

## **STATEMENT: MacKinnon Report on Alberta Finances Sets Course for Long-Term Fiscal Balance and Innovation**

### **For Immediate Release**

September 3, 2019

ALBERTA —The Provincial Government released its MacKinnon Panel Report on Alberta’s Finances today. The recommendations outlined in the report set out a long-term trajectory that will improve lives for Albertans and send a strong positive economic message that will improve business confidence in the province.

“The question for everyone is: ‘Will the recommendations in this report make life better for Albertans?’ I think it’s clear that over the long-term the answer is yes.” says Business Council of Alberta President Adam Legge. “Without a change in trajectory, Alberta would be headed on a very negative path to high costs and average results.”

### **Summary Points:**

- *Fiscal balance and government innovation are in the long-term interest of Albertans*
- *It is reasonable for Albertans to expect similar results for similar spending to comparable provinces*
- *Focus on competitiveness is critical*

### **Long-term vision and innovation**

Many of the recommendations in the report include a call for a long term and strategic approach to Alberta’s spending, as well as innovation in how government approaches its work.

“We advocate for Alberta planning our future on purpose,” says Legge. “A path to fiscal balance is in the long-term interest of Albertans, and we also need a vision forward for where we want the province to be headed. A better future needs to transcend mandates and governments.”

“The report calls for innovative approaches in many areas; health care, education, even procurement and regulation. This is a welcome sign. Cost reduction alone won’t solve the challenges of our province over the long term. Just like business, government must innovate its way through these challenges. There are some big ideas proposed here that may make as significant an impact as the fiscal restraint.”

### **Bringing spending in line**

Albertans have been paying a premium on the delivery of public services with similar performance compared to other provinces, and in some cases worse. Bringing the cost of delivering these services in line with other provinces makes sense for Alberta. Albertans have been paying more than they have needed to for far too long—long-term shared prosperity depends on getting better value for hard-earned tax dollars.

“The report outlines how much more Alberta has been spending—and that we must create a better spending profile for Alberta’s budget. Future restraint is also key—the report has a formula to keep future spending increases in line with household incomes. This is important as it means our spending is tied to the actual ability of Albertans to pay. It’s a positive move, economically and socially, for the people of Alberta,” says Legge.

## **Competitive Environment**

The report recommends working with industry to create a compelling vision for Alberta's economic future, grow good jobs and improve Alberta's reputation. The Business Council of Alberta looks forward to working with the government on creating a model business climate.

"I'm encouraged to see this report specifically identify competitiveness as an area we must be focused on. The report contains several useful ideas for Alberta to consider in enhancing competitiveness and getting back on the world stage as an attractive and desirable place for people and investment. In particular, I don't think the importance of our reputation can be stressed enough," says Legge.

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