



WE AGREE oil and gas assessment requires a review. We are asking for input as the interests and viability of large oil and gas have been considered – but not the interests and viability of thousands of rural Albertans.

Transparency is the cornerstone of democracy.

OUR GOVERNMENT is not being transparent – municipalities were not invited to be part of the solution. Industry was at the table, leading this review. Now, our government is not sharing the ‘data’ they/industry have based these drastic decisions on.

THE CANADIAN ASSOCIATION OF PETROLEUM PRODUCERS represents only 4% of Alberta’s Oil and Gas companies and 8% of production in Alberta, yet they led this review. Industry leading government reviews sets a dangerous precedent.

Province says municipalities need to cut spending:

WE HAVE CUT 39% from our annual budget over past 5 years. The Province proposed changes to how they tax oil and gas suggest we will have to cut 30% more from our budget, but this time all at once, in 2021.

Province says municipalities need to look at staff levels and salaries for municipal employees:

WE HAVE TRIMMED 35% off our workforce. Municipal employees often leave us when oil and gas ramps up, as municipal government salaries can not and do not compete with private business.

Province says oil and gas companies are telling them Saskatchewan and British Columbia are ‘more competitive’, and to compete Alberta must be more competitive:

WE HAVE HELD a 0% tax increase for oil and gas for the past three years. In British Columbia the province looks after road maintenance. In Alberta, 65% or more of a municipal budget goes toward road maintenance. This review is not comparing apples to apples.

Province says municipal oil and gas taxes are too high:

THE PROVINCE CONTROLS THE RATIO of how much municipalities can charge oil and gas vs. residential. Our Province says the ratio can be as high as 5:1 (oil and gas would pay 5 times the mill rate that residential taxpayers pay). The County of Stettler maintains a 3:1 ratio – meaning business/oil and gas, pay three times the mill rate that residential taxpayers pay. If the Province wants to change the ratio – that would be the Province’s prerogative.

The County of Stettler asked our Province for assistance:

WE WERE SUCCESSFUL in collecting unpaid oil and gas property taxes prior to the Virginia Hills decision (February 12, 2019). The Virginia Hills decision made it impossible for municipalities to collect unpaid oil and gas taxes. We asked our government to amend the Municipal Government Act to provide us with tools to assist. To date, nothing has been done. The County of Stettler ‘bad debts’ due to oil and gas over five years equals \$7.6 million. WHY does Alberta’s Energy Regulator continue to approve licenses to oil and gas companies who owe money?

Province’s solution does not fit the problem:

ALL FOUR PROPOSALS FAVOR LARGE OIL and gas companies, assets of \$500 million, with offshore holdings and no obligation to re-invest in Alberta. Small to mid-sized oil and gas companies – the ones that live, work and support our region, may actually see tax increases. Tax increases – to the sector of oil and gas who has been struggling the most – they are our partners, friends and neighbors.

The future viability and quality of life for all rural Albertans deserves a closer, collaborative review. Rural Albertans deserve to see the data.

What is the solution?

The County of Stettler insists RURAL ALBERTA receives an equal opportunity to be represented in a FAIR and TRANSPARENT review process, which includes open and honest consultation with municipal government. The solution deserves more thought and consideration of how rural Alberta will survive. Our oil fields are old. Oil and gas technology was developed and fine-tuned in our fields, and moved to other areas. The entire province of Alberta – every business, individual and industry has benefited from oil and gas. The solution is one that should be shared among us all.

What can you do? Contact Premier Jason Kenney: premier@gov.ab.ca

Contact Minister of Municipal Affairs, Tracy Allard: minister.municipalaffairs@gov.ab.ca