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## Budget Information Sheet

### Overview

The 2010 budget is a great reminder that public pressure and advocacy are effective tools of democracy. Now that we have seen the government is willing to listen, we need more than ever to keep the pressure on, and to continue building momentum towards the Alberta we want to live in.

Despite increased funding to health care and education, the budget falls far short of addressing Albertans' needs and values. Here are some basic concerns with Budget 2010:

- The government has **not addressed the issue of revenue**, and is sticking with its mantra of "no new taxes."
- Minister Morton announced the government's **intention to cut a further \$240 million out of the 2010 budget** in the form of in-year savings, in addition to the \$1.3 billion it has already carved out of 14 Ministries.
- Most troubling are **cuts to the things Albertans value highly** – the environment, sustainable resource development, the arts, grants for post-secondary students – and to vulnerable groups cared for by the ministries of Children and Youth Services, Employment and Immigration, and Seniors and Community Supports.

### Budget breakdown by Ministry

#### **Advanced Education & Technology**

- **\$54 million has been cut from grants to students**, including bursaries for students in financial need and debt relief. This means students will be driven deeper into debt in order to complete their post-secondary education.
- Two universities are pushing for a **mandatory fee of roughly 10% tuition**, far above the limit for tuition increases (which remains around 1.5). Alberta already has one of the lowest rates of post-secondary participation in the country, and if government allows them to go forward, this will make our post-secondary system more inaccessible than ever.
- Cuts to the post-secondary education budget this past year have already had an impact on other public services. For example, Red Deer College announced in January 2010 that they are closing their diploma program for disability sector workers. This will impact on community human service agencies ability to find qualified workers for years to come.
- Investments in the post-secondary sector would improve quality of life for all Albertans, and help pull us out of the recession.



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### **Children & Youth Services**

- This important ministry is being **cut by 3.1%, or \$36 million, and hardest hit is Child Intervention Services (cut by \$28 million or 6.8%)**. The rationale may be that the number of children in need will decrease this year, but it seems much more likely to increase due to population growth and current economic hardship.
- **The childcare budget has been cut by 3.6%, \$7.5 million.** Alberta already spends the lowest amount on childcare in the country, and waiting lists for childcare and after-school care are far too long. More cuts will only exacerbate this problem and make it even harder for Albertan families.
- The modest increase to Family Support for Children with Disabilities is welcome, but only really covers population growth and inflation.

### **Culture & Community Spirit**

- One of the hardest hit ministries, Culture is facing cuts of **\$25 million from last year's budget (8.1%)**. This means cuts to arts groups, heritage and museum programs, and individual artists alike.
- These announced cuts do not include the fact this past year saw a budget cut for community grants from \$382 million from to \$143 million.
- The extent of the cuts to this Ministry is further masked by the fact that they are giving a one-time capital grant of \$30 million that will not be available in future years.

### **Health & Wellness**

- The increase in funding of \$2.1 billion to health is finally a step in the right direction, but after Alberta Health Services has paid off its deficit, and inflation, pharmaceutical costs, and population growth and aging are taken into account, the actual operating increase dwindles to about 6%.
- **It remains to be seen whether the increase in funding will actually go to address Albertans' concerns about the public health care system**, or if more money will go to corporate healthcare and seniors care providers. The provincial government must demonstrate its willingness to follow through and put Albertans first.

### **Education**

- An extra \$43 million to Education amounts to a 0.7% increase, which overall is barely adequate to address inflation and will not allow the sector to grow.
- The operating budget has increased, and the government has pledged to find a way to cover teachers' salaries that have already been agreed to by contract, but the **budget for facilities has been cut by more than 30%**.
- No new schools will be built, other than those that have already been promised. This is happening at the same time as inner-city schools are being shut down.
- The Small Class Size Initiative will now focus only on primary school students; junior and senior high school students could face inflated class sizes and a lower quality of education as a result.



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### **Employment & Immigration**

- Compared to last year's actual expenditures, about **7% has been cut** from this ministry. Government may be expecting income support requests to drop as the economy improves, but Alberta already pays one of the lowest levels of income support in the country and there will be no increase in this year's budget.
- **Employment and Training Programs have been cut significantly**, with money coming out of tuition allocation for people seeking additional training. Many are being forced to drop out of school as their funding dries up.

### **Environment/Sustainable Resource Development/Energy**

- Despite assurances in the throne and budget speeches that this government will uphold the principles of environmental stewardship, the Environment Ministry is being **cut by almost \$40 million (11.4%)**.
- Sustainable Resource Development is also being cut by \$38 million, the government continues to put \$100 million into the controversial Carbon Capture and Sequestration program.

### **Housing & Urban Affairs**

- **\$112 million, 18.6% has been cut from this ministry**, with nearly all of it coming out of Housing and Urban Development.
- The Edmonton Social Planning Council notes, "Assistance to help low income Alberta households to pay their rent has fallen from \$144 million last year, to \$88 million this year, and will be further reduced to \$75 million next year. People who can't afford to pay their rents risk becoming homeless. It is more cost-effective to help low income Albertans pay their rents before they become homeless than to only help them after they do."

### **Seniors & Community Supports**

- A modest increase to AISH will allow new applicants a chance at funding, but not increase the amount paid to AISH recipients.
- Although the budget for Persons with Developmental Disabilities (PDD) appears the same as last year's expenditures, it **amounts to a \$7 million cut compared to last year's budget**. PDD is already stretched to the limit, and the government has failed to address the concerns of families and community organizations. No expansion means children with disabilities who are turning 18 this year may not be able to get the care they need, and there will need to be cuts to programs and supports in order to account for inflation and increasing demand.
- While a number of seniors' benefits programs are keeping pace with the increased number of seniors, **there has been a 15% cut, around \$3.6 million, to Special Needs Assistance for Seniors**.
- The budget speech referred to new long-term care facilities, which is a welcome reversal of the government's previous policy, but it remains to be seen where facilities will be built, and whether they will be built as public facilities or by private for-profit corporations.