



**NEWS RELEASE**  
**November 29, 2010**

**A leading fiscal model and health care reform critical in 2011 provincial budget**

***Opportunity to institute a principled fiscal framework***

**Calgary, Alberta** – Today the Calgary Chamber of Commerce released its 2011-12 pre-budget recommendations as Alberta's Minister of Finance Ted Morton delivered a keynote address to membership. Creating a leading fiscal structure and tackling health care costs were the Chamber's main priorities.

"With our resource wealth endowment, Alberta has the potential to create a world-class fiscal framework," said Adam Legge, President & CEO of the Calgary Chamber of Commerce. "We must seize the opportunity to achieve long-term prosperity for all Albertans."

New this year, the Chamber recommends that the Sustainability Fund be used only for non-renewable resource revenue shortfalls, with disaster relief, capital funding and other functions budgeted in separate accounts. It has also suggested a cap be placed on the Sustainability Fund of \$5.5 billion to cover the equivalent of the long-run average of annual resources revenues.

"The Province demonstrated significant foresight in creating the Sustainability Fund," stated Legge. "We now challenge the Province to demonstrate further leadership, by transforming the Sustainability Fund into a true stabilization fund."

The Chamber also recommends the Province cap non-renewable resource revenues for annual budgetary purposes at \$4.5 billion, a figure that is equivalent to a seven per cent sales tax. Excess resource revenue would flow into the Sustainability Fund. Once this account is full, funds would flow to the Alberta Heritage Savings and Trust Fund which is designed to replace resource revenue permanently.

"Albertans are blessed with our resource wealth," stated Legge. "Let's showcase to the world how much we truly appreciate this, by creating a sustainable fiscal model that leverages our natural endowments."

Also critical to Alberta's fiscal future is tackling health care costs, which currently account for about 40 per cent of the budget. Alberta, at \$4,295 per capita, is the highest health care spender in Canada.

"Even with the highest spending in Canada we continue to see pressures in our system," said Legge. "We are a community of innovators, and need to work together and explore different approaches to improve health care."

The Chamber supports activity-based funding where money follows the patient. With this approach hospitals are paid a fee for each individual cared for, instead of the current model of global budgets.



Experience in other jurisdictions suggests improvements in efficiency and waiting time reductions. We have also suggested the introduction of private competition within a publicly-funded system.

The Chamber's detailed provincial pre-budget submission is available at: [calgarychamber.com](http://calgarychamber.com)

**About the Chamber:**

The Calgary Chamber of Commerce is a member-driven, sustainable organization whose mission is to connect, serve and champion the Calgary business community in its quest to excel. On critical and emerging issues in public policy, the Chamber acts as the leading forum for debate, and advocates public policy solutions that improve the business climate on behalf of our members.

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**For further information:**

Stacey Hatcher, Media Advisor  
403-461-7504  
[shatcher@calgarychamber.com](mailto:shatcher@calgarychamber.com)