

Protecting lives and livelihoods

Maintaining responsible spending



A careful approach to spending

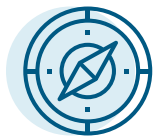
Budget 2021's responsible approach to spending will mean more investment in priority areas like health care, education and job creation.



Sound fiscal anchors

Budget 2021 is built on three fiscal anchors.

- Keep net debt below 30 per cent of GDP to help protect future generations from rising debt servicing costs.
- Deliver services more cost effectively by bringing spending in line with other comparator provinces.
- Re-establish a plan to balance the budget post-pandemic when a more stable level of predictability returns to the budgeting process.



Getting back on track

Operating expense

- In 2021–22, operating expense is \$1 billion higher than 2020–21 forecast and begins to normalize, remaining relatively flat over the next two years.

Deficit

- \$18.2 billion deficit is targeted for 2021–22, \$2 billion less than the 2020–21 forecast.
- \$11 billion and \$8 billion deficits are targeted for 2022–23 and 2023–24 respectively.

The declining deficit can be attributed to decreasing expense as:

- the costs of the pandemic subsidy,
- the government works to streamline and modernize service delivery; and
- revenue increases as the economy recovers.



BUDGET 2021 PROVIDES FUNDING OF:

\$23 billion for health services

\$8.2 billion operating expense for kindergarten to grade 12 (K–12) education services

\$6.3 to \$6.4 billion operating expense for social services ministries

\$136 million over three years for the Alberta Jobs Now program

\$166 million over three years for the Innovation Employment Grant

\$500 million in 2021–22 for additional investments in economic recovery