

April 6, 2009

Chamber checklist for Budget 2009



Ken Kobly

The Alberta Chambers of Commerce (ACC) will scrutinize Budget 2009 for the following key points:

Control over spending – ACC has been concerned about the government’s annual 10- to 12-per-cent operating spending increases for a number of years now. With the sudden change in economic circumstances dramatically affecting Alberta’s revenues, the government needs to strike a balance between fiscal discipline in program spending and stimulating the economy.

At this juncture, it may be financially sound for Alberta to borrow against its existing reserves to maintain funding levels for infrastructure, especially considering falling construction costs. Furthermore, municipalities are relying on the fiscal commitments in the Municipal Sustainability Initiative to continue to address their needs and prepare for the economy’s recovery.

“Alberta still finds itself in an enviable position compared to other provinces and the United States,” says Ken Kobly, president and CEO. “We look to the government to sustain progress in a transitioning economy.”

Savings strategy – Alberta has a savings deficit because it has never established a plan to set aside a portion of our resource revenues. ACC believes it’s never too late to start saving, and the implementation of a savings strategy now will help secure our province’s fiscal foundation for future generations. An Alberta savings strategy – a directive in the premier’s year-old mandate letter to the finance minister – is overdue.

Taxation – ACC’s federation of 124 chambers of commerce has always believed tax relief for individuals and business is the most effective economic stimulus initiative a government can provide, but chambers in Alberta also recognize fiscal realities can stymie new measures.

“Our federation recognizes the elimination of health care premiums on Jan. 1, 2009, has already helped Albertans,” says Kobly, “but with the sudden global downturn, ACC does not expect any major corporate or personal tax changes.”

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Note: Ken Kobly will be in the rotunda of the Legislature Building when Finance Minister Iris Evans unveils the Budget 2009.