

# 2004-2005 Government of Alberta Annual Report



## Quick Facts

- **Accumulated debt was eliminated.** Over the last decade, the government eliminated nearly \$23 billion in accumulated debt and reduced annual debt servicing costs by \$1.5 billion.
- The **budget was balanced** for the 11th consecutive year.
- Most of the 2004-05 surplus of \$5 billion was allocated to **repay the province's remaining accumulated debt** and to help **pay for capital projects**.
- **Revenue was \$29.3 billion**, \$3.4 billion higher than in 2003-04, primarily due to higher non-renewable resource revenue.
- **Expense was \$24.3 billion**, \$2.4 billion higher than 2003-04, mostly due to higher health and education spending.
- The value of capital projects supported by the **Capital Plan increased by 71.3%**. The Capital Plan supported \$2.8 billion in capital projects in 2004-05, including:
  - o \$1.9 billion in capital grants to health authorities, schools, post-secondary institutions, municipalities and other local authorities;
  - o \$957 million of government-owned capital projects, including highways, water infrastructure and other government facilities.
- **Health spending was \$9.1 billion**, or about \$25 million per day, an increase of 18.8% from 2003-04. Major initiatives included \$700 million for the Alberta Health Renewal Plan, which provided increased operating and capital funding for health authorities.
- **Education spending was \$6.4 billion**, or nearly \$18 million per day, an increase of 9.1% from 2003-04. Major initiatives included \$52 million to support the hiring of 1,250 teachers and legislation to establish an advanced education endowment, as part of the Heritage Fund.
- Albertans and Alberta businesses continued to pay the **lowest overall taxes in Canada**. Past tax cuts were protected from inflation by indexing the personal income tax system. The general corporate tax rate was reduced to 11.5% from 12.5%, and the small business rate to 3% from 4% per cent.
- **The economy grew by an estimated 3.7%** in real terms. Alberta enjoyed both the highest personal income growth and the lowest unemployment rate in Canada.

# Measuring Up Highlights

2004-05 Measuring Up reports on progress made towards achieving the 12 goals and 76 performance measures established in the 2004-07 Government of Alberta Business Plan, published as part of Budget 2004 - On Route, On Course: Heading Toward Alberta's Second Century.

- 86% of Albertans rated the overall quality of health care received as "good" or "excellent." Target: 85%.
- Female and male life expectancies ranked 8th and 9th respectively in the world. Target: top 10.
- 96% of health facilities are in "fair" or "good" condition. Target: 94%.
- High-school completion rate for Albertans aged 25-34 was 90%. Target: 90%.
- 97% of schools and 88% of post-secondary facilities are in "fair" or "good" physical condition. Target: 95% and 91%.
- Sponsored research at Alberta universities totaled \$583.7 million. Target: \$492 million.
- 81% of participants were employed after Work Foundations and Training for Work programs and services. Target: 70%.
- Alberta had the lowest total provincial and municipal tax load among the provinces. Target: lowest.
- Alberta had the highest personal disposable income per capita among the provinces. Target: top two.
- Alberta's accumulated debt less funds locked into the debt retirement account for future repayment is zero. Target: \$3 billion.
- 88.8% of provincial highways are in "fair" or "good" physical condition. Target: 86%.
- Alberta had the lowest violent crime rate and lowest property crime rate among the western provinces. Target: lowest among western provinces.

