

Government of Alberta Priorities: Budget 2022-23

Budget 2022-23 in Alberta was tabled Thursday, February 24, 2022. Under the theme of "moving forward", a fiscal plan was outlined for the next three years (2022-2025) with the focus on economic recovery in Alberta. In this budget, the Government of Alberta announced three key priorities and outlined their objectives for each priority area in the strategic plan (see table below).

PRIORITY AREA	OBJECTIVES
Enhancing Government services now and for the future	 Ensuring a resilient and modernized health care system that provides cost-effective, accessible and high-quality health care for Albertans Providing quality education and skills development to Albertans Supporting Albertans most in need Enhancing the justice system to make it fairer, faster and more effective Ensuring the health and integrity of Alberta's environment and ecosystem Partnering with Indigenous Peoples to pursue opportunities Building better communities
Growing Alberta's economy	 Attracting investment and growing the economy Connecting Albertans with family-supporting jobs Reducing red tape Standing up for Alberta's natural resources Advancing a fair deal for Alberta
Fiscal sustainability	Providing value for each tax dollar spent

The budget projects total revenue of approximately \$62.6 billion while total expenses, including the COVID-19 Recovery fund, will equal approximately \$62,096 billion, leaving a surplus of \$511 million.

While this budget represents a projected surplus, it does not recognize the importance of community recovery or identify the nonprofit sector as a leader in that effort with any major new investments to support community recovery.

In terms of the sector, the focus is on debt elimination and maintaining status quo, stating "until the debt is eliminated, resources will continue to be used to pay interest costs rather than being directed to delivering the important government programs and services that Albertans rely on". Investments made into recovery are centred on job creation and diversification, rather than community recovery.



When looking at the key programs within ministries related to the nonprofit sector, there are investments being made into child care (through the new Canada-Alberta Canada-wide Early Learning Child Care Agreement), supports for individuals living with a disability, Indigenous women initiatives, and benefits for seniors. As such, organizations working in these areas may find opportunities to partner with or receive funding from government in the upcoming fiscal year. At the same time, other programs and services within communities have been decreased such as Community and Voluntary Support Services, Cultural Industries, Status of Women, First Nations Development Fund, and Fish and Wildlife.

When considering the expense of key ministries as a whole, many of the funding adjustments made in this budget are negated by other cuts and re-arrangement of funding leaving the nonprofit sector to fend for itself with limited resources. As such, this budget signals a continuation of the attitude that the sector does not play a role in recovery, despite the support they have provided to individuals and communities over the past two years. As a result, the nonprofit sector will be expected to continue operating with stable or decreased budgets in the foreseeable future.



Across all ministries, the average percent change in budgeted expense in 2021-22 Budget to the estimated expense in the 2022-23 Budget was +2% (see table below). The largest increase in expense across ministries were Children's Services, Culture and Status of Women, Jobs, Economy, and Innovation, Justice and Solicitor General, Service Alberta, and Transportation. This table shows the change in budgeted expense from Budget 2021/22 to Budget 2022/23.

MINISTRY	% CHANGE	\$ CHANGE (thousands of dollars)
Advanced Education	-2%	-\$61,694
Agriculture, Forestry and Rural Economic Development	+2%	+\$11,973
Children's Services	+49%	+\$681,759
Community and Social Services	+1%	+\$35,612
Culture and Status of Women	+15%	+\$34,315
Education	+2%	+\$100,575
Energy	-66%	-\$1,071,124
Environment and Parks	+5%	+\$28,400
Executive Council	+2%	+\$425
Health	+3%	+\$665,589
Indigenous Relations	-16%	-\$33,277
Infrastructure	-1%	-\$5,325
Jobs Economy and Innovation	+23%	+\$88,325
Justice and Solicitor General	+11%	+\$134,331
Labour and Immigration	-2%	-\$6,531
Municipal Affairs	-42%	-\$722,681
Seniors and Housing	-1%	-\$5,241
Service Alberta	+28%	+\$146,464
Transportation	+14%	+\$201,833
Treasury Board and Finance	+4%	+\$8,575
Average change across ministries	+2%	+\$11,615

Source: https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx



Across key ministries related to the nonprofit sector, the average percent change in budgeted expense to estimated expense was +1% (see table below). This table shows the change in budgeted expense from Budget 2021/22 to Budget 2022/23.

MINISTRY	% CHANGE	\$ CHANGE (thousands of dollars)
Community and Social Services	+1%	+\$35,612
Culture and Status of Women	+15%	+\$34,315
Environment and Parks	+5%	+\$28,400
Indigenous Relations	-16%	-\$33,277
Seniors and Housing	-1%	-\$5,241
Average change across ministries	+1%	+\$11,962

Source: https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx

Children's Services was excluded from the table above due to the substantial increase in funding for childcare of \$681,075 or +172% in expenses largely due to \$539 million in funding from the Federal Government under the new Canada-Alberta Canada-wide Early Learning Child Care Agreement. With Children's Services included, the average percent change in budgeted expense in 2021-22 Budget to the estimated expense in the 2022-23 Budget was +9%, or +\$123,595.



Ministries with Increase in Expense

It is important to look into what specific increases and decreases are made within each of the ministries by program to better understand the impact of this budget on the sector overall. Based on a review, 15/30, or 50%, of key programs in key ministries received an increase in expenses this fiscal year. Of these, nine key programs received an increase of more than 3% (see graph below). These show the areas that government may focus their efforts for the upcoming fiscal year. This table shows the change in budgeted expense from Budget 2021/22 to Budget 2022/23.

MINISTRY	PROGRAM OR SERVICE/LINE ITEM	% CHANGE	\$ CHANGE (thousands of dollars)
Children's	Indigenous Partnerships and Strategic Services	+1%	+\$67
Services	Child Care	+172%	+\$681,075
Community	Assured Income for the Severely Handicapped	+1%	+\$11,811
and Social	Disability Services	+4%	+\$60,761
Services	Community Supports and Family Safety	+1%	+\$900
Culture and	Arts	+1%	+\$210
Status of Women	Heritage	+2%	+\$755
	Capital Grants	+143%	+\$64,430
Environment	Parks	+9%	+\$6,357
and Parks	Emissions Management	+28%	+\$29,615
Indigenous	Indigenous Women's Initiatives	+72%	+\$889
Relations	Consultation, Land and Policy	+6%	+\$883
	Seniors Services	+3%	+\$654
Seniors and Housing	Alberta Seniors Benefit	+6%	+\$26,248
	Housing	+14%	+\$13,842

 $\textbf{Source:} \ https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx$



The average increase across these programs within the ministries was approximately 31% or \$898,497. However, when the increase in childcare is removed, the average increase across ministries was approximately 21% or \$217,422. Notable changes within programs with an increase are outlined in the table below.

MINISTRY	PROGRAM OR SERVICE/LINE ITEM	NOTABLE CHANGES (thousands of dollars)
Children's Services	Child Care	 +211% or +\$596,417 to Child Care Affordability and Access +75% or +\$84,658 to Child Care Quality and Worker Supports
Community and Social Services	Employment and Income Support	+46% or +\$33,600 to Career and Employment Services (note that Employment and Income Support was reduced overall despite this increase)
	Assured Income for the Severely Handicapped	 Mainly due to +8% or +\$2,478 in Program Planning and Delivery
	Disability Services	 Mainly due to +8% or +\$59,419 in Supports to Persons with Disabilities
Culture and Status of Women	Heritage	 +22% or +\$275 to Program Support +34% or +\$1,770 to Royal Tyrrell Museum
Women	Cultural Industries	• +159% or +\$540 to Program Support
	Capital Grants	 +108% or +\$20,000 to Community and Voluntary Support Services +746% or +\$33,977 Community Facility Enhancement Program
Environment and Parks	Parks	 Mainly due to +15% or +\$6,527 to Parks Operations
and raiks	Emissions Management	 Mainly due to +32% or +\$30,032 to Technology Innovation and Emissions Reduction
	Capital Grants for Fisheries Management	• +200% or +\$400
Seniors and Housing	Alberta Seniors Benefit	 Mainly due to +12% or +\$11,587 to Supplementary Accommodations Benefit
	Housing	 Due to +16% or +\$13,841 increase to Assistance to Alberta Social Housing Corporation (however, capital payments for Assistance to Alberta Social Housing Corporation were decreased -50% or -\$45,644)

Source: https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx



Ministries with Decrease or Unchanged Expense

Conversely, programs that saw reduced or static budgets are outlined in the table below. This table shows the change in budgeted expense from Budget 2021/22 to Budget 2022/23.

MINISTRY	PROGRAM OR SERVICE/LINE ITEM	% CHANGE	\$ CHANGE (thousands of dollars)
Children's	Early Intervention Services for Children and Youth	-2%	-\$3,058
Services	Child Intervention	0%	-
Community and Social	Employment and Income Support	-5%	-\$38,780
Services	Homeless Outreach and Supports	0%	-
	Community and Voluntary Support Services	-31%	-\$16,630
Culture and Status of	Cultural Industries	-56%	-\$14,405
Women	Status of Women	-4%	-\$165
	Sport, Physical Activity and Recreation	-1%	-\$200
Environment	Fish and Wildlife	-11%	-\$5,900
and Parks	Science and Monitoring	0%	-
	First Nations and Métis Relations	-2%	-\$283
Indigenous	First Nations Development Fund	-8%	-\$10,000
Relations	Metis Settlements Appeal Tribunal	-1%	\$13
	Alberta Indigenous Opportunities Corporation	0%	-
Seniors and Housing	Capital Payments to Related Parties	-50%	-\$45,644

Source: https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx



The average decrease across these programs within the ministries was approximately -11.4% or -\$135,087. Notable changes within programs with a decrease are outlined in the table below.

MINISTRY	PROGRAM OR SERVICE/LINE ITEM	NOTABLE CHANGES (thousands of dollars)
Children's Services	Early Intervention Services for Children and Youth	 Mainly due to -6% or -\$3,277 to Youth in Transition
Community and Social Services	Employment and Income Support	 -8% or -\$8,841 to Program Planning and Support -14% or -\$58,794 to Income Support to People Expected to Work or Working -2% or -\$4,745 Income Support to People with Barriers to Full Employment
Culture and Status of Women	Community and Voluntary Support Services	 -9% or -\$65 to Program Support -6 or -\$415 to Community Engagement -44% or -\$16,350 to Community Initiatives Program
	Cultural Industries	 -80% or -\$15,800 to Alberta Media Fund
Environment and Parks	Fish and Wildlife	 Mainly due to -18% or -\$6,246 to Fisheries Management

Source: https://open.alberta.ca/dataset/628dae4a-32f8-4741-a6a5-500d65275037/resource/c2a8a36b-c05d-46a9-a122-d26f4ee86dd8/download/budget-2022-estimates-government-2022-23.xlsx

Investment in Key Priority Areas

CCVO identified the following priorities areas for investment to support the nonprofit sector, both within organizations and the communities they serve:

- 1. General community recovery
- 2. Equity, diversity, and inclusion
- 3. Youth Engagement
- 4. Mental health
- 5. Digital transformation

Specific recommendations for investments under each priority area focused on ways that the Government can work in partnership with the nonprofit sector to advance goals of community and economic recovery.



Budget 2022-23 is not a budget that supports community recovery or that recognizes investment in community prosperity as an important and necessary element of Alberta's economic recovery, which was outlined in the CCVO 2022 budget submission. CCVO has provided an analysis of investments in the Budget 2022-23 based on recommendations for each priority investment area.

The following section contains tables showing the status of investment in the priority areas. The status symbol meanings are as follows:

- x not met
- ✓ met
- partially met/neutral

GENERAL COMMUNITY RECOVERY

Recommended Investment: \$100M - \$150M

RECOMMENDATIONS	ANALYSIS OF BUDGET 2022-23 INVESTMENTS	STATUS
Enhanced program funding: Increase Family and Community Support Services funding to accommodate growth in the number of organizations supported.	Family and Community Support Services Budget remains unchanged from amount budgeted in the previous fiscal year (0% change).	×
Renewed program funding: Restore Community Facility Enhancement Program funding	Community Facility Enhancement Program funding received a large increase in funding from the previous fiscal year (+764% or \$33,977) restoring funding to the 2018-19 funding levels prior to this program being reduced year-over-year.	√
Core Funding: Increase funding levels in existing operating support programs at a rate of 3.5% to keep pace with growing need and inflation.	 50% of key programs in key ministries received an increase in funding. Of these, nine received an increase of more than 3%. This means that only 9/30, or approximately 30%, of programs received an increase in funding that would keep pace with growing need and inflation. More specifically, Community and Voluntary Support Services saw reductions to the Community Initiatives Program -44% or -\$16,350, Program Support -9% or -\$65, and Community Engagement -6% or -\$415. 	×



EQUITY, DIVERSITY, AND INCLUSION

Recommended Investment: \$10M - \$25M

RECOMMENDATIONS	ANALYSIS OF BUDGET 2022-23 INVESTMENTS	STATUS
Organizational Capacity Funding: Support for nonprofits to build Equity, Diversity and Inclusion (EDI) capacity within their organizations.	Within the Business Plan, Community and Social Services outlines the following outcome: "Inclusion - Alberta's communities provide a sense of belonging and foster resiliency for individuals and families". Initiatives under this outcome include the Civil Society Fund as well as ongoing funding for Family and Community Support Services. This outcome also includes the key object "Through the Premier's Council on Charities and Civil Society, expand civil society capacity to address emerging social issues and improve supports for Albertans". vii However, this outcome does not mention increasing capacity within nonprofits that serve communities and a 1% increase in overall funding across key ministries does not signal investment in this area.	×
Project funding: Investment in projects that increase service delivery in diverse communities.	While not an increase, the stable funding for Family and Community Support Services and the Family Resource Networks supports investment in projects that service diverse communities across the province.	-
Core Funding: Increase core operating support for organizations with EDI mandates.	 As above, approximately 30% of programs received an increase in funding that would keep pace with growing need and inflation (minimum of 3.5%). Specific programs that may support nonprofits to develop EDI mandates have been reduced including Community and Voluntary Support Services (Culture and Status of Women), Cultural Industries (Culture and Status of Women), and Status of Women (Culture and Status of Women). 	×



YOUTH ENGAGEMENT

Recommended Investment: \$10M - \$25M

RECOMMENDATIONS	ANALYSIS OF BUDGET 2022-23 INVESTMENTS	STATUS
Organizational capacity funding: Support Investment in the creation of youth engagement and retention strategies and projects for nonprofits.	One key outcome for Children's Services is that "The well-being, resiliency, and cultural connections of children, youth and families are supported and children and youth are protected". Under this outcome "\$63.0 million is allocated to support prevention and early intervention services through the Family Resource Network program" which is run through nonprofits working within communities. However, this is a continuation of funding from the previous budget that falls under Early Intervention and Early Childhood Development which received an overall 1% increase in funding.	×
Enhanced program funding: Alberta Jobs Now expanded eligibility for NPOs to hire students 1-5 years out of school.	Alberta Jobs Now Funding was reduced from the amount budgeted in the previous fiscal year (-23% or \$29,675).	×
Renewed program funding: Restore the Student Temporary Employment Program.	 There was no mention of restoring the Student Temporary Employment Program in the 2022-23 Budget. The Government of Alberta announced shifts in programming for youth transitioning out of care with a "new support model that will prepare them to live independently, pursue education and build their career". However, funding for this Youth in Transition was decreased (-2% or \$3,058) and only reaches a small segment of the youth population.viii Further, although the importance of youth unemployment was touched on in the Budget Address, there is no specific strategy or framework to engage youth through the increases to funding in Workforce Strategies within Labour and Immigration. 	×



MENTAL HEALTH

Recommended Investment: \$50M - \$75M

RECOMMENDATIONS	ANALYSIS OF BUDGET 2022-23 INVESTMENTS	STATUS
Organizational capacity funding: Support for organizations to invest in mental health strategies and programs for employees.	 As above, 50% of key programs in key ministries received an increase in funding. Of these, nine received an increase of more than 3%. This means that only 9/30, or approximately 30%, of programs received an increase in funding that would keep pace with growing need and inflation. Further, programs that may provide this type of funding have received reductions including Community and Voluntary Support Services (Culture and Status of Women), Cultural Industries (Culture and Status of Women), and Status of Women (Culture and Status of Women). 	×
Project funding: Investment in programs that build community and foster cohort support among vulnerable populations.	 Specific programs/services or line items that received an increase in this budget that may be used to foster cohort support among vulnerable populations include Capital Grants specifically for Community and Voluntary Support Services and the Community Facility Enhancement Program (Culture and Status of Women) as well as Indigenous Women's Initiatives (Indigenous Relations). However, other areas of funding received a decrease. 	ı
Core Funding: Increase core operating support for organizations that deliver services in mental health, particularly with vulnerable populations.	 As above, very few ministries received a significant increase in core funding. 	×



DIGITAL TRANSFORMATION

Recommended Investment: \$50M - \$75M

RECOMMENDATIONS	ANALYSIS OF BUDGET 2022-23 INVESTMENTS	STATUS
Organizational capacity funding: Grants of up to \$10K for purchase of technology that can be tied to a local purchasing program ensuring dollars are spent at Alberta businesses.	Jobs, Economy, and Innovation "serves as the government's driver of economic policy and strategy, creating programs and tools that will help grow Alberta's economy". However, although receiving a +27% increase for Economic Recovery and Development, there is no mention of programs specific to supporting nonprofits in the ministry strategic business plan.ix	×
Project funding: Investment in digital needs assessments.	Same as above.	×
Enhanced program funding: Enhance Civil Society Fund to support digital transformation projects.	The Ministry of Community and Social Services states, "In 2022-23, \$6 million is allocated through the Civil Society Fund to help build civil society's capacity to address social issues in Alberta's diverse communities".* However, this is a continuation of funding from the previous budget and does not represent enhanced funding for the Civil Society Fund. Further, this funding most likely falls under Community Supports and Family Safety which did not receive an increase in funding.* The Ministry of Community and Social Services states, "In 2022-23, \$6 million is allocated through the Civil Society Funding from the previous budget and does not represent enhanced funding for the Civil Society Fund. Further, this funding most likely falls under Community Supports and Family Safety which did not receive an increase in funding.* The Ministry of Community and Social Services states, "In 2022-23, "In 2022	×



Moving Forward

As stated in the Fiscal Plan, "The province is not only focused on strengthening the energy sector, but also supporting other growth sectors in Alberta's economy". **ii However*, analysis of this budget shows that the nonprofit sector did not see any major new investments from this budget despite the crucial role they play in supporting community, particularly at this critical time. This signals that the nonprofit sector is not considered a part of the plan for recovery moving forward. Instead, nonprofits are expected to fit into other programs and services that are available, compete for funding using valuable resources, or continue to operate with reduced or unchanged funding amounts while delivering high-quality support to individuals and communities to meet the growing needs of Albertans and their families.

As written by our President & CEO, Karen Ball, CCVO believes that "Investments that benefit the economy and those that benefit the community are not interchangeable - they are both required to create a prosperous province... For Alberta's economy to recover we must invest in both community recovery and economic recovery. They are interdependent, reinforce each other, and the strength of each relies on both being equally valued". xiii Investments in the sector support the health and wellbeing of citizens and provides meaningful employment across the province. While full of innovative and caring professionals, this budget raises the question of how long the sector can continue to stretch limited resources without serious and costly consequences.

Moving forward, CCVO will continue to press for investment in community recovery that will support community-focused recovery through sound investment in social infrastructure that will create jobs, spur economic stimulus, and equally support those in need.



REFERENCES

- i "Budget 2022: Fiscal Plan Moving Forward 2022-25", Government of Alberta, February 24, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/36771cab-bee0-44b5-99ad-a03d88da653c/download/budget-2022-fiscal-plan-2022-25.pdf.
- ii "Budget 2022: Strategic Plan Government of Alberta 2022-25", Government of Alberta, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/0b805749-36ac-4c68-8504-a6daba63e8c7/download/budget-2022-goa-strategic-plan-2022-25.pdf.
- iii "Budget 2022: Fiscal Plan Moving Forward 2022-25", Government of Alberta, February 24, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/36771cab-bee0-44b5-99ad-a03d88da653c/download/budget-2022-fiscal-plan-2022-25.pdf.
- iv "Budget 2022: Fiscal Plan Moving Forward 2022-25", Government of Alberta, February 24, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/36771cab-bee0-44b5-99ad-a03d88da653c/download/budget-2022-fiscal-plan-2022-25.pdf.
- ^v Marokh Yousifshahi, Esha Mahmood, and Alexa Briggs, "Community Prosperity Now: A Blueprint for Community Recovery", June, 2021, https://www.calgarycvo.org/community-recovery-now/.
- vi Calgary Chamber of Voluntary Organizations, "Creating Community Prosperity in Alberta's Recovery: CCVO Alberta Pre-Budget 2022 Submission", January 7, 2021, https://www.calgarycvo.org/ccvo-blog-news/creating-community-prosperity-in-albertas-recovery-ccvo-alberta-pre-budget-2022-submission.
- vii "Budget 2022: Ministry Business Plans Moving Forward 2022-25", Government of Alberta, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/2a4e6a2f-c51a-44e7-b6d5-ee703110a8a4/download/budget-2022-ministry-business-plans-2022-25.pdf.
- viii Government of Alberta, "Supporting successful transitions to adulthood", March 2, 2022, https://www.alberta.ca/release.cfm?xID=82020F3198793-BFFB-DD75-8D62C95BFCD4FE78.
- ix "Budget 2022: Ministry Business Plans Moving Forward 2022-25", Government of Alberta, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/2a4e6a2f-c51a-44e7-b6d5-ee703110a8a4/download/budget-2022-ministry-business-plans-2022-25.pdf.
- x "Budget 2022: Ministry Business Plans Moving Forward 2022-25", Government of Alberta, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/2a4e6a2f-c51a-44e7-b6d5-ee703110a8a4/download/budget-2022-ministry-business-plans-2022-25.pdf.
- xi ""Budget 2022: Ministry Business Plans Moving Forward 2022-25", Government of Alberta, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/2a4e6a2f-c51a-44e7-b6d5-ee703110a8a4/download/budget-2022-ministry-business-plans-2022-25.pdf.
- xii "Budget 2022: Fiscal Plan Moving Forward 2022-25", Government of Alberta, February 24, 2022, https://open.alberta.ca/dataset/6d0f1358-beb5-4bb7-8da1-a350a138039c/resource/36771cab-bee0-44b5-99ad-a03d88da653c/download/budget-2022-fiscal-plan-2022-25.pdf.
- xiii Calgary Chamber of Voluntary Organizations, "Budget 2022 and Community Prosperity in Alberta: Initial Analysis from CCVO", February 25, 2022, https://www.calgarycvo.org/ccvo-blog-news/alberta-budget-2022-initial-analysis.