

# How Budget 2026 Meets Our Top Priorities



Leading up to the Government of Alberta's 2026-27 budget year, Alberta Municipalities communicated the top three priorities that municipal governments expect of provincial leaders.

## Increase investment in municipal infrastructure



(1 out of 3)

The Alberta government is promoting that it will invest \$7 billion in municipal infrastructure over the next three years. In reality, Budget 2026 delivers a small increase of about \$150 million in provincial funding to help municipal governments invest in construction and replacement of local infrastructure like roads, sidewalks, transit, and water systems. One-third of the province's investment in municipal infrastructure in 2026 is funding from the Government of Canada. Overall, provincial funding is still hundreds of millions of dollars lower than historical levels, particularly at a time when Alberta has grown by a million people over the last decade and inflation is increasing costs of workers, asphalt, and pipes.

The increase in funding in 2026 primarily consists of:

- The ongoing cost-share with the Government of Canada to invest in expanding the light rail transit systems in Calgary and Edmonton.
- A combined \$66 million increase in the Water for Life and Municipal Water and Wastewater Partnership programs. This is positive for 2026, but this funding is forecasted to be cut by 81 per cent by 2028.

We continue to be concerned that we are seeing one-off commitments without longer-term strategies. Alberta's municipal water and wastewater infrastructure is far more fragile than most of us realize. For over 15 years, the Government of Alberta's annual investment in municipal infrastructure has trended downwards. This is creating a shift in how Albertans are taxed. Instead of income taxes being used to pay for community infrastructure, the Alberta government is pushing that cost onto municipal property taxes. This will have real impacts on Albertans whose income has not increased but will now face a bigger tax bill. Albertans should not be surprised to see more critical failures in water and sewer systems in their community.

## Increase investment in local preventative social services



(1 out of 3)

ABmunis is very disappointed to not see an increase to Family and Community Support Services (FCSS) funding in the 2026

Provincial Budget. Since 2015, Alberta's population has grown by nearly 1 million (21 per cent) and inflation has averaged 2.25 per cent annually, but FCSS funding has only increased by 5 per cent in the last eleven years. By not investing in locally driven prevention programming, the province is missing a critical opportunity to bend the cost curve on already stretched systems such as healthcare, emergency services, and policing. This downloads costs onto municipalities, leaving them to respond to residents' needs without adequate support from the provincial government at a time when many Albertans are struggling. Senior provincial officials have indicated a willingness to consider incremental increases to FCSS funding going forward and pursuing this investment will remain a top priority for ABmunis in the coming year.

## Cumulative impact of increases in provincial property taxes



(0 out of 3)

In the last decade, provincial leaders have been critical of municipal councils for increasing municipal property taxes to fund local services. Recently, the Premier gave a mandate to the Minister of Municipal Affairs to explore "ways to limit excessive municipal property tax increases for businesses and residents". At the same time, the Alberta government has increased its own property tax on Albertans by \$1 billion over the last three years. In 2026, the province will increase its revenue from provincial property taxes by 15 per cent, or \$468 million. Unfortunately, it will be municipal councils and employees who will face extreme scrutiny for this tax increase because they are the people required to collect the tax through the municipal government's property tax bill.

**Learn more at [ABmunis.ca](https://abmunis.ca).**