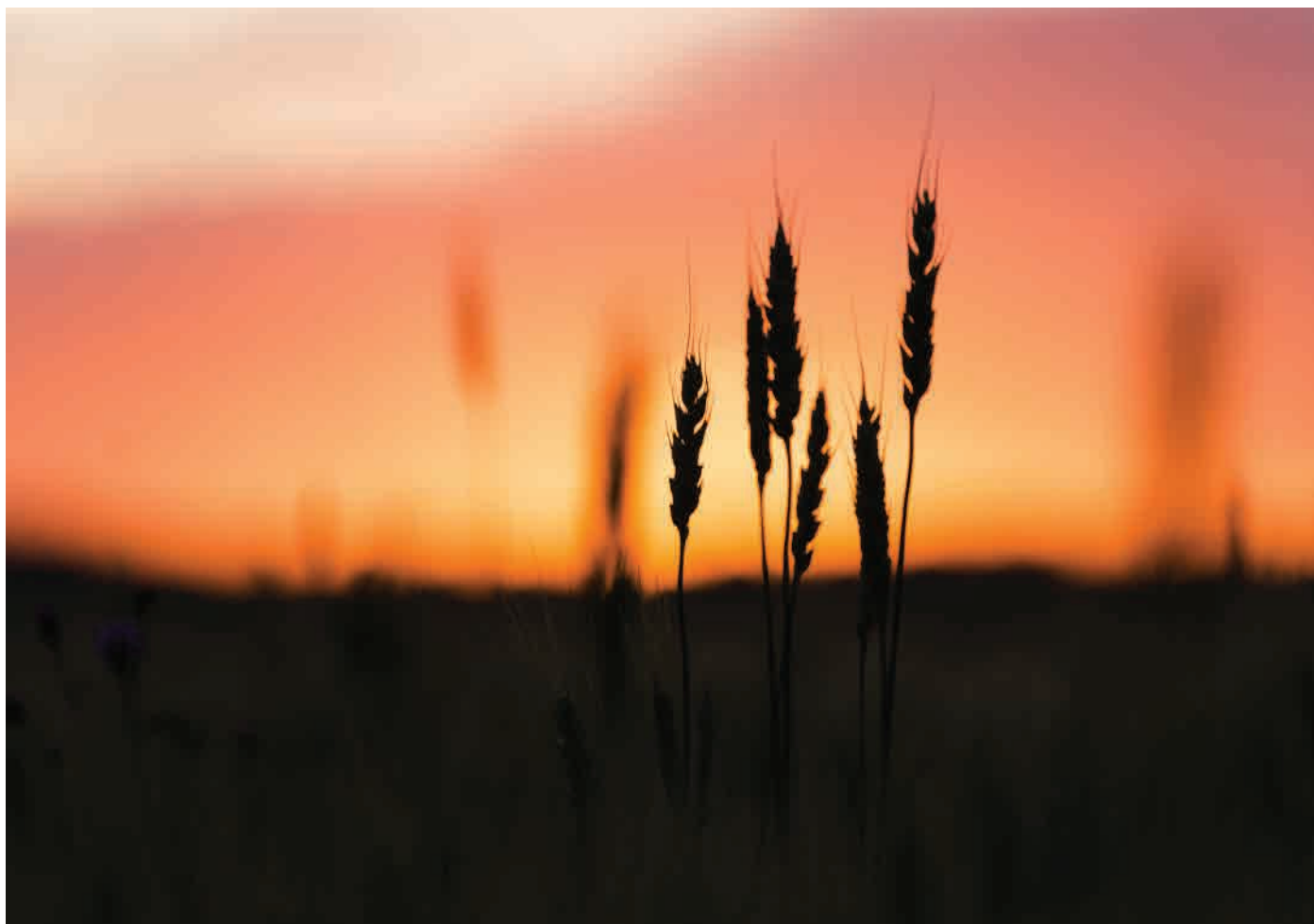
If the Alberta Party stands for anything, it is that these core values of prosperity, fiscal responsibility, social responsibility, sustainability, democracy, and quality of life can and must be balanced to best serve the interests of all Albertans.

This year the Alberta Party is electing a new leader. In many ways, the face of a political party determines how the public sees it. But while a particular leader may emphasize one policy over another, we know they will stay committed to our core values. Our leadership will ensure all Albertans are empowered to live the life that makes them and their families happy, resilient, and prosperous.

I cannot thank enough the volunteers who put *People, Economy, Jobs* together. The Alberta Party has done what many well-funded opposition parties have failed to do - provide a vision for our province that is informed, considerate, and pragmatic.



**Conrad Guay**, Alberta Party President



# Letter from Shadow Minister Treasury Board and Finance Mark Nikota

**A**lbertans are at a fiscal crossroad. For years we relied on resource revenue to pay for our most basic services.

By funding core programs this way, we spent more in the good times and had to borrow in the bad. Our debt repayment plans have hinged on another boom. This rollercoaster of boom-and-bust spending led to the constant struggle between big deficits and deep cuts. This is not sustainable. We cannot wait for the next windfall to come our way, while passing the responsibility and cost of our failure to plan onto yet another generation of Albertans.

The lack of long-term fiscal planning has to end. *People, Economy, Jobs* is a framework for responsible planning.

In the Alberta Party, we believe in balancing the need for fiscal responsibility with Albertans' social needs now and in the future. This means we need a long-term strategy to get Alberta back to balanced budgets while supporting necessary social programs. It means using economical spending and prudent taxation.

We need to look at both sides of the budget: revenues and expenditures. We can't spend our way to prosperity any more than we can cut our way there; we need to find a balance.

That is why *People, Economy, Jobs* has recommendations for both sides; prudent and efficient spending decisions balanced with hard choices on revenues. It is time for the province to take financial leadership seriously. Decisions can't be based on politics and popularity. Instead, they need to be based on necessity and good governance. Albertans are resilient. When faced with a problem, we roll up our sleeves and do what is necessary.

Our only other option is to continue to leave the hard choices to future generations. In our opinion, this is not an option at all.

**Mark Nikota,**  
Shadow Minister Treasury Board and Finance

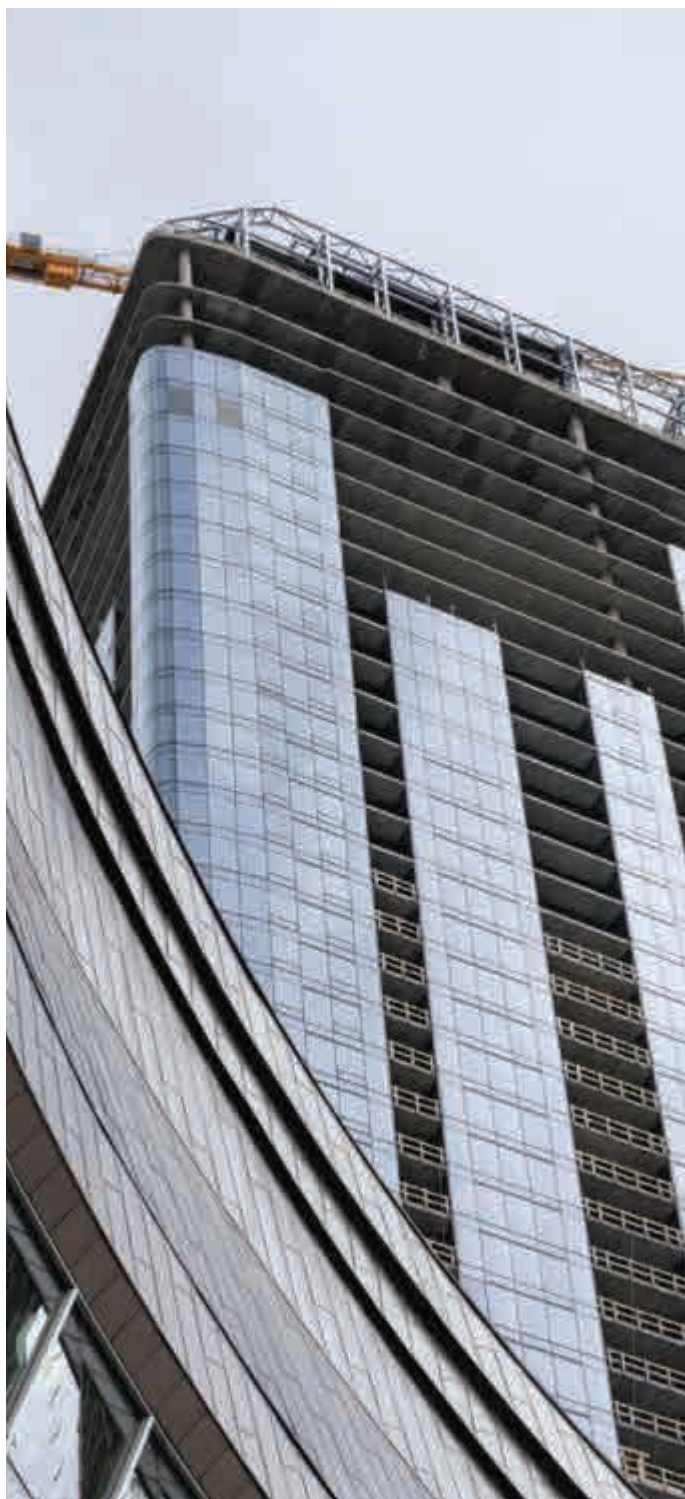


# Executive Summary

**P**eople, Economy, Jobs is based on the core principles of the Alberta Party - prosperity, fiscal responsibility, social responsibility, sustainability, democracy, and quality of life. We couple these values with our reputation for solid, well-researched, pragmatic policy. We suggest policy based not on ideology but on the best way to get the job done. This is the Alberta Party way because it is the Alberta way.

The COVID-19 pandemic, combined with an oil price collapse, has decimated Alberta's economy. Untold numbers of Albertans are working less or are out of work altogether. People are struggling to feed their families, putting their futures on hold, and facing uncertainty not seen for a generation. A vaccine is starting to be distributed, but it will be some time before life is back normal. Until that occurs, our economy cannot fully recover. And because economic growth is so tied to the pandemic, and jobs have been lost across all sectors, solutions must be diverse. Therefore, *People, Economy, Jobs* is a phased approach to economic recovery.

People, Economy, Jobs presents a budget scenario with a \$15.94B deficit in 2021-22, and a \$4.98B deficit in 2022-23, roughly two billion less than the current government's projections. We do this by looking after the people of this province and exercising fiscal responsibility.



**Phase One - A Plan to Get People Back to Work** focuses on immediately providing capital to businesses so they can hire employees quickly, supporting geothermal endeavours that will deploy our oil workers and service companies in a new industry, and spurring investment in technology by providing start-up and investor tax credits.

**Phase Two - Empowering Communities** enables municipalities to build the infrastructure they need for future growth and get people back to work in the process. It does not pretend the province knows better than local governments. The province would provide 70 per cent of infrastructure funding for projects decided upon by municipalities and would allow for municipal bonds to be raised, allowing community members to fund and take ownership of projects designed to make their communities better places to thrive.

**Phase Three - A framework to Embrace Innovation and Transition the Economy** recognizes how vital post-secondary institutions are to the economy and would restore all funding cuts to advanced education made by the current government. To ensure a thriving agricultural sector, the Alberta Party would introduce an incentive program for greenhouses to grow foods locally, and would invest another \$100M to support value-added agriculture production. Our Film in Alberta program would provide production companies with a tax credit of up to 65 per cent on eligible salaries or 35 per cent on expenses within the province. The Alberta Party would also create a generous diversification fund and tax credit system targeting areas such as artificial intelligence, software development, and digital media creation.

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This spending must, however, be done responsibly. Taxpayer dollars are a sacred trust, not an entitlement. An unsustainable budget imbalance directly harms private investment and job creation. That is why our fiscal plan involves proposals for both sides of the ledger: expenditures and revenues. *People, Economy, Jobs* is a long overdue, evidence-based plan for the future, not an ideological or politically motivated effort. The Alberta Party Shadow Budget includes our climate plan, with a made-in-Alberta carbon levy, because of the enormous implications it has for our provincial budget.

*People, Economy, Jobs* posts a \$15.94B deficit in 2021-22, and a \$4.98B deficit in 2022-23, roughly two billion less than the current government's projections. We will do this by exercising fiscal responsibility while still looking after the people of this province. In addition to responsible fiscal restraint, *People, Economy, Jobs* introduces a budget scenario with a 6 percent PST. A policy change of this size would not be implemented without a referendum, and a commitment to reducing spending to show Albertans it is part of an overall plan to restore fiscal sanity. It would not be proposed until the worst economic effects of the pandemic have passed. This is not a policy directive, but the beginning of an essential conversation we as Albertans must have.



# Getting Albertans Back to Work

**S**mall businesses in the service economy have been the hardest hit due to government shutdown orders. To rehire staff, these businesses require access to capital. We would **provide ATB and credit unions with \$600M for small business operating loans to empower owners and operators to rehire staff and grow.** Fifty percent of this will be forgiven, bringing the total cost to the provincial budget to \$300M. We would also **double the small business deduction from \$500,000 to \$1M to support growth and development.** Businesses would only be eligible if this support is used to employ Albertans.

The oil and gas industry has been hit hard by a crash in demand caused by the pandemic. The federal government's cash injection directed at cleaning up orphan and abandoned wells is a positive step to get people back to work. An Alberta Party government would **identify approximately 4,000 wells that may be suitable for conversion to geothermal use and partner with industry in a pilot project to convert wells to geothermal energy production, spending \$50M on initial trials.** The Alberta Party would **increase investment in technologies that use by-products of the oil and gas industry.**

To support the movement of skilled trades people between industries, the Alberta Party would **restart the Renewable Electricity Program.**

This will accelerate the construction of \$2B worth of renewable projects already proposed in Alberta.

To incentivize hiring in the tech industry, the Alberta Party calls for the reinstatement of the **Alberta Investor Tax Credit and Capital Investment Tax Credit.** This mechanism allows for quick investment and hiring in IT, AI, video game and digital media creation, and other similar industries. The Alberta Party would also **increase the budget of Alberta Innovates and encourage research in material sciences.** We would enable Alberta Innovates to spur commercialization of technology developed in Alberta's advanced education sector. To stimulate homegrown businesses, we would **direct ministries to follow a first adopter principle.** When available, government procurement projects would reduce red tape to provide Alberta companies with an easier path to bidding and winning contracts.



# Empowering Success

Infrastructure spending is a proven way to boost economic activity and invest in future economic growth. Locals know the needs of their communities and are in the best position to decide what that looks like. To enable municipally-led construction, the Alberta Party would create the **Municipal Infrastructure and Employment Program**. This program would **provide municipalities with 70 percent funding** for projects identified as priorities to create economic opportunities for today's workers and tomorrow's economy. Total provincial funding would be **\$1.5B over three years**.

To further enable municipalities to grow their local economies and put people back to work, the Alberta Party would allow for **municipal bonds** to be raised. This program would support specific projects and also instill community pride and ownership in those projects. Advocacy to the federal government would be required.

The pandemic has shown just how important stable, quality broadband internet connectivity is to commerce and education in the 21st century. A variety of technologies can be used to improve this critical piece of infrastructure, and the most efficient type differs by area. That is why we would leave it up to municipalities to connect their citizens in the best way possible by creating a **\$500M program called Connect Alberta**, a grant program for municipalities to provide state-of-the-art internet connectivity to their citizens.



By obsessing over politics rather than policy, the current provincial government has failed to work with the federal government, which has provided significant funding. The Alberta Party would work with these federal programs to ensure all Albertans, regardless of location, have access to 21st century internet.

Arts, culture, and sports are important to the economy and our shared heritage as Albertans. They are cornerstones of both large and small communities. These industries employ over 70,000 Albertans, and their jobs have been hit hard as they rely on contact with the public and large gatherings. Museums have equally suffered as tourism collapsed and budget cuts from the current government have devastated these institutions.



Without music festivals like the Canmore Folk Festival or Big Valley Jamboree, small and medium-sized communities will face major economic shortfalls. To make sure these jobs rebound, and to ensure our shared heritage remains strong, the Alberta

Party would create an **Arts, Culture, and Sports Grant**. Whether a concert promoter, museum curator, touring musician, actor, sculptor, painter, athlete, or trainer, our arts, culture, and sport sector workers would be eligible for grant money.



# A 21st Century Economy

**N**o economic recovery plan should be solely focused on the present. Long-term thinking is essential for sustainable growth and steady expansion of the economy.

Achieving these goals requires a strong post-secondary education system that prepares our people (our greatest natural resource) for the economy of the future and empowers them to create future prosperity. The Alberta Party would **restore all post-secondary funding cut by the current government.** Our advanced education institutions not only support research and development across dozens of fields but also directly inject billions of dollars annually into the Alberta economy.

The global pandemic has shown us why agriculture and domestic food production is critical. In Alberta, agriculture is one of our largest and most important industries. The Alberta Party would introduce an incentive program for greenhouses to locally grow foods that are currently imported into Alberta, such as peppers, herbs, spices, or lettuce.

Our Party would also **invest another \$300M to support value-added agriculture production,** so more consumer-ready food is produced in Alberta.

While international travel restrictions are likely to be in place for some time, our film and television industry must be prepared to compete globally for the billions spent in this growing industry. The Alberta Party promised in the 2019 election to introduce a new **Film in Alberta program, which would provide film and TV production companies with a tax credit of up to 65 per cent on eligible salaries or 35 per cent on expenses within the province.** We remain committed to this pledge.

A generous fund and tax credit system targeting areas such as artificial intelligence, software development, and digital media creation would be created to further enable economic growth. These funds would be targeted at start-ups and scale-ups looking to grow their Alberta-based work forces. For such industries to grow, it is critical we support not only business but also our post-secondary education system.

# Fiscal Responsibility

**A**lbertans want a balanced and transparent budget that respects taxpayer dollars. These are good instincts, and have served our province well.

The world is changing. No longer can Alberta rely on oil and gas royalties to balance the budget and pay for core government programs. A thriving private sector has led to a situation where Alberta must pay public sector workers higher than other provinces to attract the best people. This has put a strain on our public finances. To return to a balanced budget and secure a stable financial future, we must look at all possible options. The path to a better fiscal future will not be an easy one but one we have to travel for the benefit of future generations of Albertans.

Based on our numbers, *People, Economy, Jobs* would balance the budget at a faster rate than the current government's plans - it posts a \$16.5B deficit in 2021-2, and a \$6.2B deficit in 2022-23, one billion less than the current government's projections.

## ***Reducing Operational Spending***

We know cuts can only take us so far, and we remain committed to cutting government operational spending where prudent, without engaging in fights with essential, hard working public sector employees.

The Alberta Party would investigate ways to restructure AHS to a more decentralized model, reduce the number of middle managers across the public sector, and introduce digitization processes that would reduce personnel over the medium-term. Where reductions are necessary, they would be accomplished by attrition, and not add to Alberta's current unemployment challenges.

## ***Restructuring Revenue***

A total review of the revenues we rely on is needed to ensure that maximum revenue is gained with the minimum cost to Albertans and economic growth. Taxes have to be efficient and equitable and no change can be made in isolation.

Relying on resource revenues to pay for core services is like mortgaging your house to pay for groceries: it won't work forever. We must make changes to bring stability to our fiscal future.

An Alberta Party government would move forward with the following fiscal promises:

**Small Business Tax Cut:** as previously mentioned, small businesses are the backbone of our economy. To support them, we would double the small business deduction from \$500,000 to \$1M to support growth and development. This would be especially helpful in rural Alberta where small businesses make up the majority of employers.



**Corporate Income Taxes:** while we believe large corporations in Alberta need to pay their fair share for services, the biggest thing business needs to be successful is stability. Over the past few years, corporate tax rates have been used as political leverage, rather than a method to contribute to provincial services. That is why the Alberta Party will leave the corporate tax rate as is, so that businesses know what they can expect when planning for future projects. This alters our previous commitments, but acknowledges a changed reality.

## Debt Reduction & Future Savings Plan

As we return to a balanced budget, the Alberta Party would transition our fiscal plan by using non-renewable resource revenue to pay down existing debt and start saving again for the future. Specifically, in the event Alberta receives a greater than projected amount of resource revenue or has a budget surplus, we would direct 50 per cent of those funds to debt repayment and 50 per cent to the Heritage Savings Trust Fund to grow it for a better future for all Albertans.

### Provincial Sales Tax

It is time to have a serious discussion in Alberta about a sales tax. After attempting to solve our fiscal imbalance with traditional tools - cuts and economic growth - the Alberta Party would propose holding a referendum on adding a provincial sales tax. Because no decision is made in isolation, we would provide fiscal balance, adding a provincial sales tax by lowering personal income taxes on low- and medium-income earners. We could do this by increasing the basic personal minimum tax exemption while increasing the marginal tax rates on the highest income earners.

A sales tax could:

- smooth out tax revenues and provide fiscal stability;
- capture lost revenue from people that work in Alberta but file taxes in another province;
- capture lost revenue from tourists that use services but don't pay taxes; and
- bring Alberta's tax strategy more in line with other provinces while still keeping Alberta taxes lower than anywhere else in Canada.

We will be looking at options like a Harmonized Sales Tax, the same as in Saskatchewan at 6%, which would be added to the existing GST. In this way we would collect the revenue but not have the added expense of a new government administration.

**Because a HST unduly affects low-income individuals and families, we would also propose a refundable tax credit just like the GST and exempt necessary goods and services such as groceries. Those who can't afford taxes won't have to pay it.**

As a province, we need diversified revenue to pay for needed services. A properly implemented sales tax is the most efficient and fairest way to accomplish our goal of getting our fiscal house in order. But this is a conversation we as Albertans must all engage in. The time is now. We recognize how significant and life-changing a move from income to consumption taxes would be.

That is why we present this option only as a hypothetical; if government books cannot be balanced without it, and if Albertans give a clear mandate to enact it, then we would further pursue the plan of cuts as outlined. A policy change of this size would not be implemented without a referendum, and a commitment to reducing spending to show Albertans it is part of an overall plan to restore fiscal sanity. It would not be proposed until the worst economic effects of the pandemic have passed. The scenario People, Economy, Jobs presents is one option. More discussions must be held with all Albertans. We believe the time is now to have hard discussions about the future of our province.

### What would that look like today at 6% HST?

	GoA 2019-20 20 Actual	GoA 2020-202 1 Budget	GoA 2020-2021 Forecast (1)	ABP 2021-202 2 Budget	ABP 2021-2022 Budget (No HST)	ABP 2022-20 23 Target	ABP 2022-2023 Target (No HST)
<b>Consolidated Revenues</b>							
Income Taxes	15,351	17,105	12,941	13,355	13,355	15,351	15,351
Other Taxes	5,747	5,782	5,286	12,155	6,755	12,431	6,858
Non-Renewable Resource Revenue	5,937	5,089	1,669	1,722	1,722	5,937	5,937
Transfers from Gov't of Canada	9,072	9,110	11,337	11,700	11,700	9,072	9,072
Investment Income	2,829	2,630	1,919	1,980	1,980	2,829	2,829
Net Income from Gov't Business Enterprises	-225	2,358	1,194	1,232	1,232	1,272	1,272
Premiums, Fees and Licenses	3,929	4,194	4,030	4,159	4,159	3,929	3,929
Other	3,585	3,727	3,038	3,135	3,135	3,585	3,585
<b>Total Revenue</b>	<b>46,225</b>	<b>49,995</b>	<b>41,414</b>	<b>49,439</b>	<b>44,039</b>	<b>54,405</b>	<b>48,833</b>
<b>Consolidated Expenses</b>							
Total Operating Expenses	48,619	47,812	47,745	49,923	49,923	50,825	50,825
Covid 19 / Recovery Expenses	218	500	4,843	4,998	4,998	0	0
Crude by Rail Expense	866	0	1,250	1,290	1,290	0	0
Capital Grants	1,696	2,302	2,266	2,339	2,339	1,750	1,750
Debt Servicing Expenses	2,235	2,505	2,413	2,490	2,490	2,570	2,570
Disaster / Emergency Assistance	1,356	750	750	750	750	750	750
Amortization, Inventory, Loss on Assets	3,720	3,857	3,891	4,016	4,016	3,839	3,839
Pension Provisions	-334	-415	-415	-428	-428	-345	-345
<b>Total Expenses</b>	<b>58,376</b>	<b>57,311</b>	<b>62,743</b>	<b>65,377</b>	<b>65,377</b>	<b>59,390</b>	<b>59,390</b>
<b>Surplus (Deficit)</b>	<b>-12,151</b>	<b>-7,316</b>	<b>-21,329</b>	<b>-15,938</b>	<b>-21,338</b>	<b>-4,984</b>	<b>-10,557</b>
<b>Capital Expenses</b>							
<b>Total Capital Expenses</b>	<b>5,563</b>	<b>6,992</b>	<b>8,429</b>	<b>9,699</b>	<b>9,699</b>	<b>6,563</b>	<b>6,563</b>



# A Climate Plan for Albertans

**T**he federal government has ensured Albertans will face a price on carbon. The Alberta Party believes a made-in-Alberta solution is the best way to take meaningful action on the environment while having the least negative impact on economic growth. We announced this carbon tax policy in our 2019 Shadow Budget and we continue to call for it now.

Under the Alberta Party plan, transportation fuel would be subject to a carbon levy equivalent to \$30/tonne of GHG emissions. In addition, each adult Albertan would receive a cash rebate equal to the average carbon tax collected based on typical urban or rural fuel use, depending on where they live. The rebate would be the same for each Albertan, only varying based on place of residence (rural/urban), not on income.

Under the Alberta Party plan, small- and medium-sized businesses would have the option to request a carbon levy rebate with their tax filings - based on kilometres travelled - or join the large emitters program. Larger businesses would have the ability to join the large emitters program, evaluate their baseline emissions, and pay incrementally if emissions increase, or generate tradable credits if emissions decrease, thus creating an incentive to work to reduce carbon emissions across all sectors of the Alberta economy.

This approach has worked well for large industrial emitters since 2007. Applying the same model to diverse business activities across Alberta makes good sense.

With respect to agricultural activities, farm fuel would be 100 per cent exempted. The Alberta Farm Fuel Benefit program would be expanded to cover propane and natural gas so that essential activities, such as drying grain or running greenhouses do not become prohibitively expensive.

The Alberta Party plan would cover the majority of greenhouse gas emissions in the province, would keep control of the carbon levy funds collected out of the hands of the Federal government, and would provide appropriate incentives for individuals and businesses to maintain or reduce their GHG emissions without placing an undue burden on Alberta's economic activity.

# Financial Tables, Other Data, and References

## Consolidated

### Alberta Party 2021-2022 Shadow Budget (millions of dollars)

Consolidated Revenues	GoA 2019-2020 Actual	GoA 2020-2021 Budget	GoA 2020-2021 Forecast (1)	ABP 2021-2022 Budget	Budget (No HST)	ABP 2022-2023 Target	ABP 2022-2023 Target (No HST)
Income Taxes	15,351	17,105	12,941	13,355	13,355	15,351	15,351
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Other	3,585	3,727	3,038	3,135	3,135	3,585	3,585
<b>Total Revenue</b>	<b>46,225</b>	<b>49,995</b>	<b>41,414</b>	<b>49,439</b>	<b>44,039</b>	<b>54,405</b>	<b>48,833</b>
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## Revenue

Detailed Revenues	GoA 2019-2020 Actual	GoA 2020-2021 Budget	GoA 2020-2021 Forecast (1)	ABP 2021-2022 Budget (2)	ABP 2021-2022 Budget (2) (No HST)	ABP 2022-2023 Target (3)	ABP 2022-2023 Target (3) (No HST)
Personal Income Tax	33,244	32,566	30,753	33,097	33,097	33,244	33,244
Corporate Income Tax	4,307	4,539	2,388	2,258	2,258	4,307	4,307
Total Income Taxes	15,351	17,105	12,941	13,355	13,355	15,351	15,351
Education Property Tax	2,475	2,559	2,472	2,553	2,553	2,475	2,475
Fuel Tax	3,376	3,423	3,367	3,204	3,204	3,376	3,376
Tobacco / Vaping Tax	805	864	794	839	839	805	805
Cannabis Tax	76	74	90	93	93	76	76
Insurance Taxes	662	703	683	705	705	662	662
Carbon Tax	389	0	0	3,300	3,300	3,300	3,300
Tourism Levy	89	92	27	28	28	89	89
Freehold Mineral Rights Tax	75	67	53	55	55	75	75
Harmonized Sales Tax (4)	0	0	0	5,400	0	5,573	0
Other Taxes	5,747	5,782	5,286	12,155	6,755	12,431	6,898
Bitumen Royalty	4,089	3,233	896	925	925	4,089	4,089
Crude Oil Royalty	3,375	3,335	397	430	430	3,375	3,375
Natural Gas & By-Products Royalty	373	429	392	398	398	373	373
Bonuses and Sales of Crown Leases	320	377	36	37	37	320	320
Rentals and Fees / Coal Royalty	382	337	348	353	353	382	382
Non-Renewable Resources Revenue	5,937	5,089	1,669	1,722	1,722	5,937	5,937
Transfers from Government of Canada	9,072	9,310	11,337	11,700	11,700	9,072	9,072
Alberta Heritage Savings Trust Fund	3,473	3,377	935	944	944	3,473	3,473
Endowment Funds	308	286	223	230	230	308	308
Alberta Capital Finance Authority	366	485	237	224	224	366	366
Agriculture Finance Services Corporation	398	357	357	362	362	398	398
Other (includes SUCH sector)	526	525	407	420	420	526	526
Investment Income	2,829	2,630	1,939	1,980	1,980	2,829	2,829
Net Income from Gov't Business Enterprises	-225	2,358	1,194	1,292	1,292	1,272	1,272
Post-Secondary Institution Tuition Fees	3,333	3,460	3,330	3,373	3,373	3,333	3,333
Health / School Board Fees and Charges	703	737	702	724	724	703	703
Motor Vehicle Licenses	538	546	530	526	526	538	538
Crop, Hail and Livestock Insurance Premiums	323	339	324	334	334	323	323
Energy Industry Levies	325	328	234	223	223	325	325
Other Fees and Charges	753	804	950	980	980	753	753
Premiums, Fees and Licenses	3,929	4,194	4,030	4,159	4,159	3,929	3,929
Other	3,585	3,727	3,038	3,135	3,135	3,585	3,585
Total Revenue	46,225	49,995	41,414	49,439	44,039	54,405	48,833

## Operating Expenses

Detailed Operating Expenses By Ministry	GoA 2019-2020 Actual	GoA 2020-2021 Budget	GoA 2020-2021 Forecast (1)	ABP 2021-2022 Budget (6)	ABP 2022-2023 Target (7)	Renamed ABP Ministries (5)
Advanced Education	5,477	5,126	5,201	5,367	5,652	
Agriculture & Forestry	868	833	860	1,188	1,196	
Childrens Services	1,548	1,636	1,628	1,680	1,598	
Community & Social Services	3,965	3,910	3,845	3,968	4,092	
Culture, Multiculturalism and Status of Women	205	185	159	164	212	Multiculturalism, Status of Women & LGBTQ Rights
Education	8,134	8,322	8,190	8,452	8,394	
Energy	600	506	483	498	619	
Environment and Parks	558	532	590	609	576	
Executive Council	18	17	17	18	19	
Health	20,870	20,616	20,716	21,379	21,538	
Indigenous Relations	162	203	148	153	167	
Infrastructure	457	472	470	886	910	Infrastructure & Transportation
Jobs, Economy and Innovation	282	298	296	655	641	
Justice & Solicitor General	1,442	1,443	1,443	1,489	1,488	
Labour & Immigration	196	209	204	211	202	
Municipal Affairs	244	241	207	214	252	
Seniors & Housing	634	637	637	657	654	Seniors & Continuing Care
Service Alberta	494	482	495	511	510	
Transportation	425	384	389			
Treasury Board & Finance	1,900	1,693	1,648	1,701	1,961	
Legislative Assembly	140	126	126	130	144	
In-Year Savings	0	-59	-6	-6	0	
<b>Total Operating Expenses</b>	<b>48,619</b>	<b>47,812</b>	<b>47,745</b>	<b>49,923</b>	<b>50,825</b>	
<b>Covid 19 / Recovery Expenses (8)</b>	<b>218</b>	<b>500</b>	<b>4,843</b>	<b>4,998</b>	<b>0</b>	
<b>Crude by Rail Expense (9)</b>	<b>866</b>	<b>0</b>	<b>1,250</b>	<b>1,290</b>	<b>0</b>	
<b>Capital Grants</b>	<b>1,696</b>	<b>2,302</b>	<b>2,266</b>	<b>2,339</b>	<b>1,750</b>	
<b>Debt Servicing Expenses</b>	<b>2,235</b>	<b>2,505</b>	<b>2,413</b>	<b>2,490</b>	<b>2,570</b>	
<b>Disaster / Emergency Assistance (10)</b>	<b>1,356</b>	<b>750</b>	<b>750</b>	<b>750</b>	<b>750</b>	
<b>Amortization, Inventory, Loss on Assets</b>	<b>3,720</b>	<b>3,857</b>	<b>3,891</b>	<b>4,016</b>	<b>3,839</b>	
<b>Pension Provisions</b>	<b>-334</b>	<b>-415</b>	<b>-415</b>	<b>-428</b>	<b>-345</b>	
<b>Total Expenses</b>	<b>58,376</b>	<b>57,311</b>	<b>62,743</b>	<b>65,377</b>	<b>59,390</b>	

## Capital Expense

Capital Expenses by Ministry	GoA 2019-2020 Actual	GoA 2020-2021 Budget	GoA 2020-2021 Forecast (1)	ABP 2021-2022 Budget	ABP 2022-2023 Target (11)	Renamed ABP Ministries (5)
Advanced Education	554	654	752	776	554	
Agriculture & Forestry	28	39	65	67	28	
Community & Social Services	0	1	1	1	0	
Culture, Multiculturalism and Status of Women	40	61	59	61	40	Multiculturalism, Status of Women & LGBTQ Rights
Education	600	842	979	1010	600	
Energy	73	163	163	168	73	
Environment and Parks	68	123	167	172	68	
Health	1083	1288	1276	1317	1083	
Indigenous Relations	3	19	21	22	3	
Infrastructure	125	270	321	2911	1676	Infrastructure & Transportation
Jobs, Economy and Innovation	10	12	12	12	10	
Justice & Solicitor General	5	10	25	26	5	
Labour & Immigration	1	1	1	1	1	
Municipal Affairs	1128	1236	1744	2300	1628	
Seniors & Housing	182	216	235	243	182	Seniors & Continuing Care
Service Alberta	88	94	86	589	588	
Transportation	1551	1941	2500			
Treasury Board & Finance	23	19	19	20	23	
Legislative Assembly	1	3	3	3	1	
<b>Total Capital Expenses</b>	<b>5563</b>	<b>6992</b>	<b>8429</b>	<b>9699</b>	<b>6563</b>	

## Notes

- 1 - GoA 2020-2021 Revised Forecast is as of Nov 2020
- 2 - ABP 2021-2022 Budget Revenue based on a year over year increase of 3.2% applied from GoA 2020-2021 revised forecast (inflation 1.5% & population increase of 1.7% as per online and government sources)
- 3 - ABP 2022-2023 Target Revenue based on a return to G0A 2019-2020 Actual
- 4 - Based on research of public policy documents, an HST generates between \$800mil and \$1bil per 1% sales tax levied, thus \$900mil is used with a 6% HST applied as a conversation starter
- 5 - ABP ministries changed based on previous work; LGTBQ rights added / infrastructure and transportation combined / seniors and housing changed to seniors and continuing care
- 6 - ABP 2021-2022 Budget Operating Expense based on a year over year increase of 3.2% applied from GoA 2020-2021 revised forecast (inflation 1.5% & population increase of 1.7% as per online and government sources)
- 7 - ABP 2022-2023 Target Operating Expense based on a return to G0A 2019-2020 Actual plus increase of 3.2% (inflation 1.5% & population 1.7%)
- 8 - Covid 19 expense is estimated to stay the same in 2021-22 and \$0 by 2022-23 as any remaining costs will be included in regular health ministry expenses
- 9 - Estimate crude by rail expense to be \$0 by 2022-2023
- 10 - Disaster / Emergency Assistance Operating Expense to remain flat
- 11 - Capital Expense has not taken into account any long term capital promises made by the current government