



Treasury Board and Finance

Ministry Business Plan

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Business Plan 2024-27

Ministry Fact Sheet – Mandate and Structure

Treasury Board and the Ministry of Finance (TBF) is responsible for budget planning, financial management and economic analysis, as well as the administration of tax and revenue programs. TBF remains committed to responsible fiscal management and to support the government's fiscal targets, and to working closely with ministries to ensure adequate funding to deliver services on which Albertans rely. In 2024-27 TBF will:

- Lead government's fiscal planning, and maintain a responsible capital spending framework creating an environment that attracts investment and job creators, removing barriers to economic expansion and diversification;
- Uphold Alberta's tax advantage for individuals and businesses to strengthen economic activity, and investment;
- Adhere to government's fiscal framework by balancing the budget, maintaining year-over-year operating expense growth at or below population plus inflation, controlling in-year expense growth and allocating available surplus cash first to debt repayment, growing the Heritage Savings Trust Fund to lessen the province's reliance on resource revenues over the long term or investing in one-time initiatives that do not permanently increase government spending; and
- Review and develop short and long-term strategies to make insurance more accessible and affordable.

Economics and Fiscal Policy (EFP) is responsible for the development, interpretation and analysis of economic, fiscal and statistical data to support cross-ministry policy development and decision-making. EFP provides analysis of major issues influencing Alberta's finances including tax policy, economic and demographic trends, as well as economic, non-renewable resource and tax revenues, and federal transfer projections.

Finance and Administrative Services provides financial, facilities, and administrative services to TBF, Communications and Public Engagement, the Public Service Commission, as well as Executive Council.

Financial Sector Regulation and Policy provides policy advice and - through the Superintendents of Pensions, Insurance, and Financial Institutions respectively - regulates insurance companies, pension plans, and provincially regulated financial institutions.

Office of the Controller is responsible for government accounting policies and financial reporting, financial management and control policies, risk management (financial and audit risks) and financial business process management.

Provincial Bargaining and Compensation Office (PBCO) supports government's interests, as employer and funder, with respect to public sector labour relations and compensation. Additionally, PBCO supports government's regulation and coordination of non-union compensation across the public sector. Responsible for government's strategic leadership and cross-sectoral coordination with respect to union and non-union compensation research and analysis, negotiations, arbitrations and other labour relations and compensation matters, while providing public sector employers with collective bargaining and non-union compensation directives.

Tax and Revenue Administration (TRA) administers tax, revenue, grants and other programs under multiple Acts. The division works to ensure a fair, efficient and effective provincial tax and revenue administration system. TRA also contributes to the development of Alberta tax and revenue policy and supports TBF and other Ministries by providing a centralized audit and collection function for several programs.

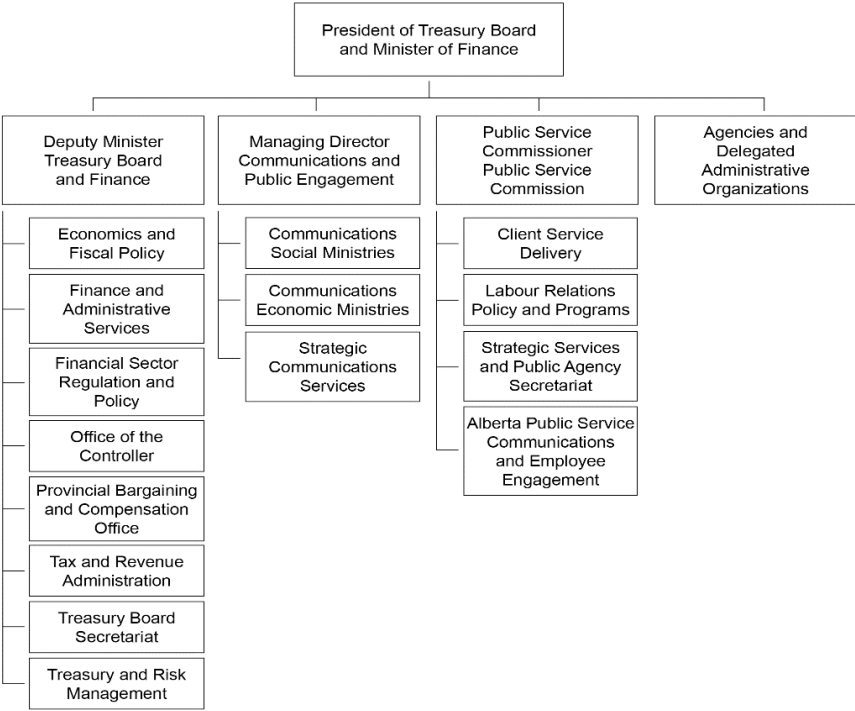
Treasury Board Secretariat (TBS) provides timely, relevant and accurate budget, operating, capital planning, corporate planning, and performance measurement analysis advice and recommendations to decision makers including the Premier, Cabinet, Minister, Treasury Board Committee and other bodies. As the secretariat to the

Treasury Board, TBS serves as the primary contact for coordinating overall fiscal planning, including operating and capital spending processes across government.

Treasury and Risk Management (TRM) manages the government’s cash resources, borrowing programs, financial risk management, liquidity, the Province’s short-term investments, and banking activities. The division provides investment policy advice and portfolio planning and evaluates the investment performance of government investments, including the Alberta Heritage Savings Trust Fund. TRM, on behalf of the province, is responsible for administering the program that provide loans to local authorities for capital projects. TRM provides policy support and analysis for ATB Financial and capital markets. The division also assists in the identification, measurement, control and financing of risk of accidental loss to government.

Public Service Commission (PSC) represents the Government of Alberta as the employer in Alberta Public Service (APS) related collective bargaining and other labour relations matters, and it provides advice across government on human resources and public agency governance. PSC delivers strategic leadership, resources and advice on effective internal communications and employee engagement to enhance public support of the APS and support the attraction and retention of qualified employees to serve the needs of Albertans. PSC also supports ministries by providing advice on board governance and competency-based recruitment of qualified candidates to support accountability, efficiency and effectiveness in public agencies.

Communications and Public Engagement (CPE) provides full-service communications, public relations and marketing government-wide services and support, with expertise in strategic communications planning, issues management, media relations, crisis communications, digital communications, graphic design, advertising, web, social media, research and public engagement. CPE manages the government’s website, Alberta.ca and delivers coordinated communications that are clearly presented, accurate and relevant, making it easy for Albertans to understand government information and access government services.



A more detailed description of TBF and its programs and initiatives can be found at: www.alberta.ca/treasury-board-and-finance.aspx

The Ministry of Treasury Board and Finance remains committed to regulatory approaches and program delivery that reduces unnecessary government oversight and emphasizes outcomes in order to improve access to government services, attract investment, support innovation and competitiveness, and grow Alberta businesses.

Ministry business plans should be considered in conjunction with all budget documents - including the Fiscal Plan, Government Strategic Plan, and Estimates - which work together to provide a complete overview of government’s commitment to responsible fiscal management.

2024-27 Business Plan

Outcome 1

Alberta has a strong and resilient financial foundation that maintains fiscal discipline and supports sustainable government services

A fiscal framework guides all financial decisions striking a balance between funding important government priorities, debt reduction, and saving for the future. Alberta's advantage is maintained through a competitive tax system that supports economic growth, productivity and competitiveness.

Key Objectives

- 1.1 Implement Alberta's fiscal framework by balancing the budget, controlling spending and allocating available surplus cash first to debt repayment, growing the Heritage Savings Trust Fund to lessen the province's reliance on resource revenues over the long term or investing in one-time initiatives that do not permanently increase government spending.
- 1.2 Evaluate the governance, structure and investments of the Alberta Heritage Savings Trust Fund to maximize the earnings and size of the Heritage Fund for the benefit of Albertans in the future.
- 1.3 Monitor the fairness, competitiveness, economic efficiency, and revenue stability of Alberta's tax system, and provide tax policy advice and tax and revenue program administration support across government.

Initiatives Supporting Key Objectives

- \$17 million is allocated to EFP and the TBS to provide analysis and advice on fiscal and economic policy, budgeting and financial reporting, and fiscal accountability along with revenue and tax policy.
- \$33 million is allocated to TRA to administer tax, revenue, grants and other programs and functions, such as corporate tax, fuel tax, tourism levy, ensure energy royalty compliance, and enforce fines.

Performance Metrics

1.a Performance Measure: Maintaining sustainable operating expenditures

Keeping the annual rate of operational expenditure at or below the forecasted rate of Alberta's population growth (POP) plus inflation (CPI) ensures sustainable government finances while delivering services that matter to Albertans. The 2022-23 budget increased operational spending by 3.6 per cent over 2021-22, which was below the combined forecasted rate of Alberta's population growth plus inflation.

Targets	2024-25	At or below POP + CPI	2025-26	At or below POP + CPI	2026-27	At or below POP + CPI
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1.b Performance Measure: Per capita expenditure with comparator provinces (British Columbia, Ontario, and Quebec)

In 2022-23, Alberta's per capita program expenditure was \$13,561 compared to the average of \$14,193 of comparator provinces.

Targets	2024-25	At or below comparator provinces	2025-26	At or below comparator provinces	2026-27	At or below comparator provinces
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1.c Performance Indicator: Alberta’s tax advantage compared to other provinces

Alberta's tax advantage is an estimate of the total additional taxes individuals and businesses would pay if Alberta had the same tax system as other provinces. The tax advantage is reported based on figures in budget.

	2019-20	2020-21	2021-22	2022-23	2023-24
Alberta Tax Advantage	\$13.4	\$14.4	\$13.3	\$14.8	\$19.7

1.d Performance Measure: The Alberta Heritage Savings Trust Fund returns

The primary return target for the Alberta Heritage Savings Trust Fund (Heritage Fund) is to meet or exceed the Canadian Consumer Price Index (CPI) plus 450 basis points over a rolling five-year period. Over the five-year period ending in 2022-23, the Heritage Fund earned an annualized return of 6.4 per cent, trailing the return target of 6.7 per cent by 30 basis points. ¹

Targets	2024-25	CPI + 4.5%, five year rolling average	2025-26	CPI + 4.5%, five year rolling average	2026-27	CPI + 4.5%, five year rolling average

Outcome 2

Policy and regulatory oversight for the financial, securities, insurance, and pensions sectors is effective, fair and in the interests of Albertans

The ministry supports the prosperity of Albertans and Alberta-based businesses by reducing regulatory costs and administrative burdens, by setting effective policies and regulations, and providing oversight for these sectors to protect the interests of investors and consumers.

Key Objectives

- 2.1 Lead and implement changes to modernize legislation, regulations and policies impacting the regulated industries overseen by TBF to help identify regulatory efficiencies, enhance industry sustainability and support consumer outcomes and investor protection.
- 2.2 Continue to work cooperatively with other jurisdictions to improve securities regulation in Canada, improve access to capital, and ensure a provincially-led regulatory system that meets the needs of Alberta market participants and investors, with a flexible and responsive regulatory framework.
- 2.3 The Financial Services Concierge will work with financial service companies and innovators to guide them through Alberta's legislative/regulatory framework, enabling them to participate in Alberta’s financial services sector more easily. This will help to diversify the economy and support job creation.
- 2.4 Engage with stakeholders to develop solutions that will make Alberta’s automobile insurance system accessible, affordable, and sustainable over the long term.

Initiatives Supporting Key Objectives

- \$20 million is allocated to FSRP and TRM to provide policy and regulatory support and analysis on insurance (including consumer protection), pensions, provincially regulated financial services, and securities.
- Refine the supervisory framework for captive insurance companies to help relieve cost and insurance availability pressures on Alberta businesses.
- Continue discussions with federal and provincial governments, as well as other stakeholders regarding a potential Alberta Pension Plan.
- Examine opportunities to make insurance more affordable for Albertans while protecting the sustainability of Alberta’s insurance market.
- Support the Alberta Automobile Insurance Rate Board to further their mandate of providing education and information related to auto insurance on an ongoing basis.

¹ Note: If money is to be transferred to the Heritage Fund from the General Revenue Fund, Treasury Board and Finance will work with AIMCo to develop a transition plan so that assets are invested in a manner consistent with the province’s risk appetite and investment policies.

- Leverage the regulatory sandbox to continue to support financial innovation and attract new investment in the financial and financial technology (fintech) sectors, including implementation of a Halal financing option.
- Undertake a mandate review of ATB to improve financial competitiveness and better support Alberta businesses and homebuyers, central to which will be implementing a regular dividend to be paid by ATB to the Government of Alberta.

Performance Metrics

2.a Performance Measure: New captive insurance licence applications reviewed, and licences issued within six weeks, 90 per cent of the time.

In 2023-24, 100 per cent of the 17 captive insurance licence applications were reviewed and issued in less than six weeks.

Targets	2024-25	90%	2025-26	90%	2026-27	90%
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2.b. Performance Measure: Alberta incorporated insurance companies rated as stable by the Superintendent of Insurance.

This measure assesses the stability of Alberta's insurance market and its ability to ensure Albertan's properties are protected. The 2023-24 ratio was 100 per cent and stable, meeting the target.

Targets	2024-25	100%	2025-26	100%	2026-27	100%
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Outcome 3

Alberta has an efficient and effective public service working for its citizens

Public servants are instrumental in ensuring Albertans receive the services when and where needed. The Government of Alberta has a professional, non-partisan, diverse, and inclusive public service that proudly serves Albertans.

Key Objectives

- 3.1 Deliver client-focused and timely human resource (HR) services to enable the Alberta Public Service (APS) to achieve government priorities, including the management of talent through a future-focused workforce, recruitment and retention, employee development, performance and succession programming to ensure a coordinated and efficient HR system to meet the evolving needs of departments.
- 3.2 Engage, develop, and support employees and ensure a safe, diverse, inclusive and respectful work environment in the APS.

Initiatives Supporting Key Objectives

- \$74 million is allocated to the Public Service Commission to deliver direct and strategic HR services to departments as well as to support evidence-informed decisions on the current and future APS workforce, and ensure accountability, transparency and good governance in agencies, boards and commissions.

Performance Metrics

3.a Performance Indicator: Inter-jurisdictional comparison of provincial public administration employees per 1,000 residents (Statistics Canada. Table: 17-10-0009-01 Table: 14-10-0202-01).

	2018	2019	2020	2021	2022
Alberta	6.8	6.6	6.1	6.0	5.9
Comparator Provinces Average (BC, QC, ON)	7.1	7.3	7.2	7.4	7.5

STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable		2024-25 Estimate	2025-26 Target	2026-27 Target
	2023-24 Budget	2023-24 Forecast			
REVENUE					
Personal Income Tax	14,069,000	15,239,000	15,604,000	16,514,000	17,512,000
Corporate Income Tax	5,911,000	7,204,000	7,028,000	7,052,000	7,320,000
Other Taxes	2,379,000	1,868,000	3,102,000	3,199,600	3,278,900
Transfers from Government of Canada	2,654,000	2,483,867	2,006,236	2,075,599	2,152,422
Investment Income	2,761,535	3,962,828	2,768,390	2,985,000	3,226,404
Net Income from Commercial Operations	291,853	304,956	281,627	297,015	359,841
Premiums, Fees and Licences	243,327	251,697	245,431	255,074	278,622
AIMCo Investment Management Charges	877,282	824,665	936,467	972,329	957,708
Other Revenue	97,368	96,416	104,592	107,935	110,520
Ministry Total	29,284,365	32,235,429	32,076,743	33,458,552	35,196,417
Inter-Ministry Consolidation Adjustment	(192,744)	(214,184)	(218,129)	(223,155)	(231,669)
Consolidated Total	29,091,621	32,021,245	31,858,614	33,235,397	34,964,748
EXPENSE					
Ministry Support Services	8,619	8,619	8,984	9,103	9,195
Treasury Board Secretariat	7,483	7,483	7,877	8,039	8,163
Fiscal Planning and Economic Analysis	10,747	10,747	9,104	8,766	8,890
Investment, Treasury and Risk Management	354,855	342,598	361,751	370,321	368,232
Office of the Controller	6,716	6,716	7,026	7,151	7,247
Tax and Revenue Management	43,168	38,842	45,682	46,042	46,504
Financial Sector and Pensions	189,990	187,301	205,966	211,988	217,727
Provincial Bargaining and Compensation Office	4,171	4,171	4,515	4,591	4,650
Public Service Commission	70,443	69,702	74,266	75,942	77,016
Communications and Public Engagement	34,561	34,184	36,016	36,675	37,178
AIMCo Investment Management Services	876,972	824,355	936,167	972,029	957,408
Carbon Tax - Consumer Rebates	2,000	4,000	2,000	1,000	1,000
Teachers' Pre-1992 Pensions - Payments	494,750	497,083	498,833	496,250	492,083
Motor Vehicle Accident Claims	37,515	42,515	45,457	45,457	45,457
Alberta Family Employment Tax Credit	900	25	-	-	-
Scientific Research and Experimental Development Tax Credits	1,000	500	1,000	-	-
Corporate Income Tax Allowance Provision	15,000	45,000	30,000	20,000	20,000
Commodity Tax Allowance Provision	-	15,000	-	-	-
Debt Servicing Costs	2,739,450	3,027,450	3,257,450	3,017,450	3,074,450
Change in Unfunded Pension Obligation	(297,000)	(314,000)	(317,000)	(324,000)	(329,000)
Contingency / Disaster and Emergency Assistance	1,500,000	-	2,000,000	2,000,000	2,000,000
Ministry Total	6,101,340	4,852,291	7,215,094	7,006,804	7,046,200
Inter-Ministry Consolidation Adjustment	(187,848)	(189,293)	(192,230)	(192,614)	(193,000)
Consolidated Total	5,913,492	4,662,998	7,022,864	6,814,190	6,853,200
Net Operating Result	23,178,129	27,358,247	24,835,750	26,421,207	28,111,548

STATEMENT OF OPERATIONS...continued

CAPITAL INVESTMENT

(thousands of dollars)	Comparable		2024-25 Estimate	2025-26 Target	2026-27 Target
	2023-24 Budget	2023-24 Forecast			
Ministry Support Services	25	25	25	25	25
Financial Sector and Pensions	6,385	5,803	7,085	7,385	7,635
Public Service Commission	-	36	25	25	25
Communications and Public Engagement	-	32	25	25	25
AIMCo Investment Management Services	21,300	15,436	11,200	9,000	8,000
Consolidated Total	27,710	21,332	18,360	16,460	15,710