



Fall Economic Statement 2022 Bracing for a Global Slowdown

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Key Messages

1. Dual challenges – economic and political
2. Federal strategy – uncertainty, policy, budgetary balances
3. The battle against inflation is on - economic recession in sight
4. Modesty – spending and ambition
5. Federal finances relatively well positioned

Economic Outlook

Chart1				
Average Private Sector Forecast and Finance Downside Scenario				
(Percent)				
		2022	2023	2023
		(PS)	(PS)	(FIN)
Real GDP growth		3.2	0.7	-0.9
CPI inflation		6.8	3.5	5.3
Unemployment rate		5.4	6.1	6.6
3-month treasury bill rate		2.2	3.6	4.4
Source: 2022 Fall Economic Statement				

Fiscal Outlook

Table 2							
2022 Fall Economic Statement							
Changes to Fiscal Outlook since Budget 2022							
		Projection					
	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
	\$ billions						
Budgetary Balance - Budget 2022	-113.8	-52.8	-39.9	-27.8	-18.6	-8.4	
Total Economic & Fiscal Developments	23.6	29.8	18.8	11.0	10.2	11.4	
Budgetary Balance before Actions	-90.2	-23.0	-21.1	-16.8	-8.4	3.0	12.8
Policy Actions since Budget 2022		-7.3	-4.3	-2.9	-1.8	-1.8	-3.5
2022 Fall Statement Measures							
Affordability		-4.4	-1.3	-1.3	-1.3	-1.4	-1.4
Jobs & Growth		-0.1	-2.1	-2.3	-1.8	-2.3	-2.4
Governance		-0.6	-0.8	-0.2	0.4	0.5	0.6
Provision for future announceables		-1.0	-1.0	-2.0	-1.5	-1.5	-1.5
Total - 2022 Fall Statement Measures		-6.1	-5.2	-5.8	-4.2	-4.6	-4.7
Budgetary Balance - Baseline Scenario	-90.2	-36.4	-30.6	-25.4	-14.5	-3.4	4.5
Fiscal Impact of Downside Scenario		-12.7	-21.8	-16.8	-15.9	-15.3	-12.8
Budgetary Balance - Downside Scenario	-90.2	-49.1	-52.3	-42.3	-30.4	-18.6	-8.3
Baseline Scenario							
Budgetary Balance (% of GDP)	-3.6	-1.3	-1.1	-0.9	-0.5	-0.1	0.1
Federal Debt (% of GDP)	45.5	42.3	42.2	41.6	40.4	38.9	37.3
Downside Scenario							
Budgetary Balance (% of GDP)	-3.6	-1.8	-1.9	-1.5	-1.0	-0.6	-0.3
Federal Debt (% of GDP)	45.5	43.0	44.5	44.1	43.2	42.0	40.6
Budget 2022 Projections							
Budgetary Balance (% of GDP)	-4.6	-2.0	-1.4	-0.9	-0.6	-0.3	
Federal Debt (% of GDP)	46.5	45.1	44.5	43.8	42.8	41.5	

Source: 2022 Fall Economic Statement

Budget Balance

Chart 1
Federal Budgetary Deficit
(\$ billions)

