


Alberta Party Priority	NDP Budget 2015 Overall Grade - C-	Alberta Party Budget Overall Grade - C+
<p>Balanced Budget</p> <p>A clear plan to balance the budget by 2018 – 2019 and return to structural budget surpluses going forward by limiting spending in core areas to inflation plus population growth. Do more with less in Alberta’s public service by conduct rolling zero-based audits of all departments to ensure programs deliver value to Albertans.</p>	<p>F</p> <p>The budget will not be balanced until 2019/2020. As well, there is no consideration of zero-based audits or spending constraints in core areas.</p>	<p>A</p> <p>The budget will be balanced in 2018/2019. Innovation in the public service is encouraged through the application of rolling zero-based audits of all departments.</p>
<p>Capital Plan</p> <p>Create a transparent five-year Capital Plan which clearly sets out the rationale and priority for each project, a defined completion date, and the projected operating costs for each project. Define the impact of the Capital Plan on Alberta’s economic growth and employment prospects (e.g. quantify benefit of each project in terms of jobs and economic activity created).</p>	<p>D </p> <p>There is a five year capital plan in Budget 2015 but not the promised ‘Infrastructure Sunshine List’ that prioritizes projects based on clear criteria. This makes it difficult to determine the value of each project in terms of job creation or economic growth.</p>	<p>A</p> <p>There is a five-year capital plan, and a detailed “Infrastructure Sunshine List” will allow for prioritization with the use of clear criteria.</p>
<p>Debt Limit</p> <p>Legislate a debt ceiling of 15% debt-to-GDP in order to mitigate the risk of</p>	<p>A</p> <p>Budget 2015 adopted the Alberta Party plan to cap provincial debt to 15% of GDP.</p>	<p>D-</p> <p>There was no discussion on this point in the Alberta Party Alternative Budget. While the Alberta Party plan keeps our liabilities well</p>

<p>credit downgrades and higher debt service costs.</p>		<p>within that 15% debt-to-GDP ratio, no commitment was included on capping it to that level.</p>
<p>Long-Term Fiscal Planning</p> <p>Create a ten-year fiscal plan which clearly establishes how the accumulated capital debt will be paid down and set aside a growing portion of non-renewable resources for savings into the Heritage Savings Trust Fund (with a target fund level of \$50 billion, or a 5.25% compounded annual growth for the next 20 years).</p>	<p>F</p> <p>Of great concern, the deficit is forecast to be over \$4 billion in 2017/18, including over \$3 billion in borrowing for operations. There is no plan to ensure Alberta's public service does more with less.</p>	<p>B</p> <p>The deficit grows under the Alberta Party plan, but nominally, and by 2019-2020 money could start going back into the Heritage Savings Trust Fund. That long-term plan was not detailed, but looks set up for success. Key here is that borrowing to cover operational costs is avoided.</p>
<p>Job Creation Plan</p> <p>Show a realistic plan for job creation which involves reducing small business taxes from 3% to 2% and corporate income taxes from 12% to 11%, stimulating economic growth and private investment rather than an ineffective Job Creation Tax Credit.</p>	<p>F</p> <p>The government has left small business and corporate income taxes unchanged, and is moving forward with their Job Creation Tax Credit.</p>	<p>A</p> <p>Small business and corporate income taxes drop 1%, and an investor tax credit is offered instead of a convoluted Job Creation Tax Credit that is open for abuse.</p>
<p>Transparency</p> <p>Release the full report and working papers from the Climate Change Advisory Panel, the Alberta Royalty Review Panel, and David Dodge's review of capital spending.</p>	<p>N/A - This grade was inaccurate. I offer a new grade here;</p> <p>C - The Dodge Report was attached to the budget in its entirety as Appendix A. The other two documents will need more time.</p>	<p>N/A - Attached to the NDP Budget.</p>

<p>Stability</p> <p>Provide a clear explanation of how the recommendations from the Alberta Climate Change Advisory Panel and the Alberta Royalty Review Panel will be incorporated in future fiscal and economic budgeting by the government to establish some degree of certainty for Alberta businesses and consumers.</p>	<p>N/A</p>	<p>N/A</p>
<p>New Fiscal Framework</p> <p>Create durable fiscal framework legislation to replace the discredited Fiscal Management Act. The new framework should establish clear fiscal rules for budget presentation on a consolidated financial statement basis; limits on in-year operating spending increases; rebuilding the Contingency Account; setting aside a portion of non-renewable resources for savings into the Heritage Trust Fund; capital debt limits; milestones to pay down accumulated capital debt; requirements and elements to be included in the Fiscal Plans, government and ministry business plans, in-year fiscal and economic updates, and government and ministry annual and performance reports.</p>	<p>D-</p> <p>The NDP new fiscal framework does not outline any limits on in-year operational spending; completely drains the contingency fund with no plan to replenish it; leaves the Heritage Trust Fund vulnerable to future investment risks; include any milestones to pay down capital debt. There will be new legislation introduced to limit the provincial debt level, however.</p>	<p>C+</p> <p>A plan to limit in-year operational spending as a method of driving innovation and efficiency-finding in the public service is included. The contingency fund gets drained, but a plan exists to replenish it quickly, and protecting that fund is included. Milestones are not included to pay down capital debt, and details are not provided regarding capital project priorities, but a demand for those priorities is included. The NDP legislation to limit provincial debt levels is supported in this alternative budget.</p>
<p>Healthcare</p>	<p>C+</p>	<p>D</p>

<p>Increase spending on preventative healthcare, including mental health supports. Create an Alberta Wellness Foundation to encourage innovation in wellness and reduce demand on healthcare. Invest in expanded home care to allow people to age in place and free up acute care and long term care beds.</p>	<p>The NDP government is investing in new health care solutions, however there is no evidence of any commitment to preventative health – in fact, spending is reduced for primary care networks.</p> <p>Joel’s corollary - NDP boosts Health spending every year by around \$650 million. No efforts to find efficiencies are discussed, and income is still based on a potentially wishful price of oil.</p>	<p>No indication of a shift to preventative nor mental health, the suggested Wellness Foundation, nor home care. This might be due to the brevity of the alternative budget (10 pages vs. NDPs 128 pages). Health gets a heady boost in the first year, more than the NDP, but then paltry increases in years following. Funding is not tied to Inflation+Population Growth, although it is assumed that growth will be lower than it has been. Projections are based on a more conservative view of the price of oil, which provides a better buffer if oil doesn’t recover.</p>
<p>Education & Post-Secondary Education</p> <p>Index spending to inflation plus population growth. Remove the tuition cap, and re-link increases to cost of living.</p>	<p>D</p> <p>While the NDP government has shown an increase in spending towards the education needs of the province, they have not addressed the systemic issues that trouble both the Advanced Education and Education departments.</p> <p>Joel’s corollary: Education funding jumps approximately \$200 million each year. Advanced Ed jumps around \$130 million each year. I’m not sure what exactly Clark refers to with “systemic issues”, but the increases still assume a wishful price of oil.</p>	<p>C</p> <p>Spending was not indexed to inflation+population growth. No indication of what will happen with the tuition cap, and increases to the cost of living is not referenced. Again this may be due to the brevity of the alternative budget. Both departments get a bigger jump in year 1 than the NDP again, but only nominal increases following. This has to assume minimal or zero growth in Alberta after this year, and unless there is evidence to prove that, that cannot be responsible.</p>
<p>Human Services</p>	<p>B</p>	<p>F</p>

<p>Enable increased inter-agency information sharing in support of vulnerable Albertans to reduce administrative costs, improving outcomes for children in care and other vulnerable Albertans.</p>	<p>The NDP have increased supports for vulnerable Albertans, but there is a lot of work still left to do in the Human Services department in order to improve collaboration between agencies. A school nutrition program is welcome but must be aligned with existing not-for-profit programs which already provide effective, efficient school nutrition programs in many Alberta communities.</p>	<p>No mention of inter-agency information sharing. Human Services gets less with the Alberta Party budget, and we are left to assume that decision was to encourage inter-agency sharing.</p>
<p>Flood Mitigation</p> <p>Invest in significant upstream mitigation to protect downtown Calgary and river communities in Southern Alberta. Provide provincial dollars now to get projects started, and then seek additional funding from the new Federal government.</p>	<p>A-</p> <p>The plan to build the Springbank diversion, along with the investment in municipal mitigation, will protect the downtown core and river communities along the Elbow. Bow River mitigation and drought mitigation will be considered as part of a working group. The investment starts this fiscal year. It is unclear whether existing mitigation in High River will be sufficient. Other parts of the province remain at risk, including Medicine Hat, Sundre, Drumheller and Fort McMurray. A plan is needed for all communities.</p>	<p>C</p> <p>Flood mitigation projects are included in their capital plan, but no further details are provided.</p> <p>To be clear, High River's current state is insufficient; we are waiting for the completion of a berm on the southwest end of town, so this must be paid for (it should be already existing in the 2014-2015 budget). Much of the town's infrastructure future-needs are waiting for this complete mitigation measure.</p>