

April 7, 2009

Budget 2009 keeps Alberta working with infrastructure spending, continued low taxes and support for skills training

Budget 2009 highlights:

- **Nearly \$7.2 billion for infrastructure this year as part of \$23.2 billion for the 2009-12 Capital Plan.**
- **Spending on capital this year is expected to support more than 80,000 jobs.**
- **Tax savings for Albertans and Alberta businesses include the following:**
 - **Indexing will save Albertans \$115 million in 2009 — personal and spousal credits rising by \$614 to \$16,775.**
 - **Alberta Family Employment Tax Credit also indexed to inflation.**
 - **Small business tax threshold rises from \$460,000 to \$500,000, effective April 1.**
 - **Albertans and Alberta businesses will see full benefit in 2009 of elimination of health care premiums, saving them a total of \$1 billion this year.**
- **Oil and gas well drilling incentives expected to support 120 jobs for each new well drilled — costing government \$1.5 billion in revenues over two years.**
- **\$104 million for innovation, research and technology commercialization initiatives.**
- **\$76 million to support apprenticeship technical training.**
- **\$180 million for employment and training programs.**
- **\$37 million to support labour standards and workplace safety.**

Edmonton... Budget 2009 will help keep Albertans working with almost \$7.2 billion for infrastructure spending, stimulus initiatives for the oil and gas industry, plus additional funding for the development of new industries, and skills training and employment services.

Alberta's aggressive capital spending helps fuel economic activity

With nearly \$7.2 billion for infrastructure spending in 2009-10, Alberta's Capital Plan remains a vital component of the government's commitment to stimulate the economy and support employment.

It is estimated that every \$1 billion invested in infrastructure spending supports 11,600 jobs across the economy, from engineering and construction to the retail and service sectors. Capital plan spending this year is expected to support more than 80,000 jobs.

"We will continue to invest in projects that support jobs and provide improved infrastructure and services for Albertans," said Lloyd Snelgrove, President of Treasury Board and Minister responsible for Alberta's Capital Plan. "Another benefit of spending on infrastructure now is that we can take advantage of lower construction costs and increased availability of labour to get more value for Albertans on the dollars we spend."

In addition to the \$7.2 billion committed for 2009-10, there is also \$1.5 billion that was previously provided to Alberta Health Services that is available for health capital projects.

The funding committed this year is part of a three-year capital plan that totals \$23.2 billion and provides significant investment in infrastructure such as health facilities, schools and post-secondary facilities, municipal infrastructure, highways, climate change initiatives and regional water systems. Alberta has had an increasingly aggressive capital plan for several years and it remains at more than double the per capita average spending of the other provinces.

As part of the Capital Plan, \$5.8 billion will be provided over the next three years for Alberta highways. In addition to supporting jobs, this spending will provide safe and efficient highways to support Alberta's vital energy, forestry and agriculture industries.

Budget 2009 maintains low taxes, promotes economic activity

This year's budget reaffirms the Alberta government's commitment to low taxes and other measures to help stimulate Alberta's economy.

"Our government understands the need to keep dollars in the pockets of Alberta families," said Iris Evans, Minister of Finance and Enterprise. "Overall taxes will remain the lowest, by far, in Canada. And we intend to keep it that way, because more money for Albertans to spend means a healthier economy."

Tax savings for Albertans and Alberta businesses in Budget 2009 include the following

- Indexing of the personal income tax system will save Albertans \$115 million in 2009 — personal and spousal amounts will rise by \$614 to \$16,775.
- Recipients of the Alberta Family Employment Tax Credit will receive increases to offset inflation.
- The small business tax threshold rises to \$500,000, effective April 1 this year, from \$460,000, encouraging small businesses to grow their companies.
- Albertans will feel the full benefit in 2009 of the elimination of health care premiums, saving them a total of \$1 billion this year.

Economic stimulus measures also include new drilling incentives announced in March 2009 that will encourage Alberta's oil and gas industry to invest in Alberta by drilling new wells. It's estimated that each new oil or gas well supports 120 jobs across the economy. The incentives are expected to cost government \$1.5 billion in revenues over two years.

"These stimulus initiatives will benefit not only the drilling companies and the people they employ, but will also provide an important stimulus to our rural communities where the companies purchase many of their goods and services," said Evans.

Supporting the creation of new industries and diversified skills

Budget 2009 provides a total of \$104 million this year for innovation, research and technology commercialization initiatives, plus \$76 million to support apprenticeship technical training. The government will maintain the 7,000 apprenticeship technical training seats that have been added since 2006-07 in response to increased apprenticeship registrations.

"Building on our strengths in traditional sectors requires continued investment in trades, healthcare and other skills training," said Doug Horner, Minister of Advanced Education and Technology. "As we build up new industries we are also planning and preparing Albertans for the next generation economy, with an emphasis on entrepreneurial skills, research and innovation and the commercialization of world-class discoveries and products."

Helping Albertans find and keep jobs

The Alberta government will invest nearly \$180 million this year in employment and training programs and partnerships with industry and employers to keep Albertans working.

“These programs assist Albertans with career development, training for work, and basic skills and academic upgrading,” said Hector Goudreau, Minister of Employment and Immigration. “Our staff helps individuals who have been laid off to match them up with jobs or skills training according to their unique needs.”

In addition to this funding, \$10 million from the federal Community Development Trust will be targeted to work with communities and develop training programs for Albertans who have been adversely affected by the recent economic downturn. The funding will also be used to help increase the number of Aboriginal people in the labour force.

In addition to keeping Albertans working, the government will maintain a strong focus on keeping Alberta’s workplaces healthy, safe and fair, with \$37 million allocated to promoting labour standards and workplace safety — a budget increase of more than \$5 million for 2009-10.

-30-

Media inquiries may be directed to:

Gerald Kastendieck
Treasury Board Communications
780-427-6699

Bart Johnson
Finance and Enterprise Communications
780-422-2126

Donna Babchishin
Advanced Education and Technology
Communications
780-422-1562

Janice Schroeder
Employment and Immigration
Communications
780-427-5649

To call toll free within Alberta dial 310-0000.

[Alberta Government](#) | [Newsroom](#) | [Ministries Listing](#) | [Advanced Education and Technology Home Page](#) | [Treasury Board Home Page](#) | [Employment and Immigration Home Page](#) | [Finance and Enterprise Home Page](#) | [News Releases](#) | [Top of Page](#) |

[Send us your comments or questions](#)

Copyright(©) 2009 Government of Alberta

