

Alberta Budget 2025-26

TIAA Analysis

February 27, 2025



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1. Overall Economic & Fiscal Context

- Escalating trade tensions are increasingly clouding the global economic outlook. In its January report, the International Monetary Fund (IMF) maintained its global growth projection at 3.3 per cent for 2025 and 2026. However, trade policy uncertainty has intensified with the U.S. threatening new tariffs on its key trading partners.
- The outlook assumes that Canada will be facing on average 15 per cent tariffs on all goods, with the exception of energy products, which will face a 10 per cent tariff. In response, Canada is expected to retaliate with tariffs on a broad range of consumer goods. These measures are expected to dampen Alberta's trajectory for growth. After expanding an estimated three per cent last year, Alberta's real gross domestic product (GDP) growth is forecast to decelerate to 1.8 per cent in 2025 and 1.7 per cent in 2026.

Fiscal Year Assumptions ^a	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
	Actuals	Actuals	Estimate	Forecast	Forecast	Forecast	
Crude Oil Prices^b							
WTI (US\$/bbl)	89.69	77.83	74.00	68.00	71.00	71.50	
Light-Heavy Differential (US\$/bbl)	20.77	17.29	13.20	17.10	16.50	15.60	
WCS @ Hardisty (Cdn\$/bbl)	90.62	81.67	84.70	73.10	75.80	75.80	
Natural Gas Prices^b							
Alberta Reference Price (Cdn\$/GJ)	4.63	2.07	1.20	2.50	3.10	2.90	
Exchange Rate (US\$/Cdn\$)^b	75.6	74.2	71.7	69.6	71.9	73.8	
Calendar Year Assumptions ^a	2022	2023	2024	2025	2026	2027	2028
	Actuals	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast
Gross Domestic Product							
Real (billions of 2017 dollars)	348.7	356.8	367.3	373.8	380.3	388.5	397.2
% change	6.0	2.3	3.0	1.8	1.7	2.1	2.2
Other Indicators							
Employment (thousands)	2,356	2,443	2,519c	2,567	2,609	2,659	2,713
% change	4.9	3.7	3.1c	1.9	1.6	1.9	2.0
Unemployment Rate (%)	5.8	5.9	7.0c	7.4	7.2	6.9	6.6
Average Weekly Earnings (% change)	2.5	2.1	3.5	3.2	2.8	2.6	2.5
Primary Household Income (% change)	10.4	5.7	7.1	4.8	4.2	4.3	4.3
Net Corporate Operating Surplus (% change)	75.2	-26.9	0.0	-9.0	1.2	3.0	3.5
Housing Starts (thousands of units)	36.5	36.0	47.8c	43.0	40.8	38.3	37.8
Alberta Consumer Price Index (% change)	6.4	3.3	2.9c	2.6	2.4	2.2	2.2
Retail Sales (% change)	6.9	4.3	1.8	3.7	2.8	3.4	3.9
Population (thousands)	4,511	4,685	4,889c	5,009	5,080	5,150	5,232
% change	1.8	3.9	4.4c	2.5	1.4	1.4	1.6
Net Migration (thousands)	63.4	159.1	189.1c	102.2	51.9	49.9	61.6

- Budget 2025 includes deficits of \$5.2 billion, \$2.4 billion and \$2 billion over the next three years. The government’s fiscal framework was designed to manage economic and revenue volatility and includes allowable exceptions for when the government can run a deficit, including when there is a significant drop in revenue. The government has three years to return to balance after a deficit is reported at year-end.
- Overall consumer inflation in Alberta will continue to moderate, although retaliatory tariffs and a lower Canadian dollar will temporarily drive inflation higher for some goods. Inflation is forecast to decline to 2.6 per cent this year down from 2.9 per cent in 2024 and the lowest annual rate post-COVID .
- Shelter costs – which have been a major contributor to inflation over the past year – are set to ease with lower interest rates and increased housing supply (Chart 16).
- Energy inflation is also expected to remain subdued, supported by softer oil prices and further moderation in electricity prices. The latter will benefit from expanding capacity from renewable projects coming online.
- In contrast, a weaker Loonie and retaliatory tariffs imposed by Canada will put upward price pressure on goods imported from the U.S. This will lift inflation for durable and semi-durable goods, which are both expected to rebound after declining 1.2 per cent in 2024.
- Over the next few years, headline inflation is expected to gradually ease to around two per cent, aligning with the Bank of Canada’s inflation.

2. Tourism-Specific Budget Allocations

- Tourism and Sport fosters growth in tourism and sport sectors, working with Indigenous communities, non-profit organizations, and the private sector to drive expansion of the visitor economy and Alberta’s amateur sport system Total expense is \$133 million in 2025-26, \$3 million lower than in 2024-25, and decreases another \$12 million to \$121 million by 2027-28.
- Capital grants increase by \$5 million in 2025-26, and then drop back to \$10 million per year Operating expense declines by \$8 million in 2025-26 and a further \$6 million to \$111 million by 2027-28, primarily from conclusion of temporary funding for tourism initiatives and one-time funding for major sport events.

3. Infrastructure & Capital Investments

Budget 2025 features significant capital investments in education (K-12 and post-secondary), affordable housing, roads and bridges, health care, municipalities, and other priority infrastructure. Highlights include:

- \$2.6 billion over three years for educational (K-12) infrastructure, an increase of \$505 million from Budget 2024. This funding will support the construction of more than 200,000 new and modernized student spaces over the next seven years (nearly 90,000 within the next four years) .
- \$1.1 billion over three years for family, social supports, and housing, an increase of \$286 million from Budget 2024, to support affordable housing and social supports in various locations around the province.
- \$528 million over three years, \$167 million more than in Budget 2024, to support the modernization and expansion of post-secondary education facilities.
- \$2.5 billion over three years to support Alberta’s network of provincially owned roads and bridges. This includes \$264 million in new funding for highway twinning, widening, and expansion projects.
- \$3.6 billion over three years for health care infrastructure, maintaining capital support for health near the record-high amount provided in Budget 2024.
- \$7.5 billion over three years in municipal infrastructure support, including a \$138 million increase in funding through the Local Government Fiscal Framework or LGFF.
- \$25 million for the new Alberta border security initiative, supporting the purchase of equipment and the development of border patrol facilities.

With a total of \$26.1 billion allocated over the next three years – \$1.1 billion more than in Budget 2024 – the 2025 Capital Plan addresses current growth pressures, supports future economic growth and creates additional opportunities for private sector participation.

- This Capital Plan includes \$1.7 billion for repair and rehabilitation of roads and bridges, \$486 million for health facilities, \$439 million for post-secondary facilities, \$411 million for government facilities and information technology, \$389 million for schools, \$169 million for agriculture, forestry and provincial parks, and \$131 million for the preservation and maintenance of housing and seniors’ facilities.

Arts, Culture and Status of Women

- Total expense is \$226 million in 2025-26, a decrease of \$25 million from the 2024-25 third quarter forecast, with an \$11 million increase in operating expense offset by a \$36 million decrease in capital grants.

- The operating expense increase mainly comprises: a \$12 million increase in federally-funded initiatives under the National Action Plan to End Gender-based Violence; a \$4.5 million increase for the Alberta Foundation for the Arts (AFA); a \$2 million decrease in the Community Initiatives Program; a \$2 million decrease in support to the Glenbow Museum which now will be funded by AFA.
- Expense declines to \$211 million in 2026-27, with a \$4.5 million increase in operating expense for the AFA and a \$20 million drop in capital grants, and then grows to \$219 million by 2027-28, with capital grants \$19 million higher and operating expense \$11 million lower, due to a \$16 million decrease as the National Action Plan to End Gender-based Violence agreement concludes, partly offset by another \$4.5 million increase for AFA, which will receive more than \$43 million by 2027-28.
- The capital grants profile reflects completion of several projects in 2024-25, ramping up of cash flows for several other projects in 2027-28, and a \$25 million decrease in 2026-27 for the Community Facility Enhancement Program as the temporary \$25 million bump it received for three years ends.

Forestry and Parks

- Total expense in 2025-26 is \$403 million, \$713 million lower than 2024-25 third quarter primarily due to \$707 million in 2024-25 in-year disaster and emergency expense which does not continue in 2025-26. Operating expense in 2025-26 is \$362 million, a net \$4 million higher than 2024-25, with increased funding for enhanced wildfire preparation and mitigation partly offset by a number of reductions following the program review.
- Reductions of \$26 million over three years mainly relating to innovation grants, education, research and extension activities are redirected to higher priorities. An additional \$15 million is provided over three years to enhance Wildfire Mitigation Strategies and improve preparedness for future wildfire seasons. Operating expense decreases by \$14 million from 2025-26, to \$349 million by 2027-28.

Indigenous

- In 2024, the Alberta Indigenous Opportunities Corporation expanded the range of projects eligible for loan guarantees to include Indigenous-led tourism initiatives. Expense is increasing \$0.5 million in 2025-26, to \$9 million. To date, the Corporation has provided more than \$720 million in loan guarantees for projects valued at more than \$3.4 billion.

4. Workforce & Housing Considerations

- Funding for skilled trades programs, targeting labour shortages, is \$135 million in 2025-26, essentially the same as in 2024-25, with another \$271 million allocated over the following two years. Programs include apprenticeship delivery, apprenticeship grants and adult learning initiatives.
- Over the three years 2025-26 to 2027-28, funding for the Film and Television Tax Credit is \$235 million, for skills and training programs is \$193 million, and for the Investment and Growth Fund is \$45 million.
- Budget 2025 delivers on government's promise to implement a new eight per cent personal income tax bracket for income up to \$60,000, with full implementation two years ahead of the schedule announced in Budget 2024. This will provide Albertans timely support to help meet the challenge of the higher cost of living and the potential impacts of cross-border trade issues.

Population

- Alberta's population growth is set to slow over the next few years on the back of the 2025-2027 Federal Immigration Levels Plan. The federal plan targets large net outflows of non-permanent residents (NPRs) and slowing immigration, at the national level. As a result, Alberta's net international migration in the 2025 census year is expected to be about half of the preceding year's level. This is due to an unprecedented drop in net NPR inflows, from over 90,000 in 2024 to 10,000 in 2025.
- Headline population growth is set to pull back to 2.5 per cent in the 2025 census year. While this marks a significant slowdown compared with the past two years, the growth rate remains robust by historical patterns (Chart 13). Population growth is set to slow further in the 2026 and 2027 census years as the full impact of the federal Levels Plan is felt, with over 50,000 temporary residents expected to leave the province. This will be offset by net inflows of interprovincial migrants (58,500 over two years) and gains from immigration and natural increase. Alberta's population is forecast to grow by 1.4 per cent in both 2026 and 2027, followed by 1.6 per cent growth in 2028 as inflows of net NPRs become positive once again.

Labour market

- Momentum in Alberta's labour market is slowing following last year's exceptionally strong gains. The province added nearly 63,000 jobs in the fourth quarter, providing a strong hand-off for employment in 2025.
- However, fewer job vacancies, heightened uncertainty, and weaker business activity are anticipated to hold back hiring among businesses this year. This will weigh on employment growth, which is forecast to decelerate from 3.1 per cent in 2024 to 1.9 per cent in 2025.

- Sluggish business investment and weaker exports will hold back employment in goods-producing industries such as construction and manufacturing. In contrast, service sector employment will benefit from a growing population and easing interest rates. Next year, employment growth is forecast to decline to 1.6 per cent.
- Slower population growth will help gradually rebalance the labour market in the coming years. However, with job gains lagging behind the increase in the working-age population and labour force, the unemployment rate will stay elevated in the near term. It is forecast to peak at 7.4 per cent in 202 before dipping slightly to 7.2 per cent in 2026. High unemployment is likely to discourage some people from joining the workforce. This, along with an ageing population, will keep the labour force participation rate muted at around 69 per cent in 2025 and 2026.

Housing

- Residential construction activity will be a bright spot this year as supply continues to catch up with the rapid increase in population over the last few years. Alberta's housing starts surged to an annual pace of almost 48,000 units in 2024, exceeding all other provinces on a per capita basis amid declines in starts.
- Residential building permits are hovering around an eight-year high, an indication that homebuilders continue to be optimistic about activity in the short term against a backdrop of solid population growth and falling borrowing costs (Chart 14).
- Mortgage rule changes, particularly longer amortizations for first-time home buyers, will support demand. Construction of purpose built rental units is also expected to stay strong as rental vacancy rates are still historically low levels, even with the improvement last year. Homebuilding activity will stay robust, averaging around 43,000 units in 2025.
- An elevated number of dwelling units under construction will also provide an additional boost to real residential investment, which is forecast to rise by about six per cent this year. Renovation spending is set to turn a corner following a sharp decline in 2024.
- Rising costs for building materials, however, will likely dampen growth. Housing starts are forecast to moderate further, averaging about 41,000 units in 2026 before easing to 37,800 by 2028. This will support real residential investment growth of around two per cent annually over the medium term.
- With the increase in supply, the level of housing stock relative to household formation is expected to move closer to its historical average in the coming years. Growth in building permits led by the residential segment.

The 2025 Capital Plan allocates \$1.1 billion over three years to enhance affordable housing and social supports across the province. Combined with related CMR funding, nearly \$1.2 billion is being allocated to housing and seniors' facilities .

- Key initiatives in Budget 2025 include the following investments (each over three years):
- \$655 million for the Affordable Housing Partnership Program, an increase of \$250 million from Budget 2024, to support the goal of creating 13,000 affordable housing units.
- \$150 million, including \$50 million in new funding, for the Seniors Lodge Modernization Program.
- \$113 million, including \$21 million in new funding, for the Affordable Housing Strategy. This strategy funds the maintenance of government owned social housing building.
- \$92 million, including \$25 million in new funding, for the Indigenous Housing Capital Program to Indigenous communities to construct, purchase, or redevelop housing for Indigenous peoples.

5. Business Support & Taxation Implications

Cannabis and vaping tax revenue is expected to be \$248 million in 2025-26 as the federal tax on vaping products takes effect. Total other tax revenue increases over the forecast period to \$3.6 billion in 2027-28 and includes revenue growth from fuel taxes, insurance taxes, cannabis taxes, and tourism levies, mainly driven by economic activity and population growth.

6. Regulatory & Policy Shifts

- Budget 2025 includes \$7.5 billion over three years, or 29 per cent of the total Capital Plan, to support various projects and initiatives in Alberta's municipalities.
- Over \$3.7 billion of this amount supports municipal community infrastructure projects and programs.
- The largest portion is allocated through the Local Government Fiscal Framework (LGFF), which provides funding to municipalities to help them advance their local priorities.
- Budget 2025 allocates \$2.5 billion to the LGFF, an increase of \$138 million compared to Budget 2024. In addition, \$106 million is allocated over the next three years for downtown revitalization in the City of Edmonton.

- Another \$3.3 billion is allocated for municipal transportation projects and programs. About \$2.9 billion (including both federal and provincial contributions) is allocated to light rail transit (LRT) projects in Edmonton and Calgary.
- The allocation for the Strategic Transportation Infrastructure Program (STIP) is \$127 million over three years. STIP supports small and medium-sized municipalities to build or repair transportation infrastructure, to extend its useful life, to enhance safety, and to improve the efficiency of transportation infrastructure.
- In addition, \$13 million over three years is being allocated to improve traffic safety at key locations across the province.

7. Indirect Impacts on Tourism

Consumer spending

- The impact of tariffs and other retaliatory measures are expected to be felt by Alberta consumers. Softer labour market conditions, sluggish business investment, and heightened uncertainty will weigh on sentiment and hold back consumer spending. After expanding by an estimated 3.2 per cent in 2024 growth in real consumer spending is forecast to decelerate sharply to 1.9 per cent this year, reflecting a more cautious approach among households.
- U.S. tariffs a modest drag on Alberta oil prices. The discount between WTI and the Western Canadian Select (WCS) oil price is expected to widen as Alberta producers absorb some of the costs associated with U.S. tariffs on Canadian energy products. However, the impact will be mitigated by a lack of readily available substitutes for Alberta's heavy oil in key U.S. markets.
- The light heavy differential is forecast to widen to an average of US\$17.10/bbl in 2025-26, up from US\$13.20/bbl in 2024-25. Infrastructure improvement at the Westridge terminal in Burnaby, B.C. will increase loading capacity which should provide support to prices later this year. Meanwhile, Trans Mountain is exploring options to boost throughput capacity through the use of drag-reducing agents and by adding pumps. Enbridge is also planning a 150,000 bpd Mainline expansion by early 2027 through optimizations. These enhancements are expected to narrow the differential to US\$16.50/bbl in 2026-27 and US\$15.60/bbl in 2027-28.
- A weaker Canadian dollar will help cushion the blow from the U.S. tariffs, supporting WCS prices above C\$70.00/bbl over the medium term. Since Alberta oil is priced in U.S. dollar a depreciating Loonie increases the value of oil revenues in Canadian dollar terms.

- Alberta oil and gas producers are in a good position to manage the challenging investment climate, underpinned by healthy balance sheets, resilient demand, and additional export capacity. Over the past decade, oil sands producers have achieved significant economies of scale and major cost reductions, lowering their break-even prices. Even in the face of looming U.S. tariffs, drilling activity in the province surged at the start of the year and increased more than six per cent from a year ago.
- Oil production also reached a record high and the value of energy exports jumped 14 per cent year-over-year in December, buoyed by higher prices and volumes. U.S. refineries have begun stockpiling crude oil anticipation of tariffs taking effect.
- With demand for Alberta's heavy crude oil expected to hold up, oil production is forecast to exceed four million bpd in 2025, up 2.4 per cent from 2024. Over the medium term, oil production is forecast to expand at a modest pace of about two per cent annually. This will boost oil exports which will be a key driver of growth in Alberta's overall exports in 2025.
- Higher production, along with rising costs, will lift nominal investment in the oil and gas extraction sector by 6.6 per cent in 2025, roughly the same pace as in 2022. In real terms, however, growth will be largely driven by activity in the oil sands sector, where demand will be more insulated from the impact of U.S. tariffs.
- In contrast, conventional investment is forecast to see muted growth this year. While drilling activity for natural gas and natural gas liquids (NGLs) will benefit from a recovery in prices, tariffs are likely to weigh on U.S. demand for conventional oil, as this is more likely to be displaced by rising U.S. domestic production.

Business investment

- Business investment in the province will face headwinds from rising input costs, heightened uncertainty, and weaker export demand in the U.S. While ongoing projects will support investment, some companies are expected to postpone or cancel projects that are still in the planning stages. Nominal investment in industries outside oil and gas extraction is forecast to grow about four per cent in 2025 following declines over the last two years, but real (inflation-adjusted) investment is forecast to stay roughly flat this year.
- Lower commodity prices and business output will translate to weaker corporate profits. Tariff levies imposed by the U.S., along with rising costs, are also expected to squeeze margins across industries.

- Net corporate operating surplus – a measure of corporate profits and driver of corporate income tax revenues – is forecast to fall nine per cent to just over \$100 billion in 2025. This will weigh on Alberta’s nominal GDP, a broad measure of income. Meanwhile, growth in primary household income is forecast to ease from an estimated 7.1 per cent in 2024 to 4.8 per cent in 2025, in line with slower gains in employment and wage.

8. Tables

Total Revenue						
<i>(millions of dollars)</i>						
	2023-24	2024-25		2025-26	2026-27	2027-28
	Actual	Budget	Forecast	Estimate	Target	Target
Personal income tax	15,160	15,604	16,120	15,510	16,271	16,981
Corporate income tax	7,044	7,028	7,351	6,764	6,938	7,254
Other tax revenue	4,543	6,013	5,995	6,563	6,941	7,156
Resource revenue – bitumen	14,518	12,538	16,859	12,830	13,138	13,499
Resource revenue – other	4,769	4,777	4,650	4,237	4,482	4,317
Federal transfers	12,336	12,640	12,958	13,287	13,753	14,228
Investment income	4,581	3,267	5,171	2,882	3,135	3,467
Net income from bus. enterprises	1,237	2,123	2,064	2,016	2,506	2,568
Premiums, fees and licences	5,565	5,383	5,565	5,636	5,874	6,032
Other revenue	4,979	4,164	3,958	4,412	4,353	4,469
Total Revenue	74,732	73,537	80,692	74,138	77,390	79,969

Post-secondary tuition fees	1,836	1,999	2,154	2,133	2,214	2,260
Health / school board fees	818	845	906	912	937	961
Other premiums, fees and licences	2,912	2,539	2,506	2,591	2,723	2,810
SUCH sales, rentals, services	1,123	947	1,024	1,277	1,310	1,374
SUCH fundraising, donations, gifts	788	784	848	821	866	882
TIER Fund	907	539	265	409	271	313
Other	2,161	1,895	1,821	1,905	1,906	1,900
Total Revenue from Other Sources	11,781	11,670	11,587	12,064	12,732	13,069

TIAA BUDGET ANALYSIS

Post-secondary tuition fees	1,836	1,999	2,154	2,133	2,214	2,260
Health / school board fees	818	845	906	912	937	961
Other premiums, fees and licences	2,912	2,539	2,506	2,591	2,723	2,810
SUCH sales, rentals, services	1,123	947	1,024	1,277	1,310	1,374
SUCH fundraising, donations, gifts	788	784	848	821	866	882
TIER Fund	907	539	265	409	271	313
Other	2,161	1,895	1,821	1,905	1,906	1,900
Total Revenue from Other Sources	11,781	11,670	11,587	12,064	12,732	13,069

Statement of Operations						
<i>(millions of dollars)</i>						
	2023-24	2024-25		2025-26	2026-27	2027-28
	Actual	Budget	Forecast	Estimate	Target	Target
Revenue						
Personal income tax	15,160	15,604	16,120	15,510	16,271	16,981
Corporate income tax	7,044	7,028	7,351	6,764	6,938	7,254
Other taxes	4,543	6,013	5,995	6,563	6,941	7,156
Non-renewable resource revenue	19,287	17,315	21,509	17,067	17,620	17,815
Transfers from Government of Canada	12,336	12,640	12,958	13,287	13,753	14,228
Investment income	4,581	3,267	5,171	2,882	3,135	3,467
Net income from govt. business enterprises	1,237	2,123	2,064	2,016	2,506	2,568
Premiums, fees and licences	5,565	5,383	5,565	5,636	5,874	6,032
Other	4,979	4,164	3,958	4,412	4,353	4,469
Total Revenue	74,732	73,537	80,692	74,138	77,390	79,969
Expense						
Advanced Education	6,823	7,049	7,342	7,411	7,411	7,411
Affordability and Utilities	127	92	132	168	169	166
Agriculture and Irrigation	2,650	993	2,066	984	995	927
Arts, Culture and Status of Women	262	260	251	226	212	220
Children and Family Services	1,606	1,498	1,504	1,595	1,645	1,650
Education	9,393	9,759	9,972	10,398	10,791	11,213
Energy and Minerals	965	1,041	1,057	1,122	991	1,014
Environment and Protected Areas	465	557	458	570	523	537
Executive Council	48	63	62	67	67	67
Forestry and Parks	1,166	410	1,116	403	405	395
Health	22,091	22,602	23,695	24,037	24,557	25,724

TIAA BUDGET ANALYSIS

Immigration and Multiculturalism	39	42	40	42	42	42
Indigenous Relations	225	220	237	238	237	238
Infrastructure	862	885	944	921	952	933
Jobs, Economy and Trade	1,558	1,862	1,949	2,315	1,767	1,773
Justice	659	691	694	707	716	711
Mental Health and Addiction	1,588	1,700	1,741	1,792	1,788	1,761
Municipal Affairs	989	1,287	1,311	1,388	1,377	1,475
Public Safety and Emergency Services	1,494	1,279	1,460	1,350	1,367	1,366
Seniors, Community and Social Services	8,929	9,590	9,770	10,603	10,712	10,867
Service Alberta and Red Tape Reduction	179	203	208	203	203	203
Technology and Innovation	812	938	930	1,010	1,109	917
Tourism and Sport	112	136	136	133	125	121
Transportation and Economic Corridors	2,205	2,734	2,715	2,681	3,042	2,892
Treasury Board and Finance	2,260	2,108	2,159	2,227	2,256	2,265
Legislative Assembly	162	158	148	164	185	188
Total Program Expense	67,670	68,157	72,096	72,756	73,645	75,077
Debt servicing costs	3,149	3,389	3,199	2,968	3,258	3,629
Pension provisions	(372)	(364)	(363)	(375)	(384)	(389)
Expense before contingency	70,447	71,182	74,932	75,349	76,518	78,316
Surplus / (deficit) before contingency	4,285	2,355	5,760	(1,211)	872	1,653
Contingency (forecast un-allocated)	-	2,000	-	4,000	3,300	3,700
Total Expense	70,447	73,182	74,932	79,349	79,818	82,016
Surplus / (deficit)	4,285	355	5,760	(5,211)	(2,428)	(2,047)
Beginning net assets (+ adjustments)	11,902	16,187	16,187	21,947	16,736	14,308
Net assets at end of year	16,187	16,542	21,947	16,736	14,308	12,261

TIAA BUDGET ANALYSIS

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Crude Oil Prices^b							
WTI (US\$/bbl)	89.69	77.83	74.00	68.00	71.00	71.50	
Light-Heavy Differential (US\$/bbl)	20.77	17.29	13.20	17.10	16.50	15.60	
WCS @ Hardisty (Cdn\$/bbl)	90.62	81.67	84.70	73.10	75.80	75.80	
Natural Gas Prices^b							
Alberta Reference Price (Cdn\$/GJ)	4.63	2.07	1.20	2.50	3.10	2.90	
Production^b							
Conventional Crude Oil (thousands of barrels/day)	497	511	528	519	512	504	
Raw Bitumen (thousands of barrels/day)	3,250	3,332	3,455	3,558	3,689	3,752	
Natural Gas (billions of cubic feet)	4,265	4,267	4,304	4,354	4,354	4,354	
Interest Rates^b							
3-month Canada Treasury Bills (%)	3.17	4.88	3.70	2.30	2.30	2.30	
10-year Canada Bonds (%)	3.05	3.46	3.30	3.10	3.10	3.10	
Exchange Rate (US\$/Cdn\$) ^b	75.6	74.2	71.7	69.6	71.9	73.8	
fi							
Calendar Year Assumptions ^a	2022	2023	2024	2025	2026	2027	2028
	Actuals	Actuals	Estimate	Forecast	Forecast	Forecast	Forecast
Gross Domestic Product							
Nominal (billions of dollars)	472.8	452.4	476.6	482.5	497.0	514.4	536.7
% change	24.4	-4.3	5.3	1.2	3.0	3.5	4.3
Real (billions of 2017 dollars)	348.7	356.8	367.3	373.8	380.3	388.5	397.2
% change	6.0	2.3	3.0	1.8	1.7	2.1	2.2
Other Indicators							
Employment (thousands)	2,356	2,443	2,519c	2,567	2,609	2,659	2,713
% change	4.9	3.7	3.1c	1.9	1.6	1.9	2.0
Unemployment Rate (%)	5.8	5.9	7.0c	7.4	7.2	6.9	6.6
Average Weekly Earnings (% change)	2.5	2.1	3.5	3.2	2.8	2.6	2.5
Primary Household Income (% change)	10.4	5.7	7.1	4.8	4.2	4.3	4.3
Net Corporate Operating Surplus (% change)	75.2	-26.9	0.0	-9.0	1.2	3.0	3.5
Housing Starts (thousands of units)	36.5	36.0	47.8c	43.0	40.8	38.3	37.8
Alberta Consumer Price Index (% change)	6.4	3.3	2.9c	2.6	2.4	2.2	2.2
Retail Sales (% change)	6.9	4.3	1.8	3.7	2.8	3.4	3.9
Population (thousands)	4,511	4,685	4,889c	5,009	5,080	5,150	5,232
% change	1.8	3.9	4.4c	2.5	1.4	1.4	1.6
Net Migration (thousands)	63.4	159.1	189.1c	102.2	51.9	49.9	61.6



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