



Rising cost of living

Issues within the global supply chain, as well as federal COVID-19 relief spending, are pushing up the price of goods and services. This is driving inflation and making life less affordable for Canadians.

Affordability

Alberta is one of the most affordable provinces in Canada to live and work. In particular, costs for housing, food and transportation tend to be lower here than in other parts of the country. This lower cost of living, combined with relatively high average earnings and the lowest overall taxes among the provinces, means Albertans keep more money in their pockets.

Budget 2022 makes Alberta an even more affordable place to call home.

Following through on child care

Budget 2022 provides \$666 million in operating expense funding in 2022–23 for a total of over \$2.6 billion dollars by 2024–25 in support of the child care agreement with the federal government. Since the program was announced, Alberta parents are already experiencing lower costs, with the price of child care targeted to average \$10 per day by 2026. To ensure families can choose the child care that works best for them, 42,500 new licensed child care spaces will be added over the next five years.

The Alberta Child and Family Benefit also provides up to \$5,120 annually to lower income families.

Supporting students

Through Alberta at Work, Budget 2022 provides \$15 million over three years to create a new non-repayable support to low-income students in qualified high-demand programs. This will enable more low-income learners to participate in the advanced education system and increase their workforce participation in the future.

Affordable broadband for all

Many Albertans living in rural or remote communities often pay a high price just to access the internet. Budget 2022 makes reliable, affordable, high-speed internet a reality across the province through a \$390 million investment over the next four years in Alberta's Broadband Strategy.

Taking the pressure off natural gas prices

Many Albertans are seeing higher natural gas bills and indications are that prices may keep rising. Budget 2022 provides consumer protection support through an energy rebate program that begins in October 2022 to help Albertans manage higher natural gas prices. Consumers who use less than 2,500 gigajoules annually will be eligible—which includes most households, small apartment buildings, farms and small industrial and commercial operations.

The Energy Affordability Program will run until March 31, 2023 and the rebate will be triggered if the company's regulated rate is above \$6.50/gigajoule.



These Budget 2022 commitments are on top of Alberta's existing affordability advantage:

Albertans earn more

- Alberta workers continue to have the highest earnings across all provinces.
- Alberta's \$1,201 average weekly earnings is the highest province in the country (second highest is ON at \$1,126).
- Alberta families earned a median after-tax income of \$99,400 in 2019, nearly \$10,000 higher than in British Columbia and Ontario.

Albertans pay less in overall taxes

- No provincial sales tax, no payroll tax or health premium and a low personal income tax.
- Alberta has the highest basic personal exemption amount among provinces, allowing individuals to earn more before having to pay provincial personal income tax.
- Almost 40% of Alberta tax filers pay no provincial income tax.
- A couple earning \$75,000 with two children would pay over \$1,400 more in provincial tax in B.C. and nearly \$3,800 more in Ontario than they would in Alberta.

Housing is affordable

- Alberta has some of the lowest home prices and rents among Canadian urban centres.

- The average house prices in Edmonton (\$395,129) and Calgary (\$501,692) remain some of the lowest among large Canadian cities in 2020.
- Home rental costs are also lower in Alberta compared with other major Canadian centres, with the exception of Montreal.
- Albertans spend a smaller share of their income on home ownership costs (29% in Edmonton and 33% in Calgary), versus the Canadian average of 48%.
- Albertans are able to purchase at least two homes for every one home they could purchase in Toronto or Vancouver.

Lower food and transportation costs

- Food costs are generally lower in Alberta, with Edmonton having the lowest food prices among major cities.
- Alberta's gasoline and diesel prices are generally the lowest in Canada. This is due in part to low fuel tax rates and no provincial sales tax.

Alberta seniors

- Alberta's maximum senior benefit (for an individual) is \$285.92 compared to the three-province average (BC, ON, QC) of \$60.77.