

Fed-prov snapshot: Finer adjustment

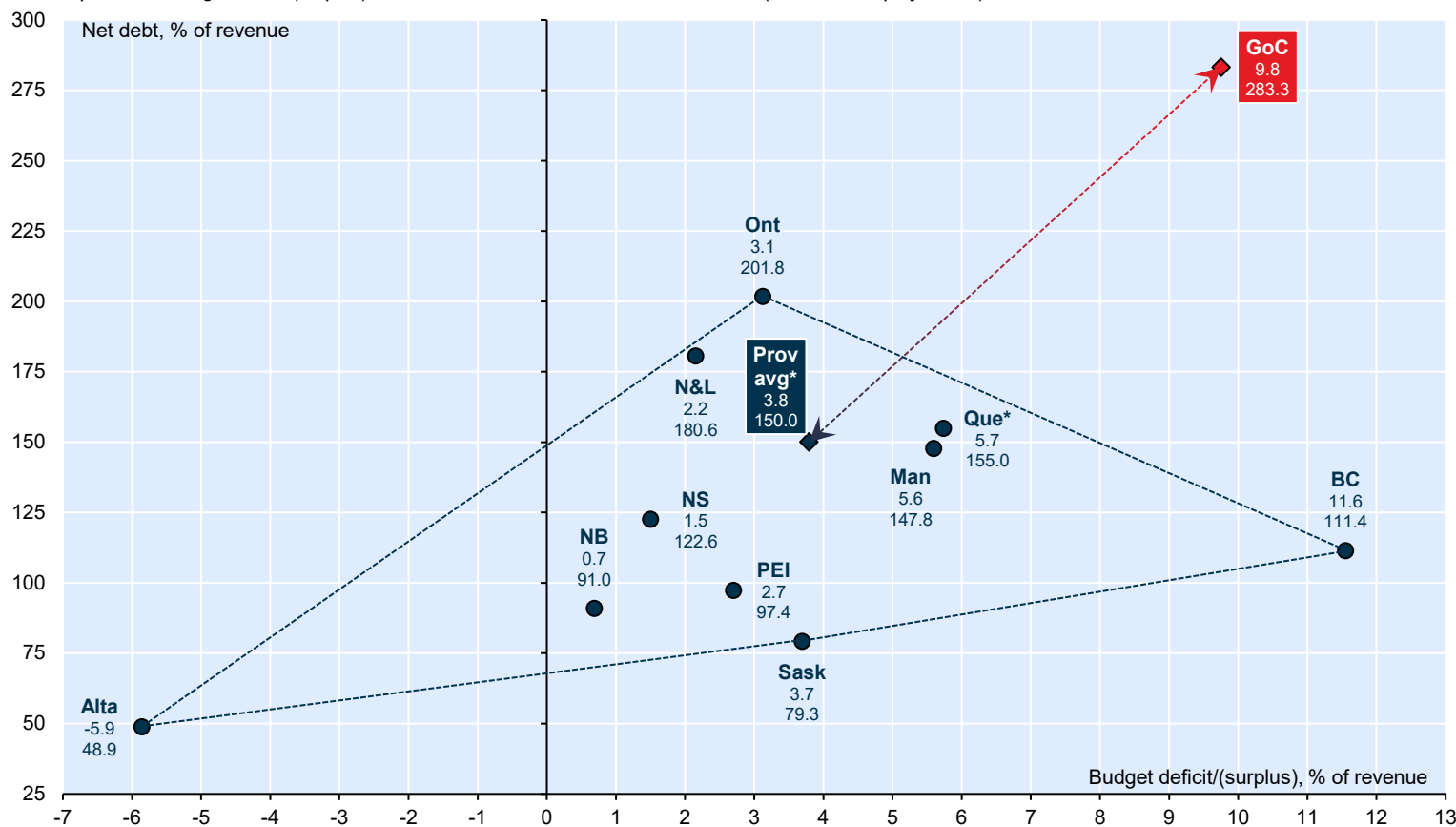
By Warren Lovely & Taylor Schleich

Subsequent to the fiscal snapshot we presented in a December 19th [Market View](#), Nova Scotia offered an update. Given an improved outlook for tax revenue (including prior year adjustments), Nova Scotia's 2024-25 deficit was marked down. For completeness and in the spirit of giving credit where it is due, this *Addendum* updates our

2024-25 fiscal scatter plot (Chart). Nova Scotia moves in the 'right' direction, which is to say to lower left on the chart. All other provinces remain unchanged vs. last week's picture. A summary table has also been included, detailing changes in budget balances for 2023-24 and 2024-25 (based on public accounts and latest official projections).

Chart: Ottawa makes itself a fiscal outlier, as provinces (on average) enjoy income statement & balance sheet edge

Federal-provincial budget deficit/(surplus) & net debt, scaled to total revenue: 2024-25 (latest official projections)



Source: NBC, GoC, prov gov'ts | Note: Based on latest official projections for 2024-25 fiscal year; prov avg is weighted by 2024:Q4 population; Que is budget balance before GF deposit; first data label refers to budget deficit/(surplus); second data label refers to net debt

Table: Revised thinking? Detailing the changes in fed-prov budget balances since Budget 2024

Change in federal-provincial budget balances vs. Budget 2024 estimates/forecasts: 2023-24 & 2024-25

| | C\$m/bn | GoC | Prov | Ont | Que | BC | Alta | Man | Sask | NS | NB | N&L | PEI |
|---|---------------|---------|---------|--------|---------|--------|-------|--------|------|------|------|------|-----|
| 2023-24 fiscal year: Actual (public accounts) vs. prior estimate (Budget 2024) | | | | | | | | | | | | | |
| 2023-24 | Bud24 | -40,000 | -12,669 | -2,977 | -6,302 | -5,914 | 5,234 | -1,997 | -483 | 40 | 247 | -433 | -86 |
| | Actual | -61,876 | -11,056 | -647 | -8,041 | -5,035 | 4,285 | -1,971 | 182 | 144 | 501 | -459 | -15 |
| | Chg | -21,876 | 1,613 | 2,330 | -1,739 | 879 | -949 | 26 | 665 | 103 | 253 | -26 | 71 |
| 2024-25 fiscal year: Latest estimate (FES or other official update) vs. prior forecast (Budget 2024) | | | | | | | | | | | | | |
| 2024-25 | Bud24 | -39,800 | -30,081 | -9,806 | -10,998 | -7,911 | 367 | -796 | -273 | -467 | 41 | -152 | -85 |
| | Latest | -48,300 | -25,175 | -6,637 | -10,998 | -9,408 | 4,563 | -1,309 | -744 | -247 | -92 | -218 | -85 |
| | Chg | -8,500 | 4,906 | 3,169 | 0 | -1,497 | 4,196 | -513 | -470 | 220 | -133 | -66 | 0 |
| Cumulative revision vs. Budget 2024: 2023-24 & 2024-25 | | | | | | | | | | | | | |
| 2FY | 2FY chg | -30,376 | 6,518 | 5,499 | -1,739 | -618 | 3,247 | -487 | 194 | 323 | 120 | -92 | 71 |
| | Per cap (C\$) | -733 | 158 | 340 | -191 | -108 | 658 | -325 | 156 | 299 | 140 | -169 | 394 |

Source: NBC, GoC, prov gov'ts | Note: 2023-24 actual balances as per public accounts; 2024-25 latest balances from official updates (through 20-Dec-24); cumulative change is 2 fiscal year total, with that cumulative amount scaled to 2024:Q4 population to aid comparison



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