

Fall Fiscal And Economic Update

Department of Finance

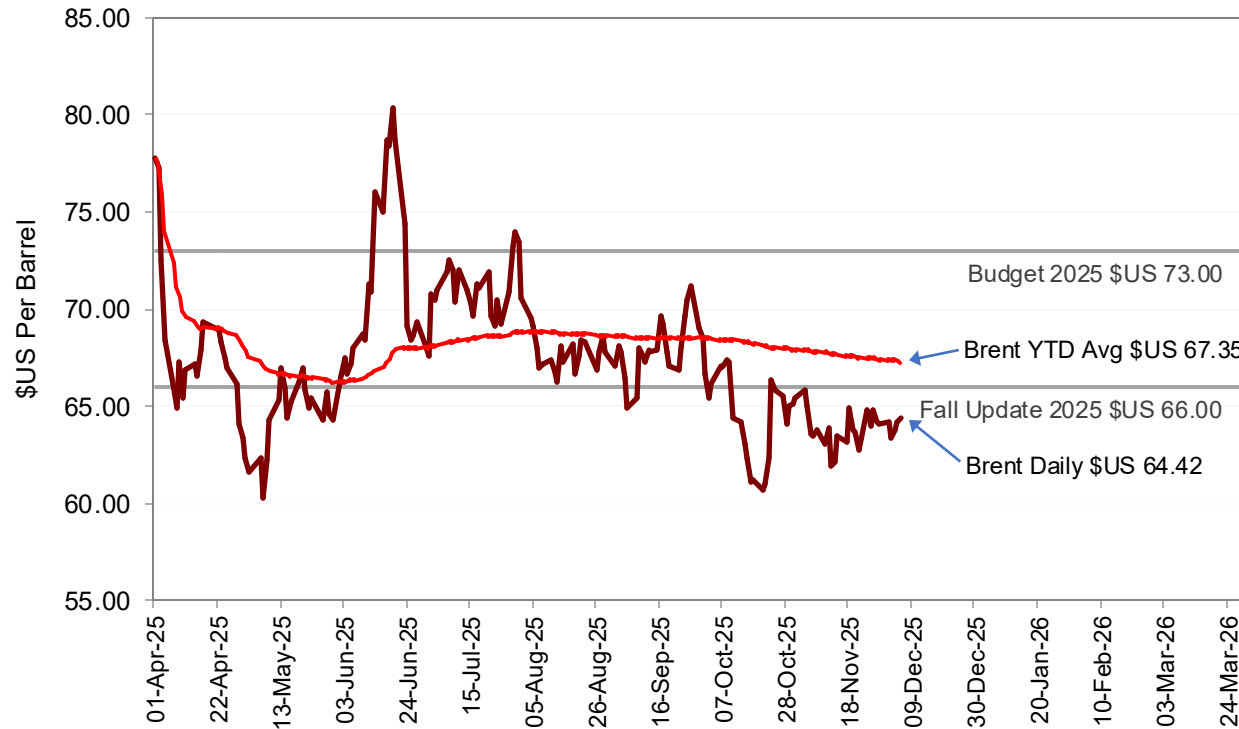
December 16, 2025

Fiscal Update 2025-26

2025-26 Fiscal Update (\$M)			
	Budget	Fall Update	Variance
Revenue	10,670	10,323	(347)
Expenses	11,042	11,271	229
Deficit	(372)	(948)	(576)
Borrowing Requirement	4.1	4.1	-
Net Debt	19.4	19.9	0.5

Oil Royalties Forecast and Assumptions

Brent Oil Prices
(April 1, 2025 to Dec 5, 2025)



	Fall Update 2025	Budget 2025	Variance
Oil Price (\$US/barrel)	\$66.00	\$73.00	(\$7.00)
Exchange Rate (CAD to USD)	0.729	0.697	0.032
Oil Production (million barrels)	86.1	83.9	2.2
Budget Impact (\$ millions)	\$1,445.5	\$1,591.4	(\$145.9)
Oil Risk Adjustment (\$ millions)	(\$44.0)	-	(\$44.0)
Net Budget Impact (\$ millions)	\$1,401.5	\$1,591.4	(\$189.9)

Provincial Economic Indicators

	2024 Levels	% Change 2025		
		Budget 2025	Update 2025	Difference
Nominal GDP (\$M)	42,219	4.3	3.4	-0.9
Real GDP (\$2017M)	32,350	4.4	5.3	0.9
Household Income (\$M)	33,378	1.9	1.9	0.0
Retail Sales (\$M)	12,214	2.0	4.0	2.0
Consumer Price Index (2002=100)	161.9	2.5	1.2	-1.3
Housing Starts (units)	1,672	13.7	-7.6	-21.3
Capital Investment (\$M)	8,745	-3.1	-6.3	-3.2
Population (thousands)	546.9	0.2	0.6	0.4
Employment (thousands of PYs)	245.0	-1.2	0.0	1.2
Unemployment Rate (%)	10.0	10.8	10.1	-0.7
Oil Production (millions of barrels)	76.5	84.6	86.0	1.4

Note: Shaded values represent the unemployment rate and oil production levels, not growth rates.
 \$M: millions; PYs: person years



Economic Outlook

- The provincial economy has remained resilient in 2025
- Despite a decline in capital investment, real GDP is forecast to grow 5.3% due to:
 - higher oil and mineral production
 - strong consumer spending
- Employment is expected to remain on par with last year
- Inflation has slowed and interest rates are lower
- Retail sales remain strong

Thank You