



NEWS RELEASE

Alberta's provincial debt up 200% since 2007/08; no longer the lowest-debt province

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For Immediate Release

CALGARY—Alberta's provincial debt has increased by more than 200 per cent in the past 13 years and is no longer the lowest-debt province, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

"The Alberta government's chronic deficits over more than a decade have built a mountain of debt," said Jake Fuss, senior economist at the Fraser Institute and co-author of *The Growing Debt Burden for Canadians: 2021 Edition*.

The study finds that from 2007/08 to 2020/21, Alberta's provincial debt (inflation-adjusted) grew from -\$43.0 billion (the province had more assets than debt) to \$63.5 billion—an increase of 247.4 per cent.

Consequently, Alberta has changed from the only province in a net financial asset position in 2007/08—meaning it had more assets than debt—to the province with the fastest-growing provincial debt burden nationwide.

In fact, in just the past two years, Alberta's provincial debt as a share of its economy has more than doubled, increasing from 8.0 per cent to 20.6 per cent—by far the largest increase among the provinces.

On a per-person basis, Alberta's provincial debt burden now stands at \$14,350.

Crucially, British Columbia and Saskatchewan now have a lower debt per person than Alberta, and Saskatchewan has a lower provincial net debt-to-GDP ratio.

"Alberta has enjoyed the lowest debt burden of any Canadian province in recent history. Not only is that no longer the case, but government debt is rising faster in Alberta than anywhere else in Canada," said Steve Lafleur, senior policy analyst at the Fraser Institute and study co-author.

"It's important for Albertans to understand the magnitude of the province's debt, because deficits and debt today could result in higher taxes in the future."

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