

# Government of Alberta

## Annual Report 2002-03

### Quick Facts

#### GOA Annual Report Highlights

- The budget was balanced for the ninth consecutive year.
- The accumulated debt less cash set aside for future debt repayment was reduced to \$4.7 billion.
- The year-end economic cushion was \$1.989 billion.
- Revenue was \$22.7 billion, \$2.8 billion higher than budgeted due primarily to higher oil and gas revenue.
- Total expense was \$20.5 billion, \$1.4 billion higher than the budget estimate due in large part to disaster assistance for drought and forest fires.
- The government's fiscal management policies were reviewed and a new fiscal framework was approved.
- Part of the new fiscal framework includes the Alberta Sustainability Fund to protect core programs from volatile resource revenue and a Capital Account to be used to fund capital projects starting in 2003-04.
- Implementation work began on the recommendations of the Premier's Advisory Council on Health.
- Alberta's Learning Commission was established to review the basic education system.

#### Economic Overview

- Despite slower than anticipated economic growth, employment in Alberta grew by 2.6% resulting in 41,700 new jobs.
- Alberta registered the second lowest unemployment rate among provinces at 5.3%.
- Alberta had the highest average personal disposable income per capita of any province in 2002, 12.1% above the Canadian average.
- The number of businesses in Alberta increased by 2.4%, the strongest growth of any province in Canada.
- Alberta experienced the strongest population growth among provinces at 1.8%.

## **Alberta's Tax Advantage**

- Albertans paid the lowest personal taxes in Canada in 2002-03, with a personal tax load of 54.1% of the national average.
- With the indexing of the personal tax system to inflation, taxpayers saved \$75 million in 2002.
- The government reduced business taxes by \$81 million. The general rate was cut from 13.5% to 13%, and the small business rate was reduced from 5% to 4.5%.
- The school property tax mill rates were cut by 1%, marking the ninth straight year that the government has cut or frozen the provincial uniform school property tax rates.

## **Key Program Initiatives**

- In addition to the new fiscal framework, health reform and a review of the basic learning system, Alberta signed the new Agricultural Policy Framework agreement, which focuses on environmental stewardship, food safety, science and innovation, farm sector renewal and risk management.
- A multi-year Canada/Alberta Affordable Housing Agreement was signed. \$17 million was spent to support the development of over 420 new affordable housing units for low-income Albertans.
- The Alberta Response Model was introduced to build on successful child protective services and improve community supports for families at risk.
- The new Community Initiatives Program provided over 1,200 grants in support of projects related to community services, seniors' services, libraries, arts and culture, and sports and recreation.
- The AMBER ALERT program was established. This voluntary program between broadcasters and police services sends emergency warnings to the public in the event a child is abducted.
- The government proposed a legislative framework to implement the Climate Change Action Plan.