

# Alberta's economic outlook



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# Economic Backdrop



Alberta economy  
resilient this year

1

- **Solid population growth** supporting consumer spending and residential construction
- **Improved market access** boosting oil production
- **Rapid labour force growth** outpace strong job gains



Growth to slow in 2026  
before picking up over MT

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- **Population growth to slow** amid net outflows of NPRs
- Growth in oil production and exports to **moderate**
- **Softer outlook** for oil prices
- **Muted recovery** in business investment



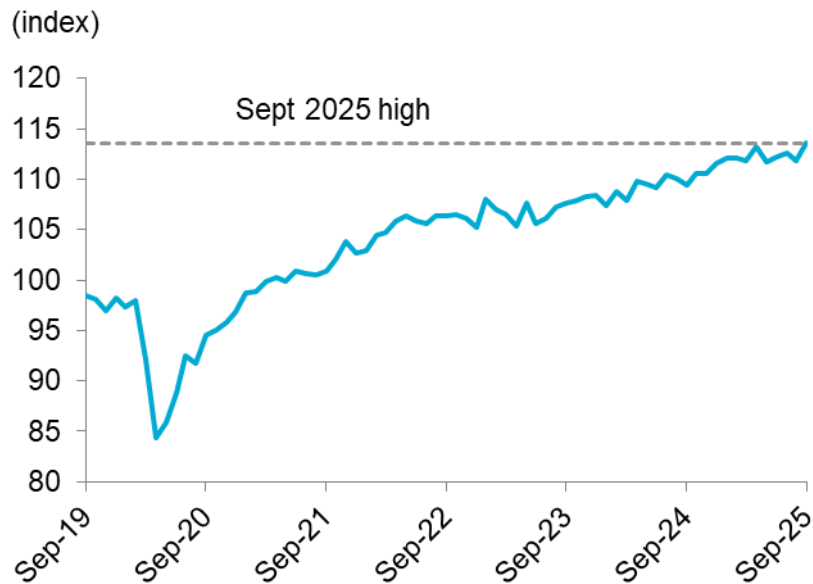
Risks to  
outlook high

3

- **Trade uncertainty** continues to cloud the outlook
- Tariffs a **major drag** on growth

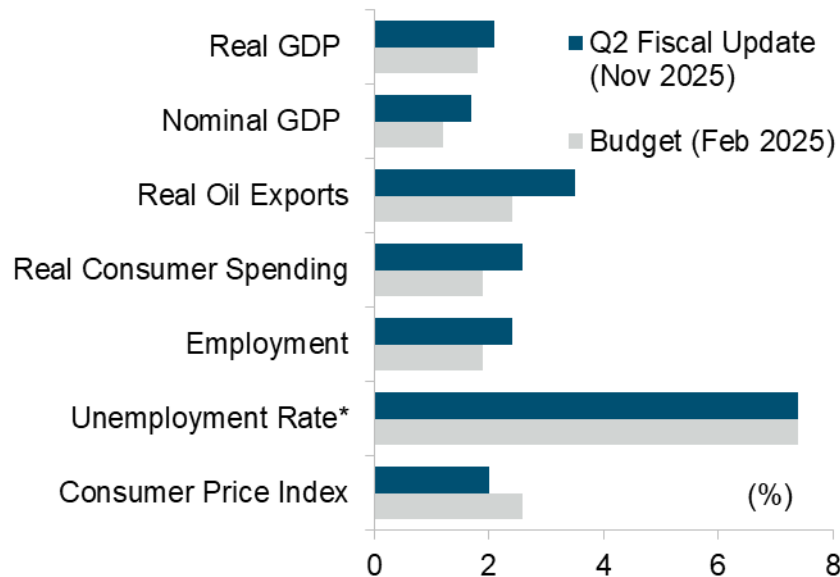
# Alberta economy resilient this year

Alberta Activity Index (May 2018 = 100)



Source: Alberta Treasury Board and Finance

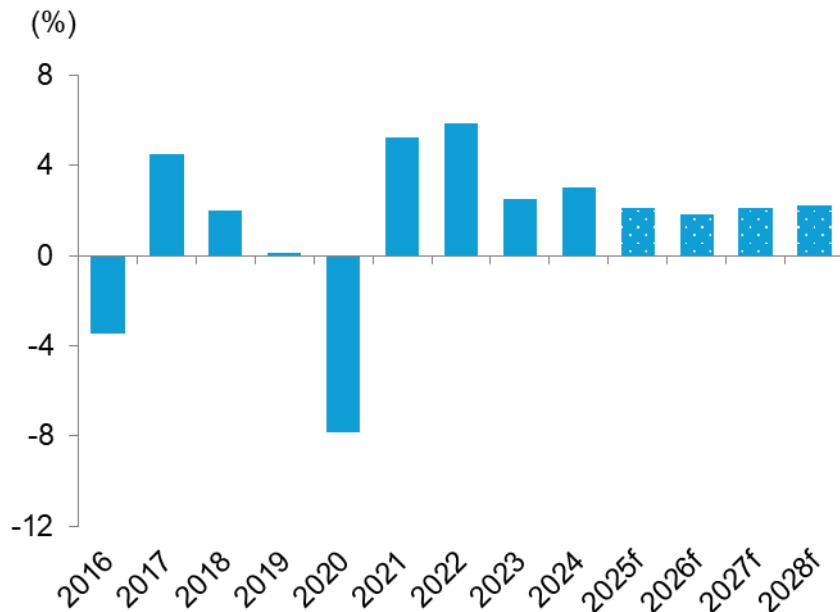
Year-over-year growth in selected economic indicators, 2025



Source: Alberta Treasury Board and Finance; \*Forecasted level

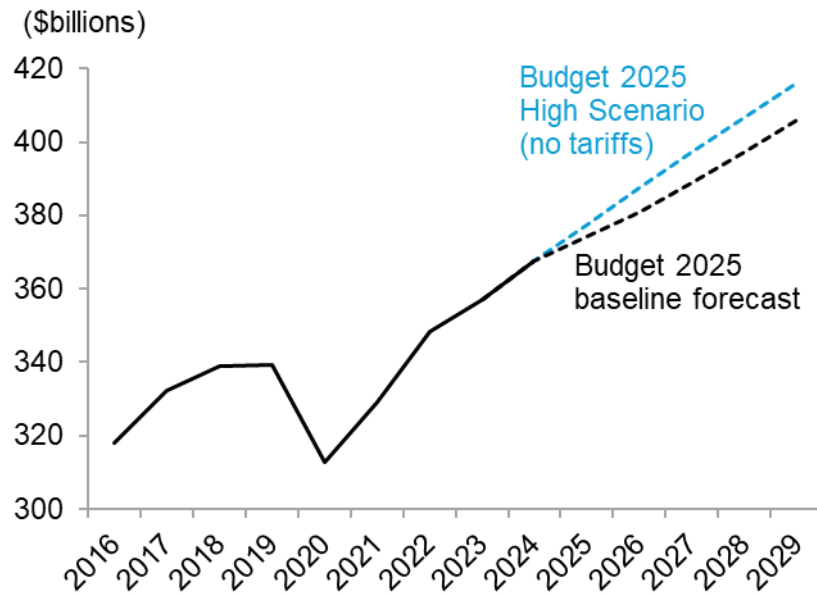
# Real GDP remains on a lower trajectory

Alberta real GDP growth, actuals and forecast



Sources: Statistics Canada, Haver Analytics and Alberta Treasury Board and Finance; e-estimate, f-forecast

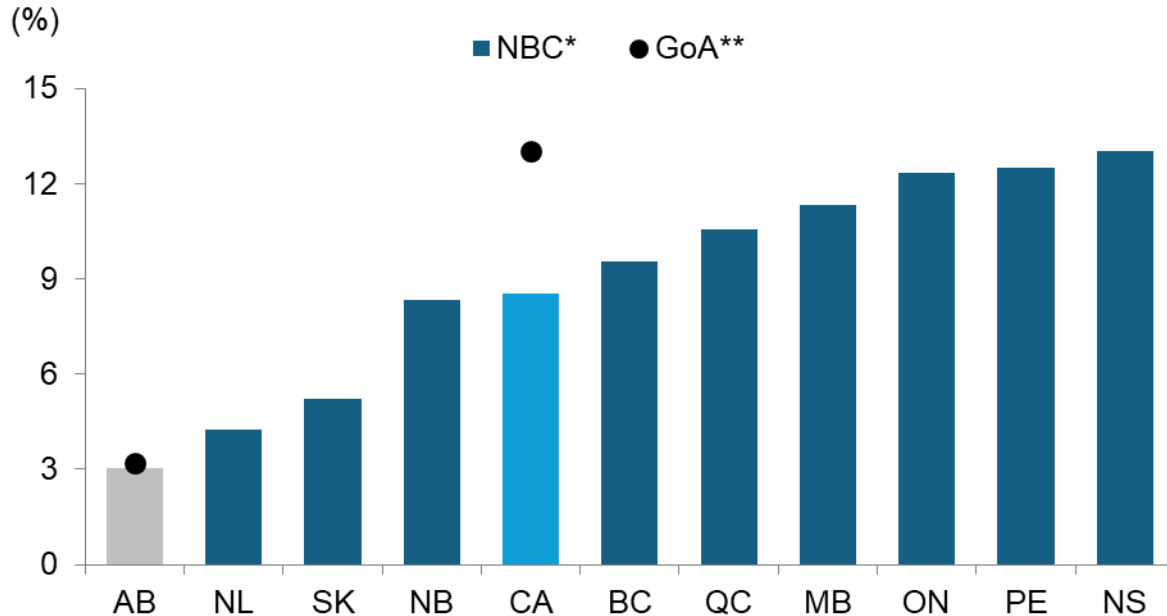
Alberta real GDP level, Budget 2025 vs. High Scenario



Sources: Statistics Canada, Haver Analytics and Alberta Treasury Board and Finance; e-estimate, f-forecast

# Effective tariff rate on Alberta goods is the lowest among provinces

Effective U.S.-imposed tariff rate against imports from Canada, by province

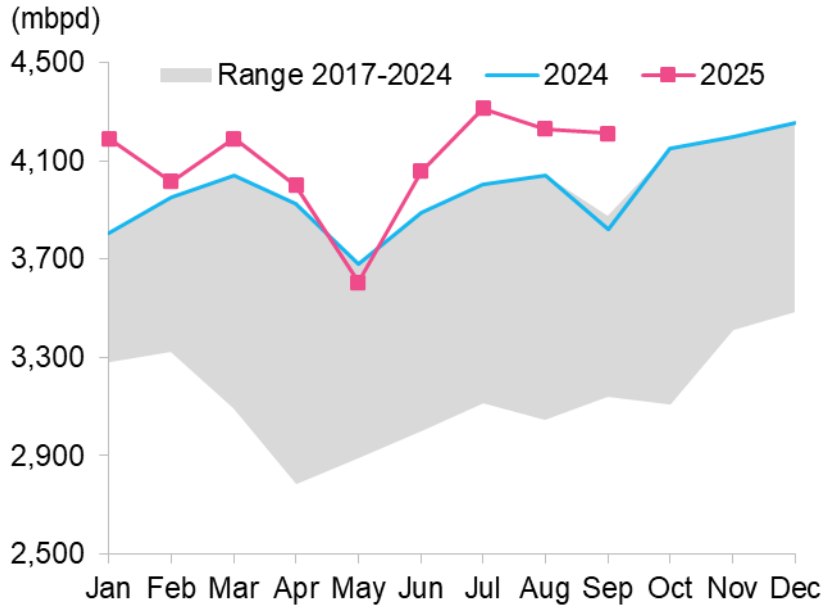


Sources: National Bank of Canada (NBC), Government of Alberta (GoA), Statistics Canada, U.S. International Trade Commission; \* July 2025 est.,

\*\*as of August 2025

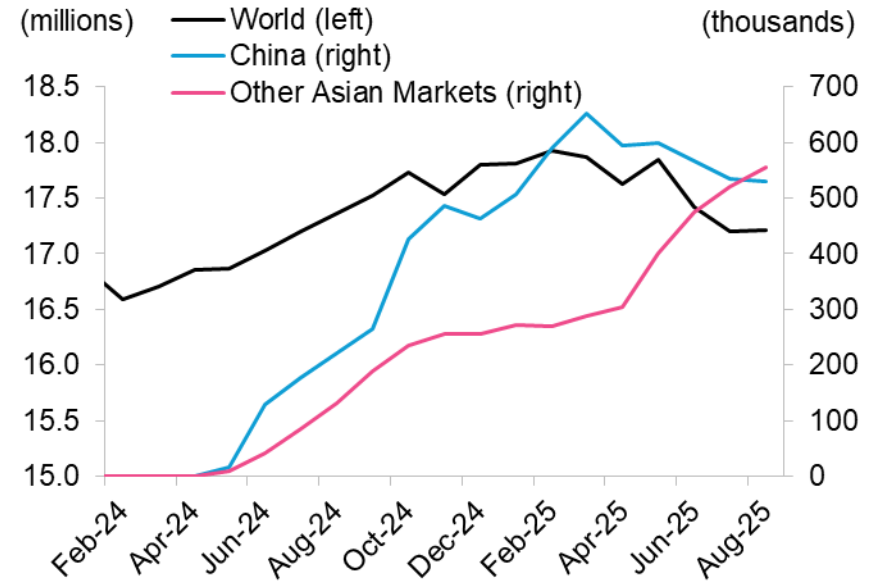
# Increased market access boosting oil production and exports

## Monthly oil production in Alberta



Source: Alberta Energy Regulator

## Alberta crude oil exports in barrels\*



Source: Statistics Canada; \*Based on 6 month moving average

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# Planned optimizations to further boost export capacity

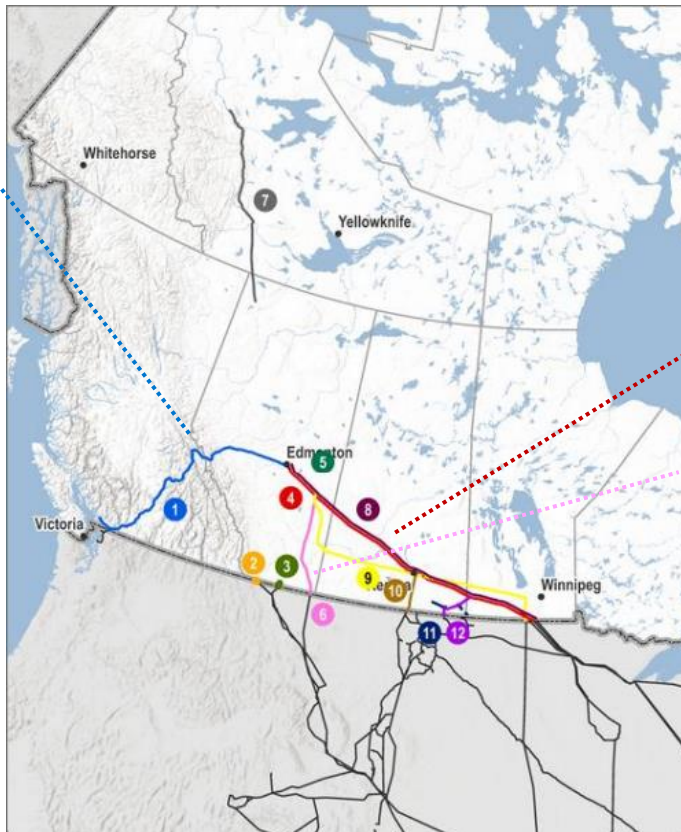
## 1 TMX Future Improvements

Project Goal	Method	Capacity Add	Timeline
Short-Term Boost	Drag-Reducing Agents	40k-70k bpd	End of 2026
Medium-Term Boost	Unspecified	75k bpd	Early 2027
Long-Term Expansion	New Pump Stations	200k-300k bpd	End of Decade

Sources: Bloomberg, RBN, RBC

Export Pipelines		
Pipeline	Average Annual Throughput - 2024 ('000s B/d)	Destination
4 Enbridge Mainline <sup>1</sup>	3,060	US Exports, Eastern Canada
1 Trans Mountain	515	Marine Exports, BC
6 Enbridge Express <sup>2</sup>	276	US Exports
9 South Bow Keystone	624	US Exports
2,3 Rangeland / Milk River <sup>2</sup>	127	US Exports
<b>Total</b>	<b>4,602</b>	

<sup>1</sup> Ex-Gretna  
<sup>2</sup> Express/Rangeland/Milk River throughput assumed equal to capacity  
 Note: The above list is comprised of crude oil export pipelines only



Sources: Canadian Association of Petroleum Producers, Canada Energy Regulator and U.S. Energy Information Administration

## 4 Enbridge Future Improvements

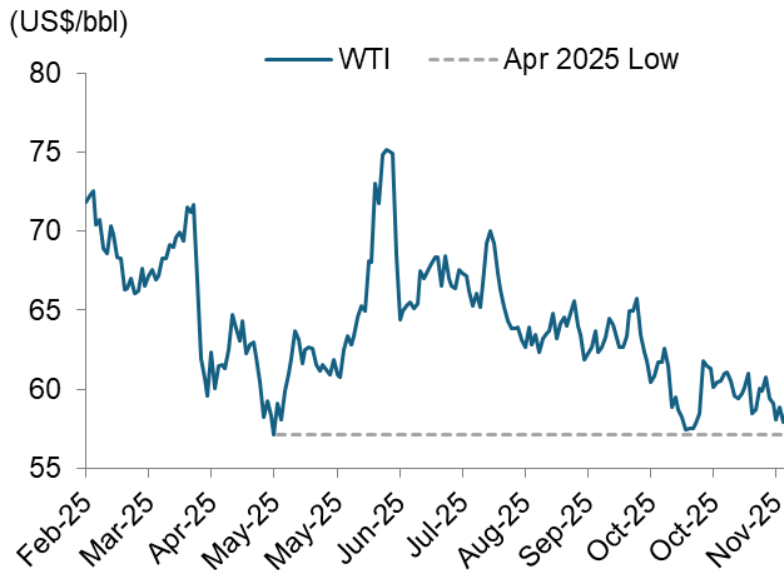
System	Project	Capacity Add	Timeline	Target Market
Mainline	Optimization Ph. 1	150,000 bpd	Early 2027	US Midwest (PADD 2)
Mainline	Optimization Ph. 2	150,000 bpd	2029-2030	US Midwest (PADD 2)
Express-Platte	Expansion	30,000 bpd	Mid-2026	Wood River, IL / USGC

Sources: Bloomberg, RBN, RBC

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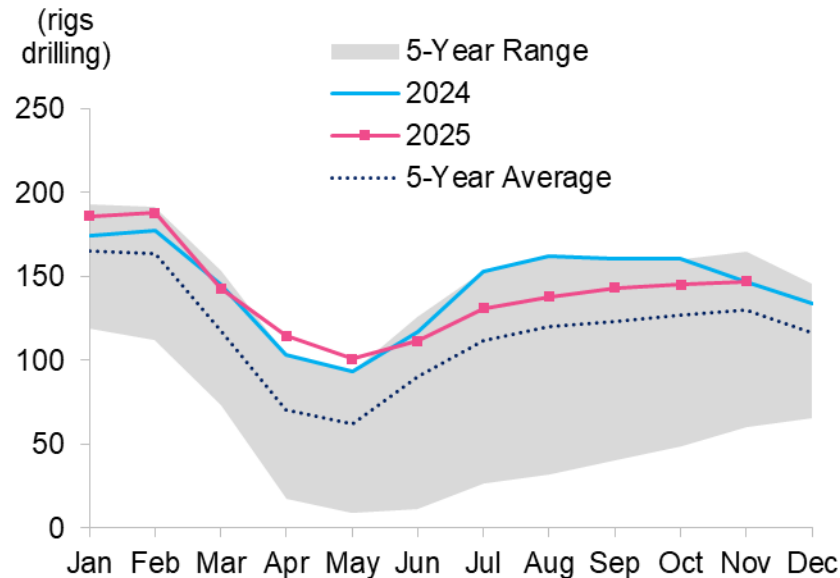
# Weaker oil prices weighing on drilling activity

West Texas Intermediate (WTI) daily crude oil price



Sources: Energy Information Administration, CME Group and Haver Analytics

Number of rigs drilling and five-year seasonal range



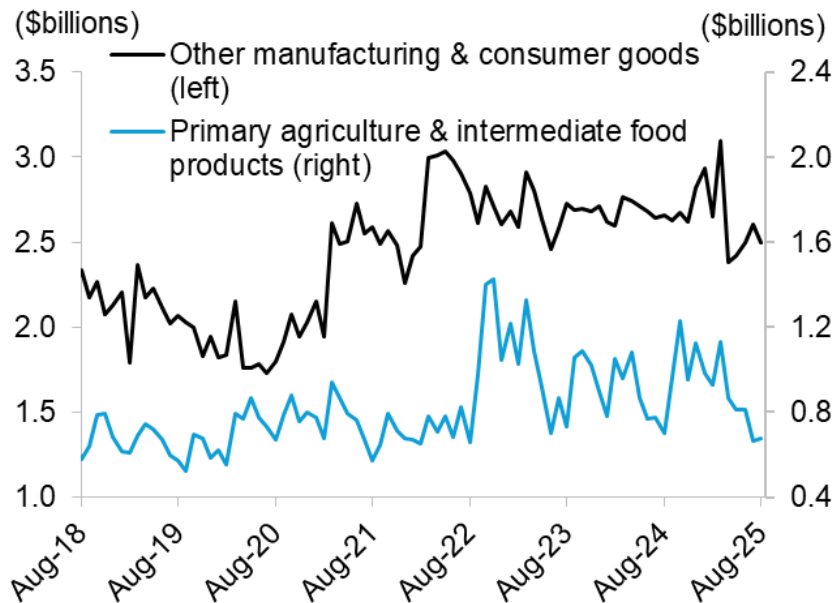
Source: Canadian Association of Energy Contractors (CAOEC)

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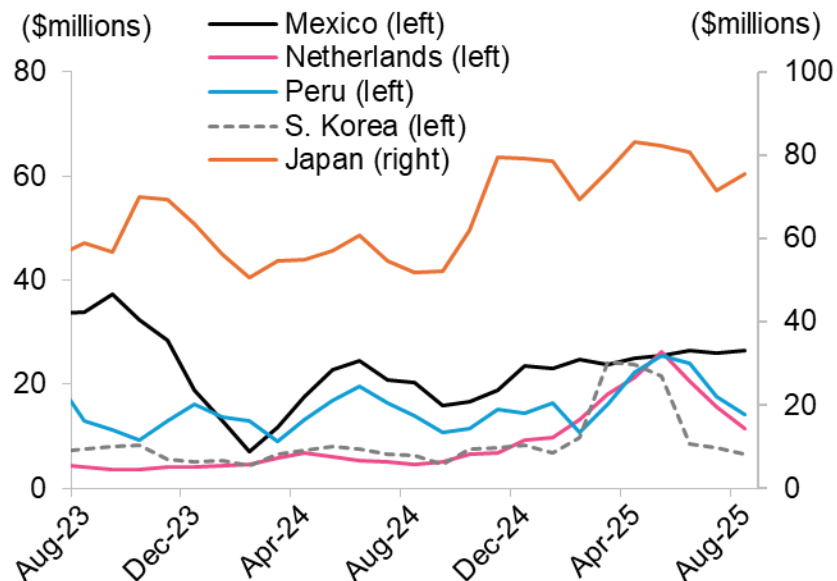
# Trade headwinds hit manufacturing and agri-food exports

Value of Alberta international non-energy exports



Sources: Statistics Canada and Haver Analytics

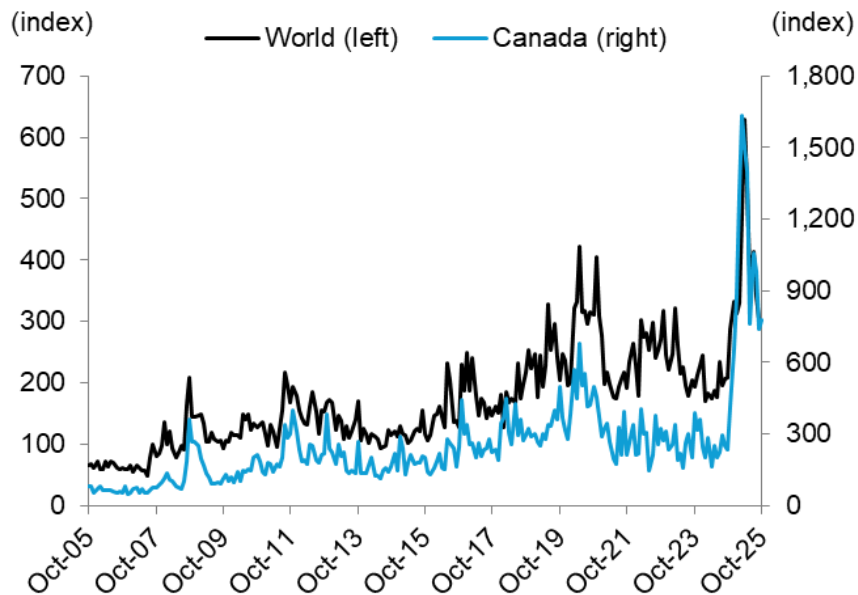
Value of primary agriculture & intermediate food products exports by country, 3-month moving avg.



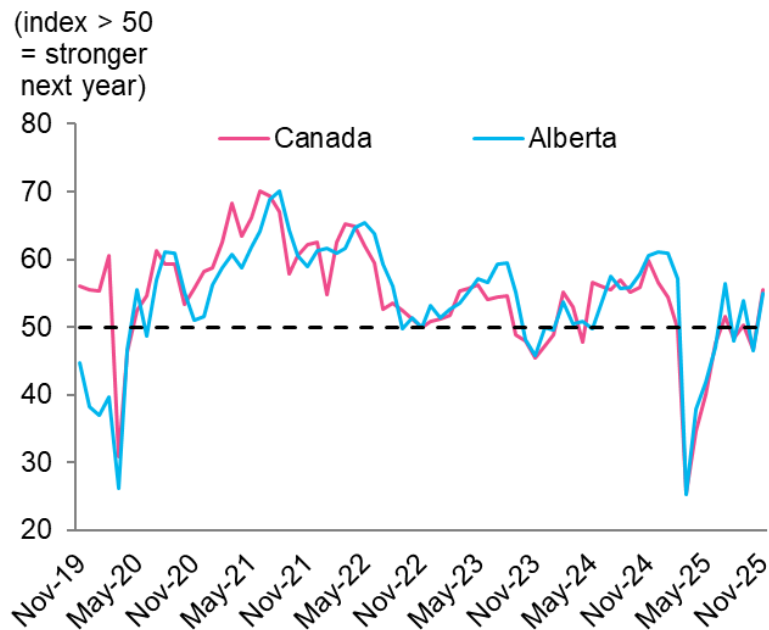
Sources: Statistics Canada and Haver Analytics

# Elevated uncertainty a drag on business sentiment

Economic Policy Uncertainty Index (Mean=100)

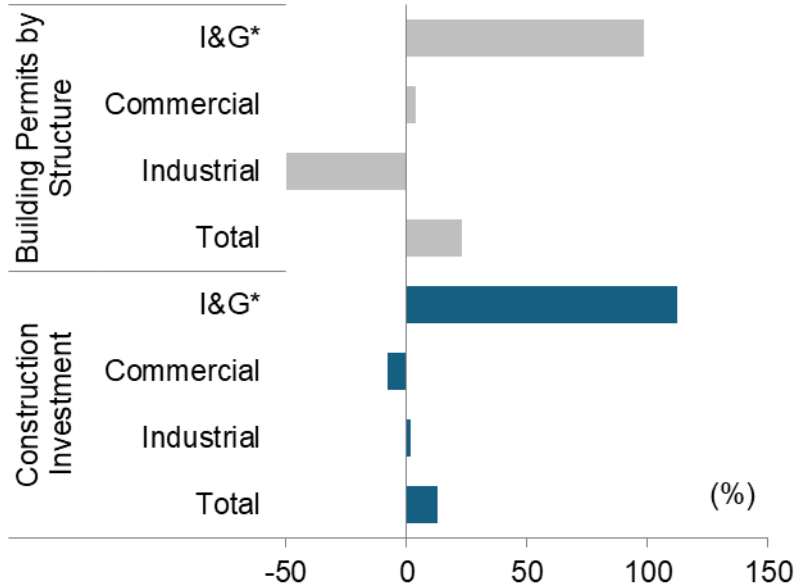


Small business sentiment



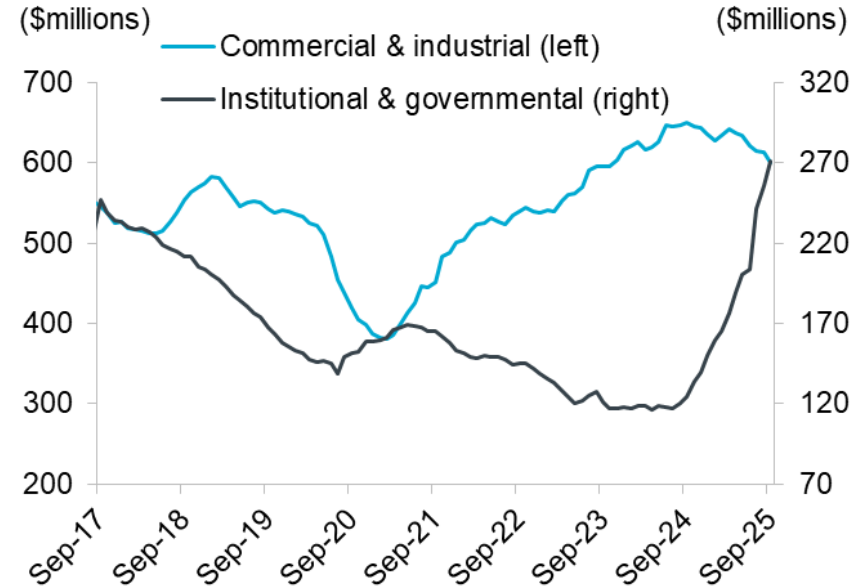
# Private sector intentions softening while public sector a source of strength

Year-over-year growth in the value of building permits and construction



Sources: Statistics Canada and Haver Analytics; \*Institutional & governmental sector

Seasonally adjusted non-residential building investment by type

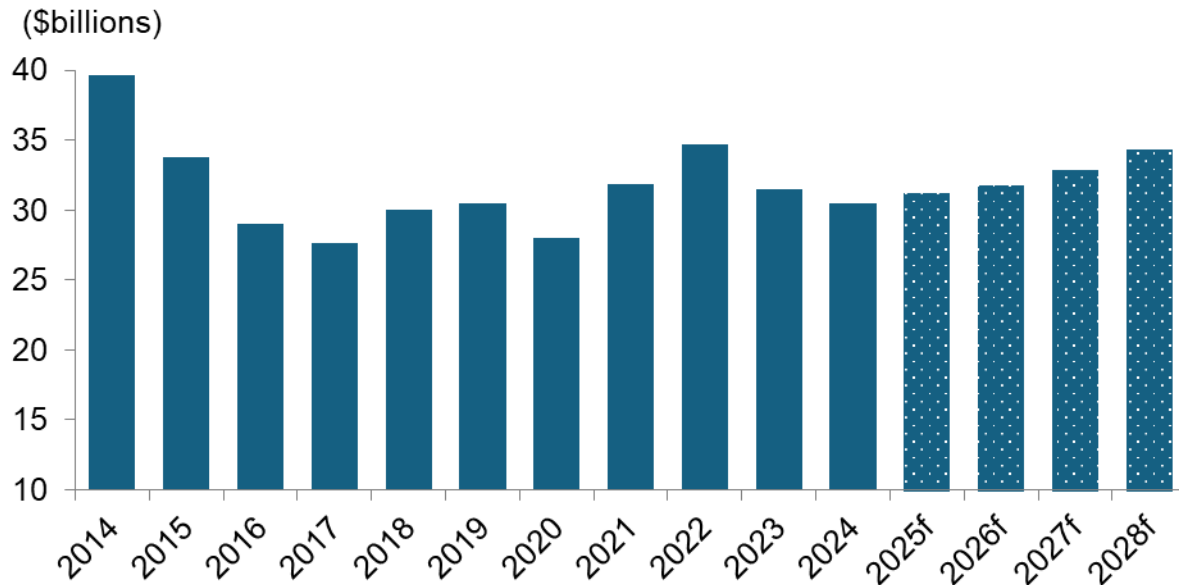


Sources: Statistics Canada, Haver Analytics and Alberta Treasury Board and Finance; e-estimate, f-forecast

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# Muted recovery in business investment

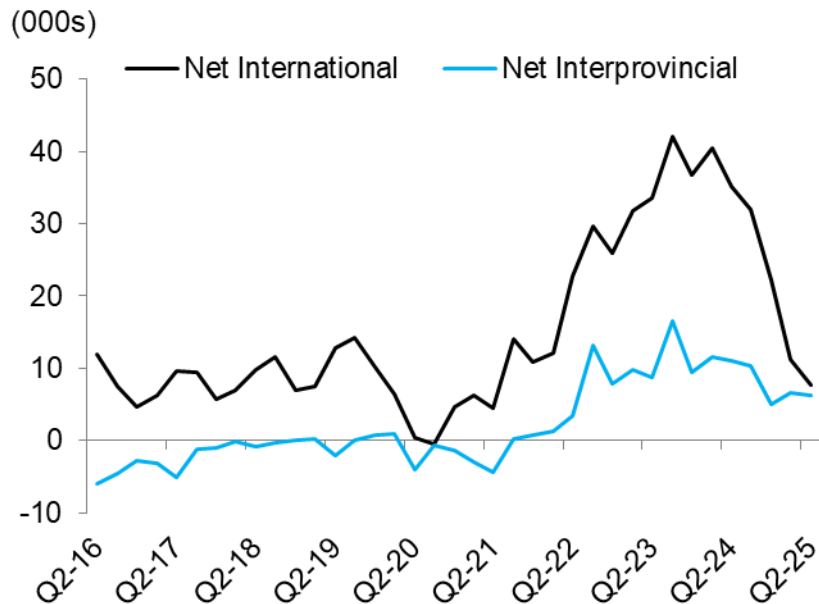
Alberta real business investment in industries outside oil and gas extraction



Sources: Statistics Canada and Alberta Treasury Board and Finance; e-estimate, f-forecast

# Population growth to slow markedly as federal immigration targets reduce NPRs

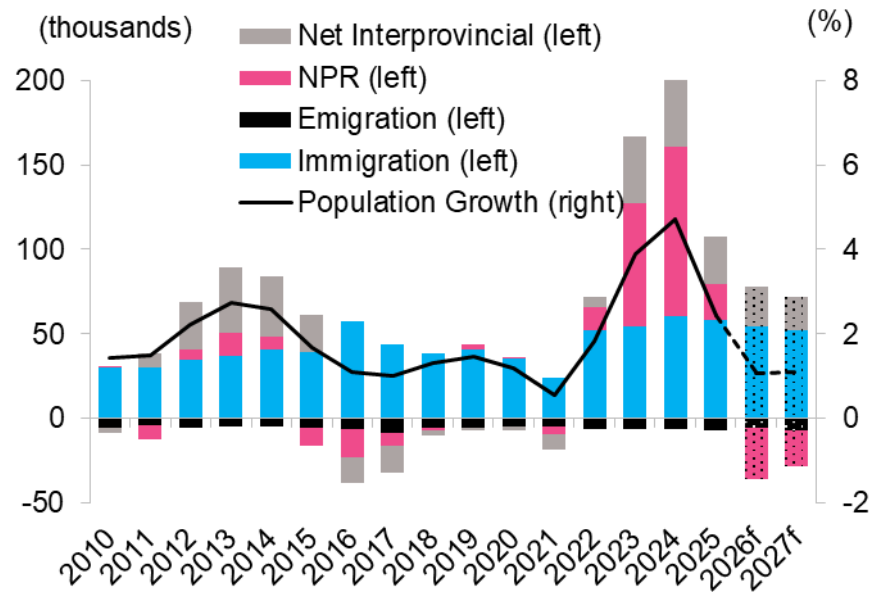
## Net migration by component



Sources: Statistics Canada and Haver Analytics

Classification: Protected A

## Annual change in the Alberta population by migration component

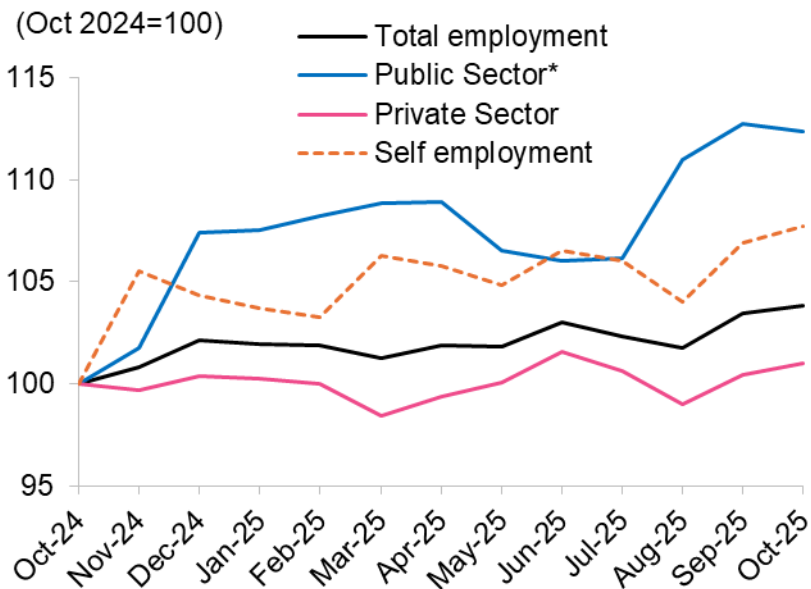


Sources: Statistics Canada, Haver Analytics and Alberta Treasury Board and Finance; f-forecast

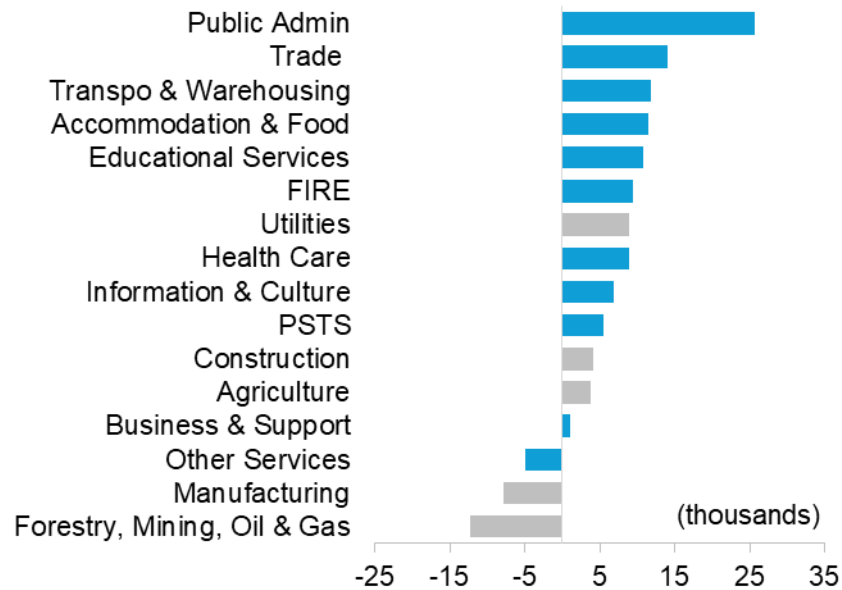
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# Job gains solid over the past year, led by services and public sector

Seasonally adjusted employment indexed to October 2024, by class of worker



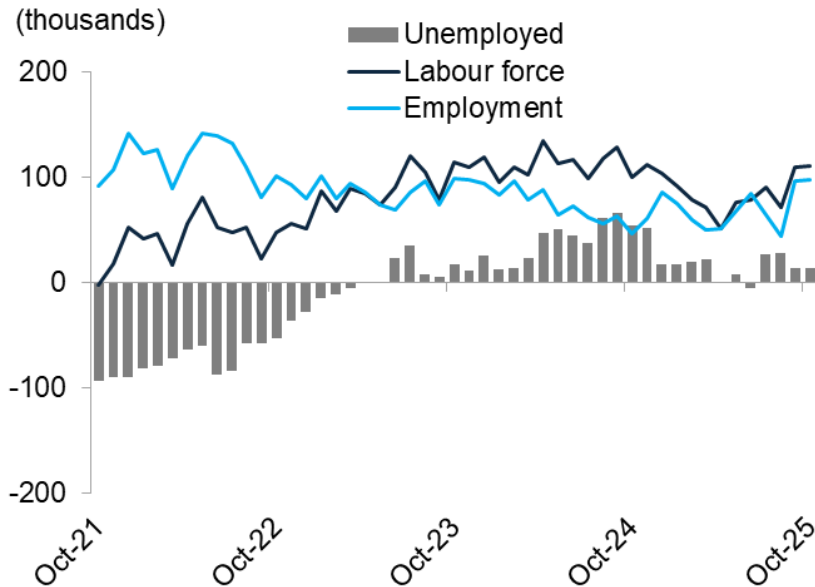
Year-over-year change in employment by industry



Sources: Statistics Canada and Haver Analytics, FIRE – Finance, Insurance & Real Estate, PSTS – Professional, Scientific & Tech Services; \* Public sector includes employees in public administration across all government levels, Crown corporations, liquor control boards and other government institutions such as schools (including universities), hospitals and public libraries

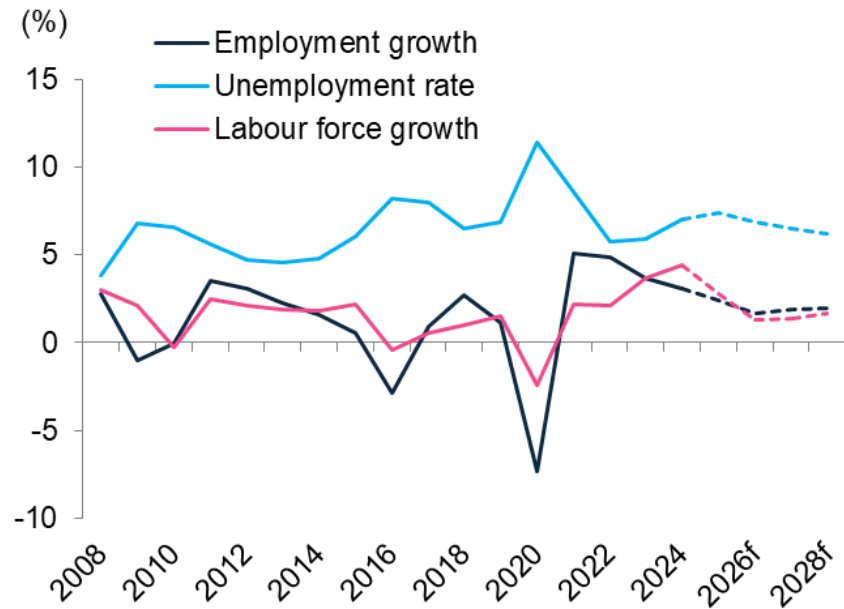
# Slower population growth to help with labour market rebalancing in the next few years

Year-over-year change in the labour force, employment and unemployment



Sources: Statistics Canada, Haver Analytics  
Classification: Protected A

Labour market indicators, actuals and forecast

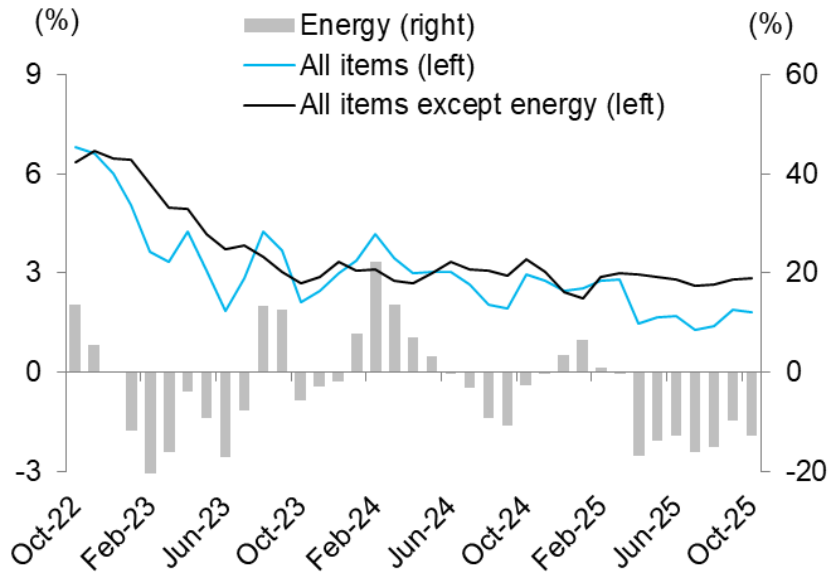


Sources: Statistics Canada, Haver Analytics

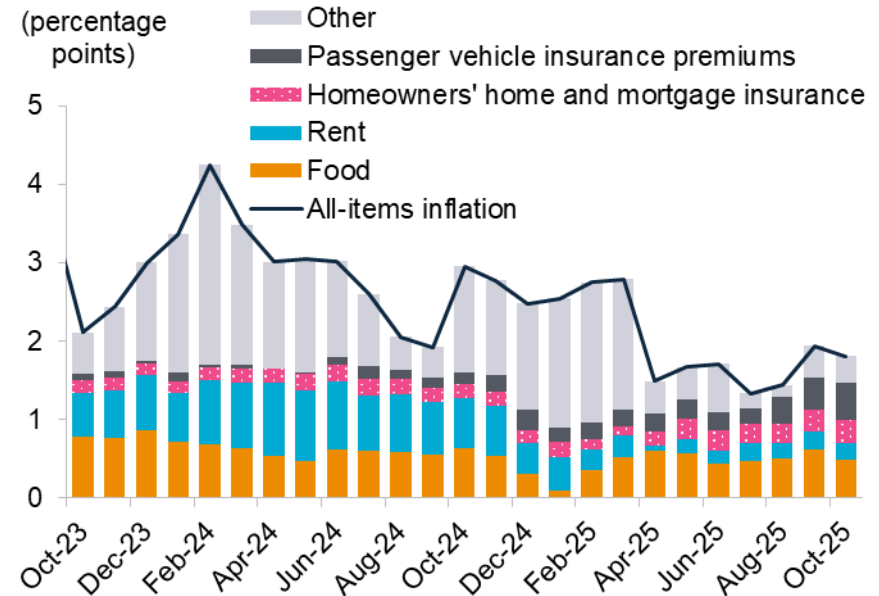
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# Price pressures are easing and becoming more narrow-based

Annual CPI inflation rate



Contribution to Alberta's year-over-year CPI inflation



Sources: Statistics Canada and Haver Analytics

Classification: Protected A

Sources: Statistics Canada and Haver Analytics

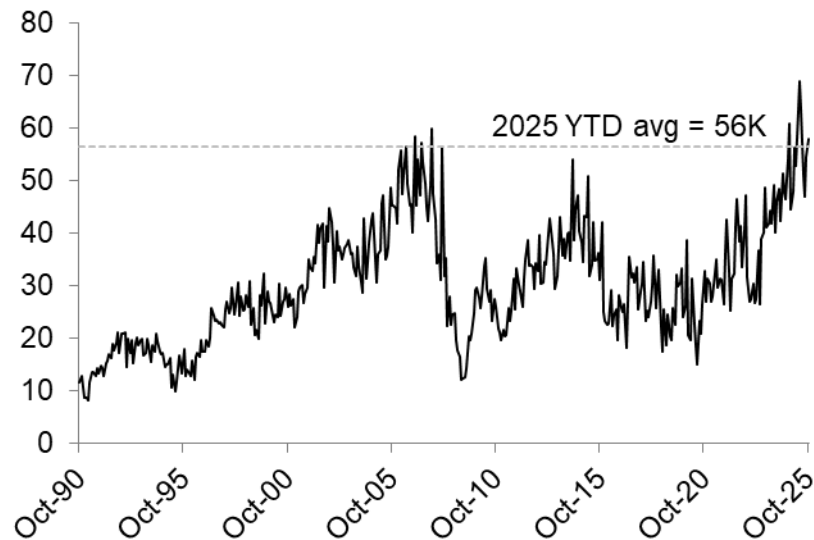




# Housing starts on track to hit a record annual pace this year

Housing starts, seasonally adjusted at annual rates

(000s)



Sources: Canada Mortgage and Housing Corporation and Haver Analytics

Classification: Protected A

Rolling four-quarter total of housing starts in Alberta, by selected types

(000s)

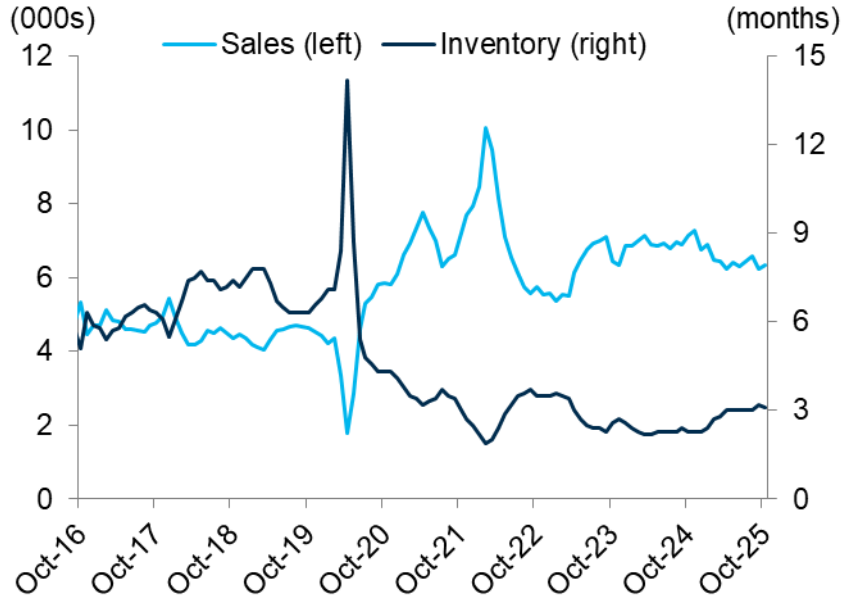


Sources: Canada Mortgage and Housing Corporation and Haver Analytics

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# Resale market firmly in balanced territory

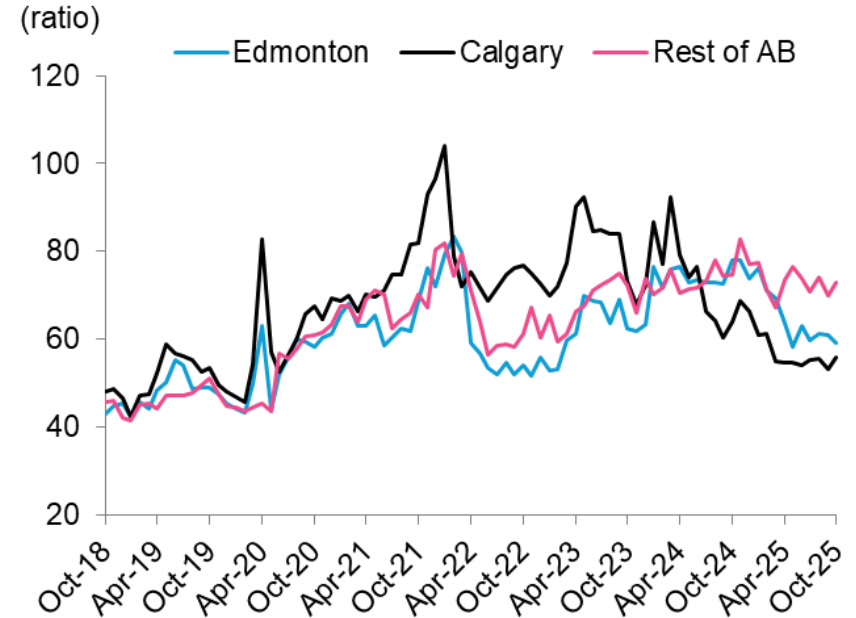
## Alberta resale market home sales and inventory



Sources: Canadian Real Estate Association and Haver Analytics

Classification: Protected A

## Sales-to-new listings ratio, seasonally adjusted

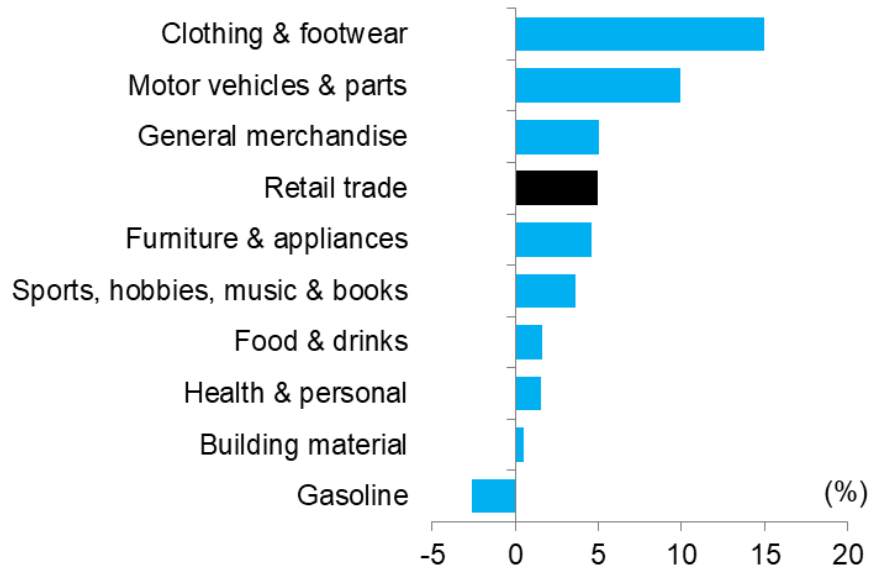


Sources: Canadian Real Estate Association and Haver Analytics

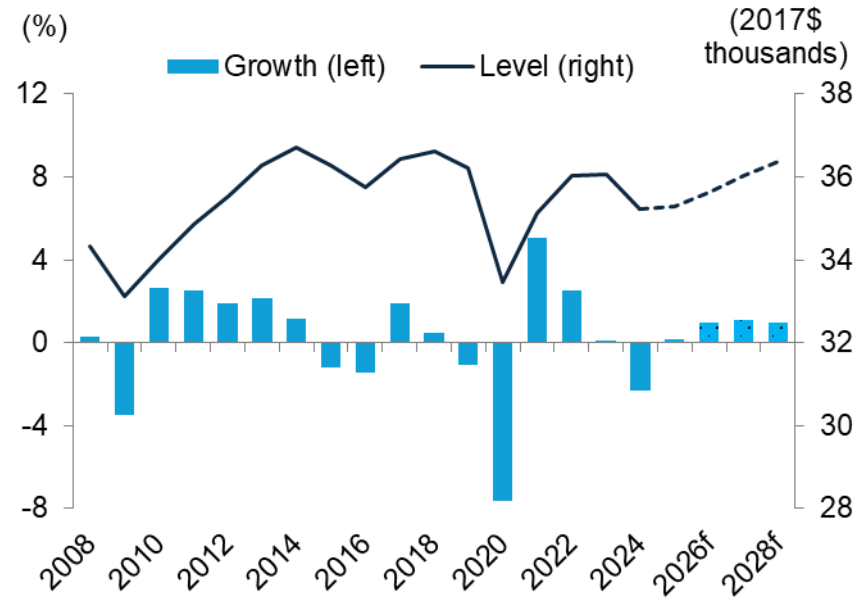
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# Consumer spending has been resilient

Year-to-date growth in retail sales by category



Real per capita consumption in Alberta



Sources: Statistics Canada and Haver Analytics

Source: Statistics Canada, Haver Analytics and Alberta Treasury Board and Finance calculations



# Thank-you

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