

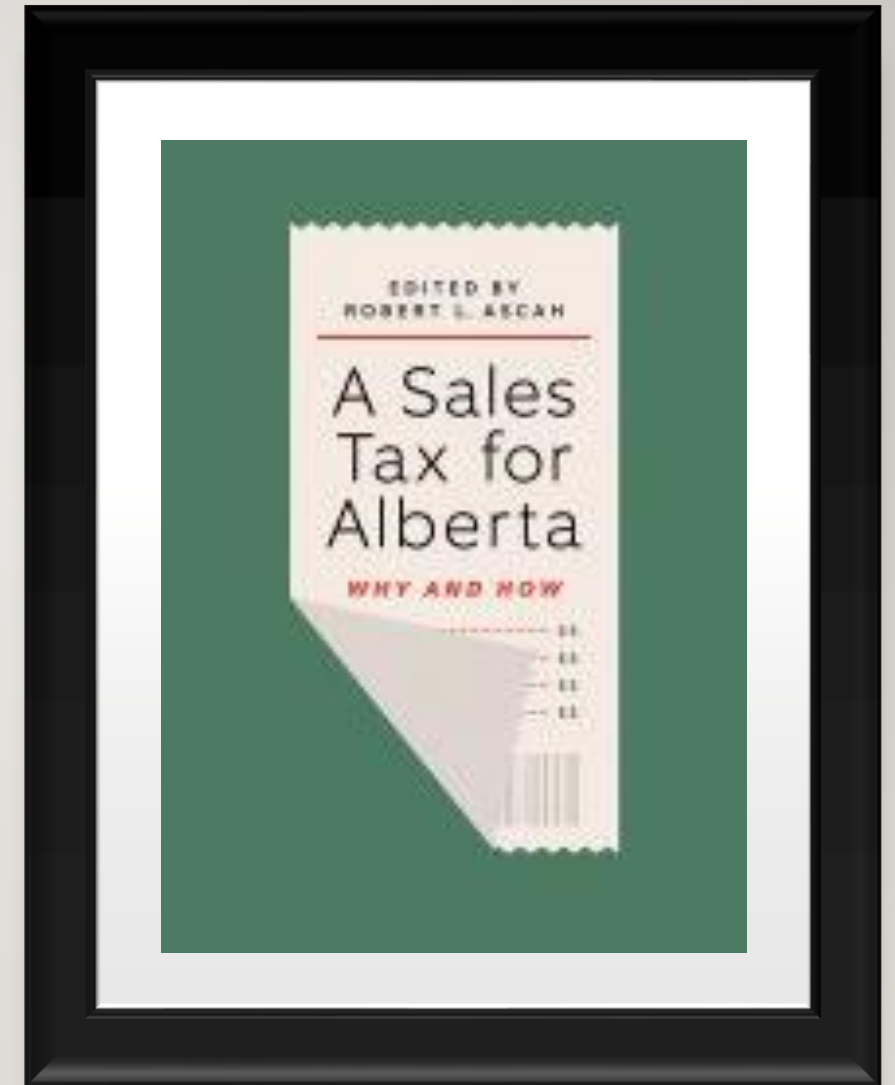
# ***A SALES TAX FOR ALBERTA: WHY AND HOW***

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Society of Northern Alberta

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Abpolecon.ca

# AGENDA

- BACKGROUND – 2018-2022
  - ALBERTANS' AVERSION TO TAXES
  - ALBERTA'S FISCAL DILEMMA
  - IN CONTROL & OUT OF CONTROL
  - ALBERTA'S BURNING PLATFORM
  - POLITICS OF A SALES TAX
  - HOW DO WE GET THERE?
- 



# BACKGROUND 2018-2022

- 2018- pros and cons of a sales tax

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- biz, labour, politicians bail out
- 2019- the advantages of a sales tax-
- Athabasca University Press
- assembling the team
- 2020- writing- COVID by the way,,,,
- 2021- re-writing
- 2022- final copy!!

# ALBERTANS' AVERSION TO TAXES

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- Land of opportunity -where future (hopefully) takes care of itself\_
- Boom city – build, build, build, harvest, extract- then pay later
- Bust- payback and over-dependence on government – (and Ottawa?)
- Alberta exceptionalism
  - “Have”- not a “have not”
  - We’re special= superior
  - Don’t need to pay taxes? Or shouldn’t
- Alberta’s tax advantage
- Political opportunism- “taxes will only go one way- down!”



# ALBERTA'S FISCAL DILEMMA- EXCELLENT PUBLIC SERVICES AND LOW TAXES

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- GOOD TIMES - Government deliver
  - roads, telephones, electricity, irrigation canals, railways
  - “too much” government revenue
  - widening benefits to general population and business
  - lower taxes!
- BAD TIMES- Government deliver
  - Relief to unemployed
  - subsidies to business, bailouts
  - health care
  - housing supports
  - No tax increases- we can't inflict

# IN CONTROL & OUT OF CONTROL

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- Budgetary spending, including wages
- Tax policy
- Health and education delivery
- Minimum wage
- Occupational health and safety
- Investment policies
- Energy and environmental regulation
- Oil and natural gas prices
- Exchange rate
- Interest rates
- Banking
- Interprovincial and international pipelines
- Bankruptcy
- Railways
- Telecommunications
- Equalization

## ALBERTA'S BURNING PLATFORM

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- Interview with David Dodge- 7 February 2019
- “We had to get people to understand [. . .] that this essential platform on which the Government of Alberta had operated really wasn’t going to be viable over the long run.” For Dodge, the economic argument around resource revenue is not that the resources themselves will run out, but that “the economic value of the resource will come down because there would be alternatives developed.” To maintain the income and lifestyle to which Albertans have become accustomed, p. 173.

# HOW DO WE GET THERE?

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- Public debate
- But why would politicians even contemplate?
  - No choice- Mel's chapter
- Public opinion shifting- lower PIT or use for health services?
- Myth –busting is key
- Politicians actually would love to have more revenue flexibility-Thomson's chapter
- PST means greater freedom from the “Big Four”
- Spread the gospel!! Write your MLA/Premier- end the rollercoaster!



# QUESTIONS??

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- **#yestopst**
- **<https://www.aupress.ca/books/120300-a-sales-tax-for-alberta/>**