
Budget Address

A Responsible Plan for a Growing Province

Delivered by: Honourable Nate Horner | President of Treasury Board,
Minister of Finance | Legislative Assembly of Alberta

Mr. Speaker, it is truly an honour to rise in the Assembly today and present Budget 2024.

As a third-generation Alberta rancher, I come from a long line of Albertans who have, for decades, witnessed the highs and lows, the booms and busts, and the ongoing evolution of a province that, I believe, has always been the best in Canada.

I also come from a long line of Albertans who believed it was their duty to serve others.

With a great-grandfather who served as a Senator, a great-uncle who served both federally and provincially, and a cousin who also rose in this very room to present the budget a decade ago...

...public service is near and dear to my heart.

My family instilled in me a sense of duty to others. They led by example, showing me that there is no work more rewarding than making life better for others.

Mr. Speaker, this government is committed to making life better for all Albertans – those who have been here for decades, along with those who have chosen Alberta as their new home.

Budget 2024 is a Responsible Plan for a Growing Province. It's founded on our duty to make decisions that strike the right balance. That means spending on the important programs and services and infrastructure that Albertans deserve and expect.

It also means putting money into savings when we can, and ensuring the next generation is not burdened with more inherited debt.

Mr. Speaker, we've developed this budget at a time when things are looking good for Alberta. Our economy is leading the country. Businesses are growing and creating jobs, and those jobs are providing good wages for Albertans.

But it's when times are good that we must be mindful and responsible.

It's in the good times that we're most tempted to put off preparing for the hard times. It's an age-old problem – a trap our predecessors fell into and one this government refuses to repeat.

Albertans have told us that they're tired of that rollercoaster ride – a cycle that saw overspending by past governments in boom times followed by hardship when the boom was over.

Many Albertans have also shared their thoughts on where we should spend.

Like Wanda, a single mom from Devon, whose main priority is her daughter who has disabilities.

Like Gail from Edmonton, who was concerned about the upcoming wildfire season.

And like Mike from Calgary, who shared his thoughts on establishing sustainable energy for the future.

Every Albertan has thoughtful, valid concerns. We have heard those concerns. And we have made responsible choices.

In the end, I am proud of what we've accomplished.

Budget 2024 is responsible.

It's a budget that strikes a balance. It addresses the needs of Alberta families, builds and protects safe communities, manages our resources wisely, and supports businesses that are the backbone of our economy.

At the same time, it's built on our fiscal framework, which ensures paying down our debt remains a priority.

This is a budget based on the same priorities held by many Albertans who create their own household budgets; Albertans who have also had to make tough choices to take care of the needs of the family, make their mortgage payments, and save for the future.

Budget 2024 is a responsible plan that invests in the public services that Alberta families and communities rely on – like strong health care and education. It provides a helping hand for those in need, especially in these days when affordability is top-of-mind.

It invests in public safety and in the schools and other infrastructure we need for growing families.

And it ensures communities have the resources they need to face what will likely be another tough wildfire season.

Budget 2024 also maintains Alberta's competitive advantage by continuing to attract business and investment. It supports the creation of good jobs for hard-working Albertans. And it works toward sustainability as more and more people choose to call Alberta home.

To be sure, Mr. Speaker, newcomers are flocking to Alberta in record numbers.

Alberta remains the most attractive destination in Canada for people looking for a great quality of life, good-paying jobs, and a favourable cost of living.

In the 12 months preceding October 1, 2023, our population grew by about 195,000 people – more than four per cent. That's the highest annual growth rate we've seen since the early 80s.

We're seeing more people choose Alberta as a place to raise their families.

Why wouldn't they?

We have jobs.

In 2023, Alberta's economy gained 90,000 jobs. We continue to build on that growth in 2024, adding over 10,000 jobs in January.

Those jobs pay well.

And in Alberta, more of those earnings stay in workers' pockets. Our government has made it a priority to make life here affordable, and one of the most effective ways to do that is by keeping taxes low.

Today, Albertans and Alberta businesses continue to pay the lowest overall taxes in the country.

And, Mr. Speaker, to build on Alberta's already strong personal tax advantage, government intends to introduce a new personal income tax bracket of eight per cent on the first \$60,000 of income.

As we implement the new tax bracket, we must proceed in a responsible way. Based on the current fiscal plan, the government expects to implement the tax cut over two years.

Albertans will see the full impact of the new tax bracket in 2027.

Alberta is also a place where businesses can succeed, create good jobs, and continue to build up our great province.

Businesses thrive here. That's no accident. Our government has established the most business-friendly environment in the country, with the lowest general corporate income tax rate in Canada.

At eight per cent, it's 30 per cent lower than the next lowest province.

Alberta also has no payroll tax and no capital tax, all of which continue to attract investment, including in Alberta's tech and innovation sector.

Alberta's tech sector is booming. Last November, two think-tanks, Startup Blink and Startup Genome, named Calgary the 12th fastest growing technology ecosystem in the world.

We've attracted companies such as Amazon Web Services, which recently announced the completion of its Western Canada infrastructure region, the largest tech sector investment in Alberta's history.

De Havilland Aircraft continues its expansion into Alberta. The company recognized our major Alberta advantages – it moved its head office to Calgary in 2022, and earlier this month announced it was adding to its expansion with the purchase of Field Aviation's Calgary manufacturing facility.

And, Mr. Speaker, I am happy to report that ATB, Alberta's largest financial institution, is positioned to declare \$100 million of dividends to the province annually, starting in 2024-25.

These dividends will increase the province's available cash and highlight the value ATB provides to Alberta.

Mr. Speaker, Budget 2024 builds on Alberta's economic momentum. Families, businesses, and investors are choosing Alberta because we are well-positioned for future success and sustainability.

We are Canada's economic engine.

The Business Council of Alberta says our province is starting 2024 in a position of relative strength compared to the rest of Canada. We are, once again, forecast to be among the national leaders in economic growth.

But getting here hasn't been easy.

Last year, we legislated a new fiscal framework to guide how we spend and save taxpayer money. The framework calls for us to balance the budget, limits increased spending, and requires us to use half of any available surplus cash to pay down debt.

Alberta's commitment to reducing debt and to increase savings and bring the province's finances into the black are not going unnoticed, nor unrewarded.

Last year, credit rating agencies – like S&P Global Ratings and DBRS Morningstar – upgraded Alberta's credit rating, recognizing the progress we have made with our finances.

More importantly, the debt we've repaid won't burden our children and grandchildren.

And, Mr. Speaker, we have paid down billions of dollars of debt.

But we're not out of the woods; challenges lie ahead that are putting pressure on the province. Higher interest rates mean our debt servicing costs continue to rise.

Anyone who has had to refinance a loan or a mortgage recently knows firsthand that the money they're now spending on high interest rates can no longer be spent to provide for their family's other needs.

For our government, this means that the money we're forced to spend refinancing the debts left by previous governments cannot be spent on the needs of Albertans.

Mr. Speaker, Alberta is in a better position than the rest of the country, and better than when we took over from the last government.

But we are not immune from outside factors that challenge our economy...and challenge us as we strive to do what's responsible and what's right for Albertans.

Alberta is growing.

Fiscal responsibility matters – even in good times.

Especially in good times.

Strong stewardship has helped us get to our strong economic position now and will keep us secure in the future.

We are in active collective bargaining negotiations across the province's public sector, including teachers and nurses. This means balancing our ability to invest in programs and services with fair and competitive compensation for workers.

Strong stewardship will also position us to better deal with ongoing challenges, like the pressures of a growing population on housing supply, our health and education systems, and other public services.

On top of pressures like debt, public sector collective bargaining, and growth, Alberta faces challenges from outside the province.

Geopolitical risks, including uncertainty from the layering of harmful and foolish federal policies, are preventing Alberta's economy from reaching its full potential and holding back investment and productivity gains, not just in the province but across the country.

Rest assured, Mr. Speaker, our government will continue to fight for what's right for Albertans.

Because we know that what we are doing is working.

Budget 2024 is a testament to that.

Mr. Speaker, I am proud to say that once again, our government has achieved a balanced budget. Budget 2024 includes a forecasted surplus of \$367 million in 2024-25.

This is due, in part, to our government's focus on responsible fiscal management, and our responsible choices to invest in the areas that Albertans have told us are important.

Like health care, where Budget 2024 is investing more than \$26 billion. This is the largest health-care budget in our province's history.

This investment will increase Alberta's health-care capacity, improve primary health care, reduce wait times, grow the workforce, and advance the Health Care Action Plan.

Mr. Speaker, we are modernizing Alberta's primary health-care system by investing \$475 million to ensure Albertans have timely access to the health care they need, when and where they need it, especially as our population continues to grow.

This investment will improve access to family physicians and help develop a compensation model for nurse practitioners, who can play a significant role in improving timely access to health care.

We are investing significant dollars to increase access to medical education in rural and Indigenous communities, and to increase the number of family medicine and generalist physicians across the province.

Mr. Speaker, we know smaller communities need improved access to doctors, which is why we are providing \$26 million for the University of Lethbridge Rural Medical Teaching School to train doctors in smaller communities with the intention they remain in those communities.

We are also ensuring students of today and tomorrow have access to a quality education in an environment that meets their needs.

We want to ensure our schools have the space for students as enrolment continues to grow. Budget 2024 invests \$1.9 billion – including \$681 million in new funding – for planning, design, construction, and modernizations of 98 new and modernized schools across Alberta.

This includes 43 new projects announced in this budget, creating a total of 35,000 new or modernized spaces.

We have heard from parents, school boards, and teachers that more funding is needed to support growing classrooms. And we listened.

The budget includes funding to put hundreds more teachers in those classrooms. And we're investing \$1.5 billion for educational learning supports for vulnerable students, children with specialized learning needs, and other students requiring additional supports.

We heard from industry that more skilled workers are needed, and we agree.

So, we're investing an additional \$102 million over the next three years to create 3,200 apprenticeship seats.

And to further ensure our province has the skilled workforce for high-tech jobs in an increasingly diversified economy, the budget provides \$55 million for the University of Calgary to add 1,000 spaces in science, technology, engineering, and math programs, and \$43 million for NAIT's trades and technology learning facility here in Edmonton.

Mr. Speaker, Budget 2024 builds on Alberta's economic foundation – the strongest in Canada – but it does not ignore the fact that families in every province, including ours, struggle with affordability, especially when it comes to housing.

This budget supports those who need help by providing \$717 million in capital grants to give more Albertans and their families access to more affordable housing.

Budget 2024 invests in safe and supportive communities, where every family can feel secure and welcomed.

The three-year Capital Plan improves emergency response and coordination, increases capacity in the province's court system, and invests in crime prevention.

The budget includes \$49 million to better support first responders and sheriffs by providing them with the equipment and facilities they need to protect Albertans.

And we'll fund 100 police officers to be deployed to high-crime areas in Calgary and Edmonton through the Safe Streets Action Plan.

We're supporting the compassionate care and recovery of Albertans at risk of, or experiencing, mental health and addiction challenges. That includes \$328 million in capital funding to develop recovery communities and mental health facilities for children and youth.

Mr. Speaker, the past year has shown us that Mother Nature can also be a formidable opponent.

Budget 2024 improves Alberta's ability to respond to extreme natural events such as floods, droughts, and wildfires. That includes \$206 million to enhance the capacity of the province to fight wildfires, including new firefighting equipment.

We're working hard to enhance wildfire prevention, preparedness, response, and mitigation tactics.

Seventy-five million dollars in funding over three years will create a renewed grant program to help safeguard Alberta communities from the effects of severe weather events like drought and floods.

The program will be a refresh of the Alberta Community Resilience Program and will benefit communities across the province.

This is an investment in Alberta's future.

A combination of drier conditions and our growing population is putting greater demand on our natural resources, so we are making strategic investments to promote sustainable growth, protect the ecosystem and natural environment, and ensure uninterrupted access to water for Albertans and Alberta businesses.

Water is a critical resource for Albertans, which is why \$238 million will be provided for the Water for Life Strategy...

...and \$206 million for the Alberta Municipal Water/Wastewater Program, to help small communities build high-priority water supply projects, as well as water and wastewater treatment plants and disposal facilities.

Responsibly managing our water resources means we can help maximize our province's water supply and make every drop count in 2024.

In total, Budget 2024's Capital Plan invests \$25 billion over three years in capital funding that will support Alberta's growing communities.

That's an investment in not only the public infrastructure we need, but an investment in jobs for the folks who work on those projects. Our capital funding will support 24,000 direct jobs and 13,000 indirect jobs across the province.

Mr. Speaker, we continue to diversify, attract new investment, and provide more jobs that keep Alberta's economic engine humming.

The opportunities are tremendous here in Alberta as entrepreneurs and builders, businesses, and newcomers build even stronger communities, share in our provincial prosperity, and contribute to Canada's economy.

Supporting business and investment growth, as we all know, is non-negotiable because it contributes so much to Alberta's resilient economic landscape.

The Industrial Heartland is the first Designated Industrial Zone in Alberta, spanning five different municipalities.

Budget 2024 allocates \$32 million in capital funding over three years to fund the Designated Industrial Zone Pilot Project, which will construct three new water intakes and associated infrastructure in the Industrial Heartland.

Mr. Speaker, I am proud to say that Budget 2024 strikes the right balance for a growing province. It invests in what's important to Albertans today and works for the future.

That's a future where we will be off the rollercoaster of booms and busts because we've paid down our debt, saved for the future, and managed our finances responsibly.

Responsible fiscal management is a key priority.

As I said earlier, our fiscal framework requires us to use at least half of any available surplus cash to pay down debt. Our framework will require us to reduce taxpayer-supported debt by a forecasted \$3.2 billion in 2023-24.

Our government is taking responsible steps to make a stronger and brighter future for Alberta and for Albertans.

Mr. Speaker, in 1976, Alberta's government had a vision to save for the future, but that vision was lost somewhere along the way.

Now, we are taking steps to re-energize the vision of rebuilding the Heritage Fund into a generational store of wealth for our children and our grandchildren.

In Budget 2024, an additional \$2 billion will be deposited into the Heritage Fund and it will continue to retain its investment earnings. This will increase the market value of the Fund to a forecast more than \$25 billion.

With these deliberate and meaningful deposits, the government is embarking on a plan that will return the Heritage Fund to its original vision of intergenerational equity, impact, and influence.

Prior to the end of this year, government will release its long-term plan charting a path to a Heritage Fund worth between \$250 billion and \$400 billion by the year 2050.

Alberta will join the ranks of jurisdictions such as Alaska, Norway, and many other resource-based jurisdictions around the world who boast sovereign wealth funds large enough to replace their reliance on resource revenues.

The Heritage Fund will achieve these goals in a way that is anchored in Albertan values and reflective of our unique character.

I have said before that you can't run around with champagne tastes on a beer budget forever.

Sooner or later – and probably sooner – you end up with an empty glass. And you're still thirsty.

Mr. Speaker, I'm not much for champagne.

I'm not much for spending away what you should be saving for tomorrow.

That's why I'm so proud to present this budget that stays true to my values and Alberta's values.

Mr. Speaker, Budget 2024 is a beer budget with an eye to the future.

It invests in the public programs and services Albertans expect.

It supports our communities and protects our natural resources. And it continues to attract businesses and investment, maintaining our competitive advantage.

At the same time, it stays true to our priority to pay down debt and save for the future.

Mr. Speaker, Budget 2024 is a Responsible Plan for a Growing Province.

It's the budget Alberta needs today, while ensuring future generations can live, work, and raise their families in what will continue to be the very best place in the world to call home.

Thank you.