Signal49
RESEARCH

The Trans Mountain Expansion Project

A Macroeconomic and Fiscal Impact Study



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Contents

3
Key findings

4
TMEP's role in expanding Canada's oil sector

6
Measuring the TMEP's economic contribution

7
Lasting macroeconomic benefits

17
TMEP strengthens government finances

18
TMEP benefits ripple across the economy

22
A lasting source of economic value for Canadians

23
Appendix A: Methodology

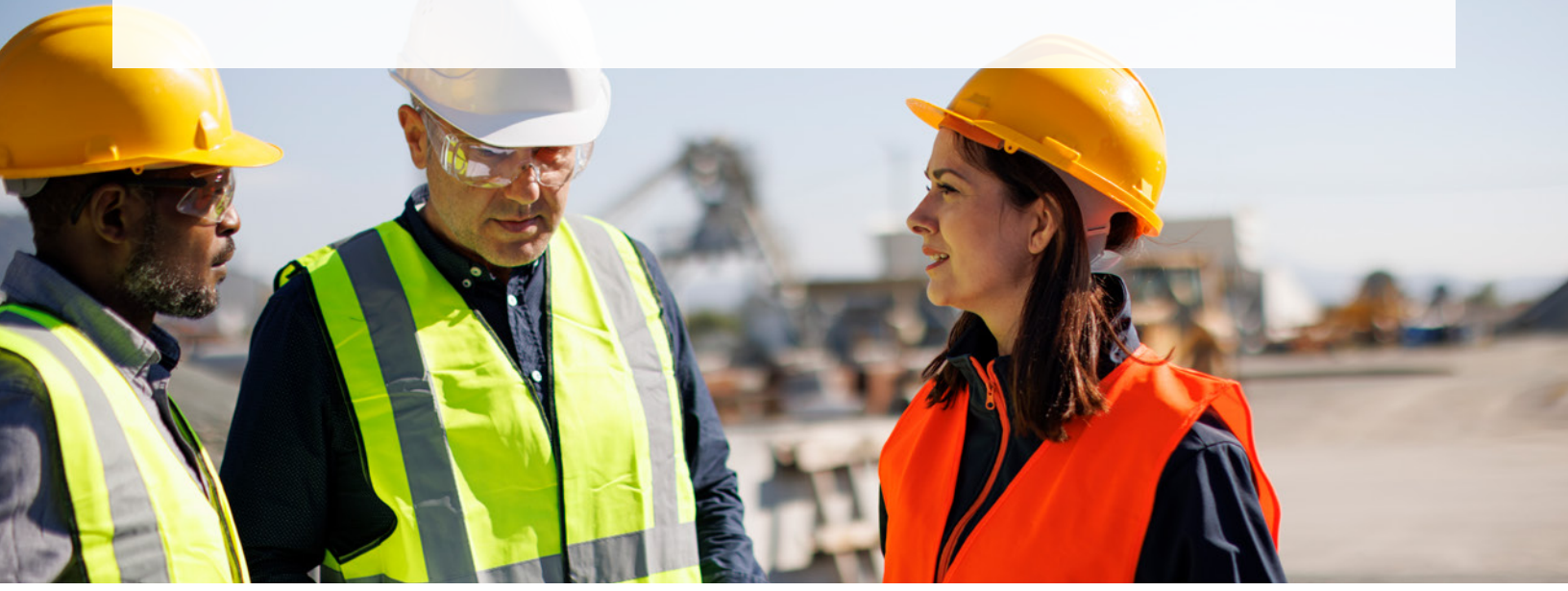
26
Appendix B: Model descriptions

27
Appendix C: Detailed results

30
Appendix D: Impact on public debt and detailed fiscal results

Key findings

- The Trans Mountain Expansion Project (TMEP), which began operating in 2024, will boost Canada's real GDP by an average of 0.3 per cent (or $10.8 billion) per year through 2044, driven mainly by increased oil production and price benefits.
- The lion's share of long-term economic benefits will be realized in Alberta, which generates an average of $9.6 billion in real GDP annually; this represents 1.6 per cent of annual provincial GDP over the period. British Columbia will gain the next largest share of benefits, with an annual real GDP impact of $274 million.
- Pipeline operations and the increased upstream oil price and production benefits will support 24,300 jobs annually across the country. Most of these jobs (19,500) will be in Alberta, which represents about 0.7 per cent of that province's total employment.
- The TMEP increases Canada's ability to diversify its markets for oil exports. Oil exports to Asia rose from essentially zero in 2023 to $13.2 billion in 2025, the first full year of TMEP operations.
- The increased market access afforded by the pipeline reduces the discount on the Western Canadian Select (WCS) price compared to other global benchmark prices, which stimulates increased oil production. As a result, average annual Canadian oil revenues will be $17.7 billion higher through 2044, while average oil production will be 540,000 barrels per day higher.
- Construction of the TMEP between 2018 and 2025 generated $42.4 billion in real GDP impact ($5.3 billion annually), or 0.2 per cent of Canada's average real GDP over the period. This implies a total macroeconomic investment multiplier of 1.3 during construction. British Columbia was the main beneficiary during the construction phase, with 71.5 per cent of the GDP impacts occurring in that province.
- Between fiscal years 2018–19 and 2044–45, TMEP is expected to generate a total of $97.5 billion in total government revenues, or $3.6 billion per year.
  - The federal government receives nearly 40 per cent ($38.4 billion) of these revenues. In fiscal year 2025–26, fiscal revenues generated by the TMEP amounted to $1.2 billion, which represents 0.2 per cent of total federal government revenues for the year.
  - The Government of Alberta earns a cumulative $36 billion in fiscal revenues, or $1.3 billion per year, with the bulk coming from the $1.9 billion per year in additional oil royalties through 2044–45.
  - In B.C., the TMEP will generate a cumulative $5.7 billion for the provincial government over the full period (or $210 million per year), with income taxes ($172 million per year) and sales and other excise taxes ($10.7 million per year) as the largest revenue sources.



TMEP's role in expanding Canada's oil sector

The Trans Mountain Expansion Project (TMEP) represents one of the largest energy infrastructure investments undertaken in Canada in recent decades. The project has expanded the capacity of the existing Trans Mountain pipeline system connecting Alberta's oil-producing regions to the Westridge Marine Terminal in Burnaby, British Columbia.

Following several years of construction, the expanded pipeline entered commercial service in May 2024, increasing capacity by over half a million barrels per day (bpd), from 300,000 bpd to 890,000 bpd.[1] The completion of the project increased Canada's ability to transport crude oil to tidewater and access global markets beyond North America.

The TMEP was developed to address a long-standing challenge facing Canadian oil producers. Historically, nearly all of Canada's crude oil exports went to the United States, which meant that producers were heavily dependent on a single export market. This reality also contributed to transportation bottlenecks during periods of rapid production growth. By providing direct access to marine export facilities on Canada's West Coast, the expansion has created new opportunities to reach customers in Asia and other international markets, and as a result will reduce price discounts on Canadian crude.

Importantly, the TMEP is no longer a proposed or under-construction project. The pipeline is now fully operational and forms part of Signal49's baseline outlook for the Canadian economy.



1 Trans Mountain Corporation, "Projects," Trans Mountain, n.d., https://www.transmountain.com/projects.

A new gateway for oil exports

Construction began in 2018 and continued through to completion in 2025, during which a total of $29.5 billion (nominal $)[2] of capital was invested.[3] The scale of the project makes it one of the largest infrastructure investments in decades, generating economic activity through direct construction and supply chain impacts across Canada.

The first year of TMEP operations coincided with considerable changes in Canadian oil production and export patterns. Alberta crude oil production increased from 3.8 million barrels per day in 2023 to 4.15 million barrels per day in 2025, with most of the growth originating from non-conventional oil production. While a number of factors contributed to this growth, the availability of additional pipeline capacity helped ensure that rising production volumes could reach export markets.

The expansion has also contributed to a notable shift in Canada's export profile. Total real Canadian oil exports increased from $127 billion in 2023 to $132 billion in 2025 (2026 $). More importantly, exports to Asian markets have increased sharply since the pipeline came on line. Oil exports to Asia rose from about zero in 2023 to around $13.2 billion in 2025, the first full year of operations. Although the United States remains Canada's dominant export market, the rapid growth of exports to Asia represents a key success in Canada's recent efforts to diversify trade.

Before the expansion, transportation constraints often contributed to large price discounts on Western Canadian Select (WCS) crude oil compared to the U.S. West Texas Intermediate (WTI) benchmark. The WCS discount narrowed around the time the TMEP entered service in May 2024, falling from roughly US$15–$20 per barrel in early 2024 to around US$11 per barrel through much of 2025.

Although commodity price spreads are influenced by a variety of factors beyond pipeline capacity alone, the improvement is consistent with expectations that expanded export capacity will improve market access and the net return for Canadian oil producers. More recently, the discount has widened somewhat as global oil market disruptions associated with the conflict in Iran have caused the WTI price to rise faster than the WCS price.

Purpose of this study

Many of the expected benefits of the TMEP are already visible in production, export, and market data. However, observed outcomes alone cannot reveal how much of Canada's recent economic performance can be directly attributed to the project. To isolate the economic contribution of the TMEP, we compared the observed economy against a counterfactual scenario in which the expansion was never constructed. Using Signal49's economic modelling framework, we estimated how economic activity, employment, incomes, business profits, government revenues, and trade flows would have evolved if the project didn't exist. The difference between these scenarios provides a measure of the Trans Mountain Expansion Project's economic contribution during its construction and ongoing operational phases.

Our analysis is based on the size and structure of the TMEP as of September 2026. However, we note that Trans Mountain is currently optimizing its system to add an additional 300,000 bpd of capacity (90,000 bpd by the end of 2026 and a further 210,000 bpd by the end of 2028), which could further improve the economic benefits estimated in this study.

2 All figures reported are in Canadian dollars unless otherwise stated.

3 Equivalent to about $32.8 billion in real terms (2026 $). When including financing costs (i.e., allowance for funds used during construction), total project costs amounted to $34.2 billion (nominal $). These additional financing costs are not included in this analysis.

Measuring the TMEP's economic contribution

To isolate the contribution of the TMEP, our counterfactual macroeconomic scenario removes both the construction expenditures associated with the project and the operational benefits arising from expanded export capacity, improved market access, higher realized crude oil prices, and increased oil production.

The TMEP's economic contribution is measured as the difference between our baseline forecast, which includes the expanded pipeline, and the counterfactual scenario in which the pipeline is not built or operated. This approach made it possible for us to isolate the project's economic effects from other developments occurring within the Canadian economy over the same period. In other words, our analysis is designed to capture only the incremental impacts of the pipeline expansion.

We evaluated two phases: the construction phase (2018–25), which captures the economic impacts associated with $29.5 billion (nominal $) in construction expenditures, and the operational phase (2024–44). We assessed the long-term impacts associated with improved market access, a lower WCS discount, higher oil production, and increased exports.

To estimate TMEP's provincial impacts in B.C. and Alberta, we used Signal49's suite of macroeconomic models for the provincial economies to help us isolate the effects of project-related spending and expanded pipeline operations. This approach is consistent with that used in the national analysis. The provincial results incorporate broader Canadian macroeconomic conditions generated by the national model, including impacts on variables such as interest rates, inflation, exchange rates, and other economy-wide measures. We treated these national impacts as exogenous inputs to the provincial modelling framework.

Summary of key assumptions

The construction phase impact analysis is based on annual project investment spending incurred between 2018 and 2025. Project spending was introduced into the models according to the observed expenditure profile and allocated across industries consistent with the project's construction activities.

The operational phase, starting in 2024, reflects the various channels in which the pipeline expansion will affect the Canadian economy. Key assumptions include:

- the permanent increase in pipeline utilization and transportation activity;
- a reduction in the WCS discount compared to the Western Texas Intermediate (WTI) crude benchmark;[4]
- higher realized export prices for Western Canadian crude oil;
- increased investment and oil production in Alberta's oil sands sector;
- higher export volumes and greater access to non-U.S. markets, including Asia.

A comprehensive analytical framework

The analysis relies on Signal49's two complementary modelling frameworks:

- macroeconomic forecasting models for Canada, Alberta, and British Columbia;
- economic impact assessment (EIA) model.

Together, these tools captured both the detailed supply chain impacts of project spending and the broader long-term adjustment of the economy to changing economic conditions. Please refer to Appendix A for more details about the methodology and to Appendix B for more details about our modelling tools.

4 We make the conservative assumption that the WCS price uplift applies only to the whole heavy bitumen basin of Alberta's oil sands (i.e., there are no knock-on effects on the price of light oil or any other types of oil).

Lasting macroeconomic benefits

Nationwide impacts

Our national forecasting model simulates the dynamic response of the Canadian economy to the large business investment and economic activity shock that would represent a reality without the TMEP. It captures adjustments in prices, interest rates, and broader macroeconomic conditions that influence the behaviour of households, businesses, and governments over time.

We present the historical national impact of the TMEP during the construction phase, alongside our estimates of future impacts that may occur over its operational lifespan.

We estimate that TMEP will have generated a total of $270 billion (2026 $) in real GDP across Canada, from 2018 to 2044. On average, each year, that means GDP will be $10 billion, or 0.3 per cent, higher. Just over 40 per cent of the impact, $109 billion, is paid to workers. Additionally, the TMEP supports the employment of 29,300 people each year, on average.

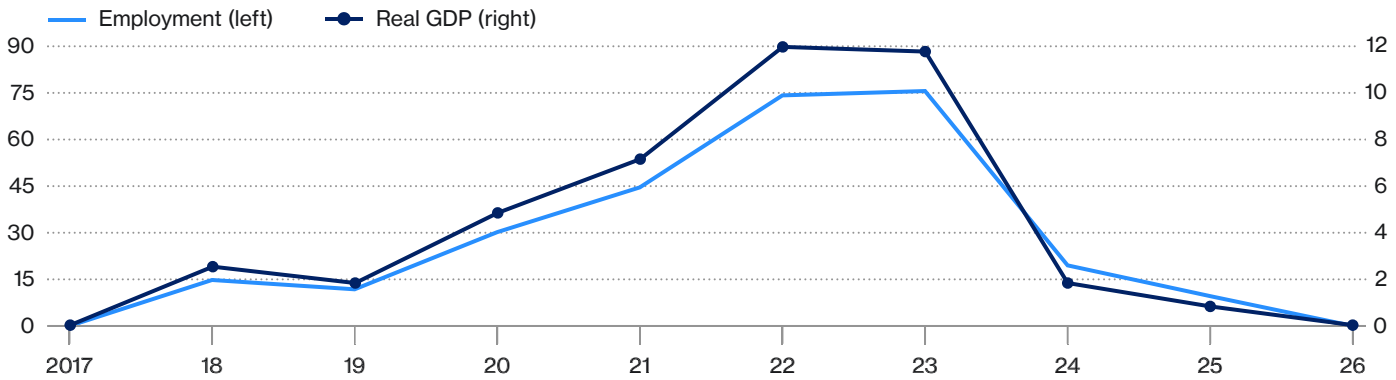
TMEP construction boosted GDP by over $42 billion

The TMEP represents a substantial investment shock, with total project spending of $29.5 billion (nominal $). Land acquisition costs—accounting for 2.2 per cent of total expenditures—are treated as transfers to persons and therefore do not directly contribute to investment but do affect household incomes directly.

The construction phase of the TMEP led to a cumulative $42.4 billion (2026 $) increase in real GDP, implying a spending multiplier of about 1.3. This represents 0.2 per cent of Canada's real GDP over the period. On average, each year, 35,000 Canadians were employed during the construction phase. The timing of impacts reflects the ramp-up and peak of construction activity in 2022 and 2023, when economic effects were greatest. At the peak, employment was lifted by about 76,000 jobs relative to the counterfactual scenario, before impacts gradually receded as construction activity winded down. (See Chart 1.)

The injection of spending modestly raises inflationary pressures relative to the counterfactual scenario, prompting changes in interest rates and second-round effects across the economy. While these macroeconomic adjustments were quite small over the construction horizon, they accumulated over time and shaped the overall impact. These dynamic features play a more pronounced role in the longer-term assessment of the operational phase, where feedback effects compound over a much longer horizon.

Chart 1
TMEP construction impact peaked in 2022 and 2023
(employment, thousands; real GDP, 2026 $ billions)



Source: Signal49 Research.

The gains in real GDP during the construction phase were driven mainly by rising business investment, reflecting the direct spending associated with the TMEP. At its height in 2022, real GDP increased by $11.8 billion relative to the counterfactual scenario—a rise of 0.4 per cent. The expansion in activity also supported labour income, which in turn lifted household consumption. (See Table 1.)

The impacts of government spending associated with TMEP construction were limited. At the same time, improved labour market conditions reduced the need for income support measures, such as employment insurance and other transfers. Together, these factors led to a slight decline in real government spending relative to the counterfactual scenario during the construction phase.

While domestic demand is the main impetus to growth, imports also rise in line with investment and consumption. As a result, the slight decline in net exports—the difference between exports and imports—acted as a modest drag on GDP over the construction period. Overall, the expenditure profile is consistent with an investment-led expansion, where strong capital outlays and associated income effects drive economic activity.

At the industry level, the impacts of the TMEP construction phase were concentrated in construction and closely linked supply chain industries, with meaningful spillovers across a broader array of goods and services sectors. Construction accounted for the largest direct gains, with real GDP rising by close to $4.7 billion at the peak in 2022—an increase of 2.1 per cent relative to the counterfactual scenario. (See Table 2.) While this reflects the direct effect of TMEP-related activity, the increase is not solely attributable to the project, as secondary effects from higher demand and improved economic conditions also support additional construction activity on a broader level.

These impacts were complemented by strong gains in professional services and increases in manufacturing, wholesale trade, and transportation, as demand for materials, equipment, logistics, and project management services rises. Employment gains mirrored this distribution, with the largest increases concentrated in construction—where employment rose by about 30,000 jobs at the peak.

Overall, the construction phase of the TMEP delivered a sizable, but temporary, boost to Canadian economic activity, characterized by a concentrated surge in investment, employment, and associated income gains. The impacts are closely aligned with the timing of project spending, which peaked in the early 2020s before tapering off as construction was completed. Though the effects dissipate as the investment shock unwinds, they leave behind a permanent addition to Canada's capital stock in the form of expanded pipeline infrastructure. This transition marks the beginning of the operational phase of the TMEP in 2024, where the economic impacts shift from short-term demand-driven gains to longer-term influences on oil prices, trade flows, and economic capacity over the 2024–44 period.

Table 1
Investment activity has knock-on effects on expenditures across the economy
(GDP impact by component at market prices, 2026 $ millions)

Component	2018	19	20	21	22	23	24	25	Total
Final consumption expenditure	479	436	983	1,330	2,569	3,071	1,243	864	10,975
Investment	2,420	1,753	4,711	7,261	11,794	11,096	1,497	81	40,614
Net exports	-543	–519	–1,231	–1,917	–3,036	–3,105	–864	154	–11,060
Exports of goods and services	-19	–62	–86	–162	–224	–300	–117	261	–710
Less: imports of goods and services	524	457	1,145	1,755	2,811	2,805	747	106	10,349
Gross domestic product at market prices	**2,500**	**1,777**	**4,788**	**7,137**	**11,924**	**11,680**	**1,777**	**808**	**42,392**

Source: Signal49 Research.

Table 2
Economic benefits are spread across goods- and services-producing industries
(GDP impact at market prices, 2026 $ millions)

Industry	2018	19	20	21	22	23	24	25	Total
Real gross domestic product	**2,548**	**1,804**	**4,892**	**7,302**	**12,006**	**11,554**	**1,639**	**833**	**42,579**
Agriculture, forestry and fishing	20	11	38	50	72	69	–23	–17	221
Mining, quarrying, and oil and gas extraction	252	177	484	738	1,178	1,095	96	–24	3,996
Oil and gas extraction	49	35	93	141	232	220	32	13	814
Conventional oil extraction	19	13	35	53	87	81	8	3	298
Non-conventional oil extraction	30	22	58	88	145	139	24	10	516
Utilities	22	15	42	60	98	93	6	7	343
Construction	956	697	1,866	2,880	4,651	4,384	646	51	16,129
Manufacturing	232	134	417	575	926	872	–78	24	3,103
Wholesale and retail trade	187	136	361	532	906	900	200	162	3,383
Transportation and warehousing	79	56	152	223	369	363	56	31	1,330
Pipeline transportation	4	3	8	12	19	18	2	2	68
Finance, insurance and real estate	255	201	497	708	1,241	1,308	360	314	4,885
Professional, scientific and technical services	315	226	610	933	1,521	1,440	205	56	5,306
Other services	182	137	355	516	885	909	225	180	3,390
Public sector	47	15	71	87	159	120	–55	50	494

Source: Signal49 Research.

Sustained impacts over the 21-year forecast

Unlike the construction phase—where impacts were driven by a temporary investment shock—the operational phase reflects a sustained structural shift in Canada's energy sector and export capacity.

The economic impacts of operations are generated through two main channels.

First, expanded pipeline capacity facilitates access to tidewater, allowing Canadian crude—particularly WCS—to reach a broader set of global markets. This improved market access is reflected in a narrowing of the WCS discount compared to benchmark prices. The boost to WCS prices is front-loaded, averaging about US$5.20 per barrel in the first three years of operation before moderating to a long-run gain of about US$0.60 per barrel between 2029 and 2044.

Second, higher realized prices support increased investment and production in the oil sector. In this analysis, oil sands production is assumed to rise beginning in 2024, reaching a sustained increase of 540,000 barrels per day relative to the counterfactual scenario.[5] Together, these channels capture the dual impact of the TMEP: improved pricing for existing production and a lasting increase in export capacity.

The operational phase of the TMEP is delivering a sustained uplift to Canadian economic activity that began in 2024. The expansion will lead to a persistent increase in real GDP, employment, and government revenues relative to the counterfactual scenario, with effects building through the initial years of operation before gradually moderating due to the smaller price benefit.

5 Note that this assumption around induced oil production should be distinguished from the increased overall capacity of the pipeline.

Employment gains will be sizable in the near term—peaking at around 46,000 jobs in 2027—before settling into a smaller but meaningful long-run gain of about 13,000 jobs by 2044 as the economy adjusts to a higher level of activity. On average, the project will support 24,300 jobs annually over the operational phase, which represents 0.7 per cent of the province's forecasted employment over this period.

Similarly, real GDP will rise materially, reaching a peak gain of just under $14.8 billion in 2028, before stabilizing at a lower but sustained level in the outer years of the forecast horizon. (See Chart 2.) The resulting increase in economic activity will also support higher corporate profits and government revenues, especially at the provincial level, reflecting the concentration of impacts in the energy sector and on royalty revenues. Overall, the operational phase will lift the Canadian real GDP by $228 billion from 2024 to 2044—an average of $10.8 billion per year (2026 $)—which represents 0.3 per cent of national real GDP on average over the 21-year period.

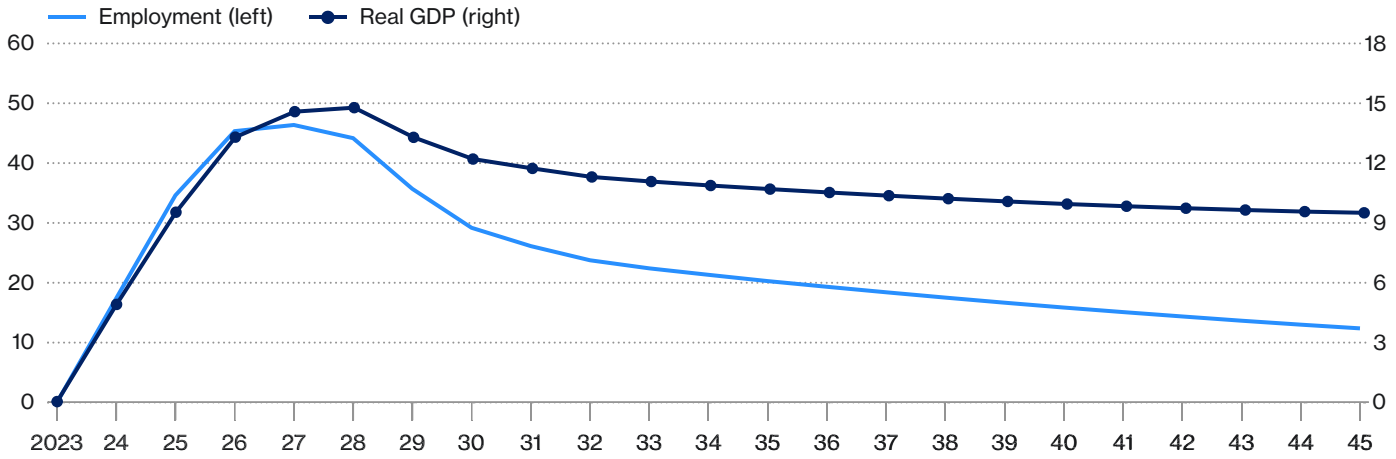
As in the construction phase, these results reflect the dynamic structure of our national and provincial forecast models. The positive shock to export prices and production generates a modest increase in inflation relative to the counterfactual scenario, prompting an upward response in interest rates.

These macroeconomic adjustments, while limited in magnitude, influence behaviour across households, businesses, and governments. In particular, slightly higher prices erode some categories of real spending over time, while stronger labour market conditions reduce income support expenditures. Although these effects are modest on an annual basis, they will accumulate over the long horizon of the operational phase and will play an important role in shaping long-term economic impacts.

The increase in real GDP during the operational phase is driven largely by a sustained expansion in exports, reflecting both higher realized prices for Canadian crude and increased production volumes. Real exports will rise sharply beginning in 2024, increasing by a 1.1 per cent gain at peak and remaining elevated over the long term. Business investment will also increase, especially in the early years of operation, as higher oil prices and improved profitability support additional capital spending in the energy sector and related industries.

Household consumption will rise in the near term, supported by gains in employment and labour income. Over time, however, spending will gradually moderate and eventually turn modestly negative relative to the counterfactual scenario. This does not imply that households will be worse off. Throughout the projection period, both nominal and real labour income will remain higher in the TMEP scenario than in the counterfactual scenario.

Chart 2
TMEP operations create a sustained boost in economic activity
(employment, thousands; real GDP, 2026 $ billions)



Source: Signal49 Research.

The stronger economy associated with the expansion will generate modest upward pressure on inflation, with the price level about 0.5 per cent above the counterfactual scenario by the end of the forecast horizon. It will also contribute to higher interest rates across the yield curve. Together, these factors will encourage households to save a slightly larger share of their income, resulting in a higher household saving rate and marginally lower real consumption in the outer years of the forecast horizon.

Real government spending will erode modestly over time. We hold most government programs (expressed in nominal terms) constant between our baseline and counterfactual scenario, as we make no assumption as to how government priorities might have shifted in the absence of the TMEP. As a result, some expenditure categories ended up slightly lower in real terms than in the counterfactual scenario due to slightly higher prices, while stronger labour market conditions lowered demand for income support programs and other transfers. Overall, real government consumption and public sector activity will end up slightly lower than in the counterfactual scenario despite higher government revenues. Imports will also increase alongside stronger export activity and domestic demand, resulting in a persistent subtraction from overall GDP gains.

Overall, the expenditure profile reflects a transition to an export-led expansion, where improved terms of trade and higher external demand drive long-run gains in output, while domestic demand components adjust gradually to the evolving macroeconomic environment shaped by higher prices and interest rates. (See Table 3.)

At the industry level, the effects of TMEP operations are concentrated in oil and gas extraction and associated transportation activities, with broader spillovers across goods and services sectors. The largest gains will occur in non-conventional oil production, reflecting the assumed increase in output tied to expanded market access and improved pricing. Real GDP in oil and gas extraction rises sharply beginning in 2024, with non-conventional production accounting for most of the increase and aligning with the assumed long-run addition of 540,000 barrels per day. These gains will be sustained over the projection horizon, highlighting the permanent addition to capacity and price benefit from the expansion on Canada's resource sector.

Pipeline transportation will also see a notable and persistent increase in activity, reflecting higher volumes of crude moving to export markets. As a distinct component within the broader transportation sector, pipeline output will rise steadily and remain elevated over the operational period. We observed additional gains in supporting industries, including mining services, wholesale trade, and professional services, which will benefit from higher levels of production, investment, and export activity. (See Table 4.)

Employment effects broadly mirror these output gains, with the largest increases concentrated in oil and gas, construction, and transportation. These are complemented by gains in professional services and trade-related industries. While most private sector industries will experience employment gains over time, employment in the public administration, education, and health-related sectors will be modestly lower than in the counterfactual scenario.

Table 3
GDP impacts are led by higher oil exports
(GDP impact at market prices, 2026 $ millions)

Component	2030	35	40	44	Total
Final consumption expenditure	–1,852	–995	–3,118	–4,667	–14,329
Investment	1,814	1,468	1,172	950	42,247
Net exports	8,438	10,042	11,724	13,104	194,780
Exports of goods and services	11,107	11,425	11,963	12,518	225,405
Less: imports of goods and services	2,670	1,383	239	–586	30,626
Gross domestic product at market prices	**12,183**	**10,665**	**9,924**	**9,542**	**227,684**

Source: Signal49 Research.

Table 4
Operational phase impacts are concentrated in oil extraction and professional services
(GDP impact at basic prices, 2026 $ millions)

Industry	2030	35	40	44	Total
Real gross domestic product	**11,947**	**10,664**	**10,033**	**9,609**	**226,261**
Agriculture, forestry and fishing	–46	–15	20	51	169
Mining, quarrying, and oil and gas extraction	8,811	8,879	8,955	9,021	173,938
Oil and gas extraction	8,256	8,242	8,235	8,231	159,788
Conventional oil extraction	324	322	322	324	6,494
Non-conventional oil extraction	7,932	7,920	7,913	7,907	153,294
Utilities	186	186	191	197	3,766
Construction	631	548	475	424	14,595
Manufacturing	–211	–32	185	357	2,422
Wholesale and retail trade	536	347	192	62	8,129
Transportation and warehousing	355	272	208	163	5,791
Pipeline transportation	74	74	75	76	1,456
Finance, insurance and real estate	244	-528	–901	–1,155	–5,455
Professional, scientific and technical	720	620	570	535	13,968
Other services	751	418	171	–13	9,542
Public sector	–31	–31	–31	–32	–603

Source: Signal49 Research.

These results mainly reflect the model assumption that government spending is mostly fixed in nominal terms, except for a few programs that hinge on population and labour market dynamics; as a result, slightly higher inflation will lead to a modest decline in real public sector activity.[6]

Over time, as the initial adjustment to higher export prices and production levels stabilizes, employment effects will moderate but remain positive. Consistent with these developments, the national unemployment rate will decline in the early years of the operational phase before gradually converging back toward the counterfactual scenario as labour market conditions normalize at a higher level of economic activity.

The operational phase of the TMEP will generate a sustained, long-term uplift to Canada's economic performance, reflecting improved export pricing, increased production, and enhanced market access. While the magnitude of impacts will moderate over time as WCS price benefits diminish and the economy adjusts, the effects will remain positive throughout the projection horizon, supporting higher levels of real GDP, employment, and government revenues. Unlike the temporary surge observed during construction, these gains reflect a structural shift in economic capacity, with lasting implications for income growth and external trade.

6 To clarify, we do not make any assumption as to how governments would have adjusted their budget in the absence of the TMEP, both in terms of revenue generation (e.g., income tax rates) or program expenditures (e.g., industry grants, health transfers per capita). As such, much of the impact on fiscal revenues flows directly to accumulated surpluses or deficits.

Taken together, the construction and operational phases underscore the broader economic importance of strategic transportation infrastructure investment. The TMEP—representing an initial capital outlay of about $29.5 billion (nominal $)—delivers both a near-term boost to economic activity and strengthens Canada's long-run growth trajectory. By expanding access to global markets, the project reduces reliance on a narrow set of trading partners and improves realized prices for Canadian crude, particularly the WCS.

Combined, enhanced market access and increased production capacity support a permanent increase in the level of economic activity and real incomes, reinforcing the role of trade diversification and infrastructure development in bolstering economic prosperity over the long term.

Front-loaded benefits for B.C.

The British Columbia macroeconomic model captures the dynamic interactions between spending, production by industry, employment, incomes, and prices over time. While the provincial model is somewhat less detailed than the national model, it shares the same underlying structure and similar behavioural relationships, which leads to consistent national and provincial results.

Capital investments yield large returns

Construction-related impacts are greater in British Columbia because most of the pipeline infrastructure was built in this province. Construction through mountainous terrain also required intensive engineering and capital expenditures. Project construction spending in British Columbia totalled $24.7 billion (nominal $) over the 2018–25 period,[7] representing about 84 per cent of total TMEP construction expenditures. Due to the concentration of capital spending in the province, the construction impacts are considerably larger than the long-term operational impacts, making the construction phase the main driver of the pipeline's economic contribution to British Columbia.

While the initial impact in the province originated in construction activity, the effects spread throughout the economy through supply chain linkages, stronger household incomes, and increased consumer spending. As a result, the project supported gains in output, employment, incomes, population, and business profitability across a broad range of industries.

Economic impacts strengthened as construction activity accelerated, peaking in 2022 and 2023 when project spending reached its highest levels. At its peak, the project increased British Columbia's real GDP by $9 billion and supported close to 60,000 jobs, equivalent to 2.2 per cent of provincial GDP and employment. On average, GDP was 0.9 per cent higher ($3.8 billion) and 25,400 more people were employed in the province. Labour market gains translated into increases in employee compensation and household income, supporting additional spending throughout the provincial economy. (See Table 5.)

The provincial model incorporates a demographic response, allowing migration flows to adjust to changing labour market conditions. Strong employment growth and lower unemployment rates associated with TMEP construction attracted additional workers to the province, which in turn helped to increase B.C.'s population relative to the counterfactual forecast during the peak construction years.

Business profitability also increased substantially during the peak years of construction. Near the end of the construction period, businesses' gross operating surpluses gradually returned towards the counterfactual scenario as project spending and overall economic activity wound down. Despite this, the cumulative impact on business profits over the construction period was strongly positive.

TMEP operations provide steady benefits

In contrast with the construction phase, the ongoing impacts of the TMEP are more modest in British Columbia because the principal economic gains associated with increased upstream oil production occur outside the province. Nevertheless, B.C. continues to benefit from its role as the export gateway for western Canadian crude oil, with positive impacts arising through pipeline transportation, export activity, and related supply chain industries.

7 In real terms (2026 $) expenditure is $26.5 billion over the 2018–25 period.

Table 5
The construction phase boosted B.C.'s economy

Economic indicator	2018	19	20	21	22	23	24	25	Total
Real GDP at market prices (2026 $ millions)	**1,596**	**1,005**	**2,795**	**4,867**	**8,959**	**8,867**	**1,374**	**844**	**30,307**
Real GDP at market prices (percentage difference)	0.4	0.3	0.7	1.2	2.2	2.1	0.3	0.2	n.a.
Consumer price index (percentage difference)	0	0	0	0	0.01	0.01	0.02	0.02	n.a.
Total population (count)	226	623	882	1,381	2,503	3,925	4,517	4,482	n.a.
Employment (thousands)	12.3	7.5	19.6	33.2	59.5	57.7	8.7	4.8	203.3
Unemployment rate (level difference in rate, percentage points)	–0.4	–0.2	–0.7	–1.1	–1.9	–1.7	–0.1	–0.1	n.a.
Real total compensation of employees (2026 $ millions)	890	574	1,512	2,702	4,879	4,834	677	142	16,211
Real gross business profits (2026 $ millions)	576	349	984	1,881	3,551	3,182	–625	–1,299	8,600

Source: Signal49 Research.

Table 6
The operational phase provides a modest but lasting lift to B.C.'s economic activity

Economic indicator	2024	30	35	40	44	Total
Real GDP at market prices (2026 $ millions)	**93**	**231**	**262**	**319**	**369**	**5,750**
Real GDP at market prices (percentage difference)	0.02	0.05	0.05	0.05	0.06	n.a.
Consumer price index (percentage difference)	0	0.01	0.01	0.02	0.03	n.a.
Total population (count)	–19	–575	–801	–878	–869	n.a.
Employment (thousands)	0.6	1.4	1.5	1.7	1.8	32.9
Unemployment rate (level difference in rate, percentage points)	–0.02	–0.05	–0.05	–0.06	–0.06	n.a.
Real total compensation of employees (2026 $ millions)	59	153	155	163	174	3,280
Real gross business profits (2026 $ millions)	22	148	107	109	138	2,462

Source: Signal49 Research.

The operational impacts are smaller than those observed during construction but are sustained over the long term. Real GDP will increase throughout the forecast horizon, rising from $93 million (2026 $) in 2024 to nearly $369 million by 2044, for an annual average of $274 million. Employment effects are as persistent, with the TMEP supporting an average of 1,600 jobs annually over the operational phase across the whole economy. Labour income, household income, and business profitability will all rise, as additional transportation and export activity supports economic activity across the province. (See Table 6.)

Unlike the construction phase, the operational phase does not lift population growth in British Columbia. Because the TMEP generates larger long-run economic gains in Alberta, net interprovincial migration will shift modestly in Alberta's favour, resulting in a small reduction in British Columbia's population relative to the counterfactual scenario over time.

The overall results indicate that British Columbia will derive important long-term benefits from its role in transporting western Canadian crude oil to tidewater and international markets. While these gains are considerably smaller than the temporary impacts associated with construction, they will provide a steady source of output, employment, household income, and business profits throughout the project's operating life.

The TMEP will lift Alberta's economy

Unlike British Columbia, where most of the impacts are associated with project construction, Alberta derives its largest benefits from the operational phase. The province receives relatively less direct construction spending, but captures most of the long-term gains associated with higher crude oil production, stronger exports, increased investment, and improved market access. As a result, the operational phase is the main driver of the pipeline's economic contribution to Alberta.

Construction contributed $7 billion to Alberta GDP

The construction phase of the TMEP generated positive economic impacts in Alberta through project-related spending, supply chain demand, and increased household incomes. While these effects were smaller than those observed in British Columbia, they nevertheless supported gains in output, employment, labour income, and business activity across the province. Over the course of construction, GDP was $886 million higher each year on average—0.2 per cent of the provincial figure—and an additional 4,500 people were employed.

Economic impacts peaked in 2020 as project activity accelerated. At its peak, the TMEP increased Alberta's real GDP by $1.8 billion (2026 $) and supported close to 9,700 jobs across the economy, equivalent to about 0.4 per cent of provincial GDP and 0.5 per cent of provincial employment. Higher employment and wages translated into stronger household income and consumer spending. (See Table 7.)

Because interprovincial migration is driven by relative labour market performance, Alberta and British Columbia competed for workers during the construction phase. As a result, the stronger concentration of construction activity in British Columbia attracted workers to the province during the peak construction years, leaving Alberta with a modestly lower population relative to the counterfactual scenario.

Business profitability also increased during the construction period, reflecting higher levels of economic activity across a range of industries. While business profits softened near the end of the construction phase as activity returned toward the counterfactual scenario, the cumulative impact on business income remained positive.

Operations unlock $9.6 billion in GDP annually

The impacts of the operational phase build quickly once service begins and continues to be substantial throughout the forecast horizon. (See Table 8.) In Alberta, real GDP impact will peak in 2028 at about $12.3 billion, 2.2 per cent above the counterfactual scenario, and stay at 1.1 per cent above the counterfactual in 2044. On average, the TMEP will lift real GDP by $9.6 billion per year over the operational phase, representing 1.6 per cent of Alberta's GDP forecast for the period.

Table 7
Alberta experienced a non-negligible impact from the construction phase

Economic indicator	2018	19	20	21	22	23	24	25	Total
Real GDP at market prices (2026 $ millions)	**713**	**616**	**1,768**	**1,337**	**1,308**	**606**	**461**	**118**	**6,928**
Real GDP at market prices (percentage difference)	0.2	0.1	0.4	0.3	0.3	0.1	0.1	0	n.a.
Consumer price index (percentage difference)	0.02	0.04	0.08	0.12	0.13	0.12	0.07	0.03	n.a.
Total population (count)	46	155	304	475	393	-33	–443	–485	n.a.
Employment (thousands)	3.6	3.2	9.7	7.2	6.6	3.3	2.1	0.4	36.3
Unemployment rate (level difference in rate, percentage points)	–0.1	–0.1	–0.4	–0.2	–0.2	–0.1	–0.1	0	n.a.
Real total compensation of employees (2026 $ millions)	359	355	976	808	764	433	211	19	3,926
Real gross business profits (2026 $ millions)	306	198	675	358	316	58	114	–31	1,995

Source: Signal49 Research.

Though employment gains will peak at more than 33,000 jobs in 2027, before gradually moderating as the WCS price impact tapers down and the economy adjusts, employment will remain well above the counterfactual scenario throughout the projection period. On average, the TMEP will lift employment by 19,500 jobs over the period. Labour income, household income, and business profits will all increase substantially, as higher energy sector activity generates broad economic benefits across the provincial economy.

Unlike the construction phase, Alberta will experience a net in-migration and a sustained increase in population relative to the counterfactual scenario due to the large gains in economic activity compared to other provinces.

Overall, the results indicate that Alberta will realize the largest long-term benefits from the TMEP. While construction provided a temporary boost to economic activity, the operational phase will generate a sustained increase in output, employment, household income, and business profits due to higher oil production and expanded access to global markets. These long-run impacts will account for most of the project's economic contribution to the province.

Table 8
The operational phase provides a large long-term boost to Alberta's economy

Economic indicator	2024	30	35	40	44	Total
Real GDP at market prices (2026 $ millions)	**3,854**	**10,825**	**9,957**	**9,074**	**8,178**	**201,070**
Real GDP at market prices (percentage difference)	0.8	1.9	1.6	1.3	1.1	n.a.
Consumer price index (percentage difference)	0.08	2.1	3.27	4.26	4.92	n.a.
Total population (count)	208	7,610	10,930	12,779	13,432	n.a.
Employment (thousands)	13.6	21.8	17.8	14.4	11.7	408.9
Unemployment rate (level difference in rate, percentage points)	–0.5	–0.5	–0.3	–0.2	–0.1	n.a.
Real total compensation of employees (2026 $ millions)	1,330	3,412	3,249	3,142	2,957	67,668
Real gross business profits (2026 $ millions)	12,478	11,999	12,153	12,809	13,807	279,241

Source: Signal49 Research.



TMEP strengthens government finances

Estimating fiscal impacts

Fiscal impacts of the TMEP are calculated using Signal49's public accounts fiscal model, which is designed to translate the economic impacts estimated in our national and provincial macroeconomic models into government revenues, expenditures, budget balances, and debt outcomes. Whereas our macroeconomic forecasts are constructed on a national accounts basis, the fiscal model is aligned to public accounts concepts, and is therefore intended to reflect the measures reported in government financial statements. All figures are reported in nominal dollars and represent the incremental impact of the pipeline project relative to the no-TMEP counterfactual.

In our counterfactual scenario without the TMEP, we assume government expenditure programs remain unchanged against the baseline in which the pipeline has been build and is operational. Differences in annual fiscal balances between our baseline forecast and the counterfactual scenario flow directly to interest-bearing debt. As a result, our approach highlights the pipeline's key role as a revenue-generating project and its impact on the health of public finances.

Note that TMEP project costs are expected to be fully recovered over the operating life of the assets, with owners recovering both their invested capital and a reasonable return on that investment. As such, neither the initial capital costs (and any associated debt) nor the crown revenues arising from ongoing TMEP profits are included in this fiscal analysis. (For an explanation of how we estimated the fiscal impacts, see "Estimating fiscal impacts.")

Tens of billions in additional government revenues

Our analysis shows that the TMEP will generate billions of dollars in revenues for the federal, Alberta, and B.C. governments over the life of the project, with the benefits becoming substantially larger during the operational phase. (See Table 9.)

At the federal level, the largest revenue gains will come through personal and corporate income taxes, generating $1.6 billion per year over the life of the project. Federal goods and services tax (GST) and other excise tax revenues and duties will also increase substantially as household spending and business activity expand. Stronger labour market conditions will boost employment insurance (EI) premium collections while reducing EI benefit payments, producing a net fiscal gain. See Appendix C for more detailed fiscal impact tables, which include the fiscal impact of the TMEP on major budget expenditure categories.

Table 9
Income taxes and royalties will drive much of the fiscal benefits for governments
(cumulative impact, 2026 $ millions, fiscal years 2018–19 to 2044–45)

Source of revenue	Canada	Alberta	B.C.
Total government revenue	**38,443**	**35,985**	**5,663**
Personal and corporate income taxes	43,162	17,856	4,657
Sales and other excise taxes	116	–896	289
Oil and gas royalties	–	39,961	–
Revenue-sharing from TMEP	–	–	684
Other*	–4,835	–20,934	33

*includes employment insurance contributions (federal), education property taxes (Alberta and B.C.), other resource royalties (B.C.), and other fees and own-source revenues
Source: Signal49 Research.

Between the two provinces, Alberta will receive the largest fiscal benefit, largely due to the TMEP's upstream oil and gas impacts. The most important source of revenues for the province is royalties during the operational phase—averaging $1.9 billion annually between 2024–25 and 2044–45, for a cumulative total of $40 billion. Alberta will also realize hefty

gains in both personal and corporate income tax revenues ($17.9 billion, or $661 million per year, over the full horizon) as employment and business activity increase. To illustrate the scale of these impacts, Alberta's fiscal benefits from the TMEP in 2025–26 represented 3.1 per cent of the province's total revenues for the fiscal year.

British Columbia also benefits materially from the project, especially during the construction phase, which generated a cumulative $2 billion in fiscal revenues for the province between 2018–19 and 2025–26. Across the whole period of analysis, the province's fiscal gains are concentrated mostly in income taxes associated with increased economic activity and employment, generating an average of $172 million per year.

Unlike Alberta, British Columbia does not receive oil and gas royalties. However, B.C. receives payment directly from Trans Mountain as part of a revenue-sharing agreement. The agreement generates an estimated cumulative benefit to the provincial government of $684 million (2026 $),[8] up to $41 million annually during the operational phase, reflecting its key role as a transportation and export corridor. In 2025–26, B.C.'s fiscal revenue generated by the TMEP represented 0.7 per cent of the province's total revenues for the year.

TMEP benefits ripple across the economy

In addition to our macroeconomic and fiscal simulations, we estimated the broader impacts of the TMEP across the Canadian economy, its supply chains, and additional income earned by households. For this analysis, we applied our Economic Impact Assessment (EIA) model, which includes 236 detailed industries. This model presents impacts decomposed into direct, indirect, and induced impacts at the provincial level.[9]

The TMEP supports high-paying construction jobs

Spending on labour, materials, services, and land totalled $29.5 billion (nominal $) during the construction of the TMEP. On a real basis,[10] this spending is estimated to have generated $41.6 billion in GDP throughout Canada over the construction period. (See Table 10.) Total impacts were heavily concentrated (46.8 per cent) in the non-residential building construction sector, which is the broad industry that includes pipeline construction.

Table 10
TMEP construction generated $29 billion in income for workers
(cumulative economic impact, 2018–2025)

Economic indicator	Total	Direct	Indirect	Induced
GDP (2026 $ billions)	41.6	21.2	6.4	14.0
Government tax revenues (2026 $ billions)	11.6	5.5	2.1	4.0
Labour income (2026 $ billions)	28.7	19.0	3.6	6.1
Employment (person-years,* thousands, annual average)	26.9	12.6	4.5	9.7

*Person-years of employment measure the total cumulative number of people employed throughout the period of analysis, representing the average employment type (full-time, part-time, or seasonal) over a typical year in any given industry.
Source: Signal49 Research.

8 Payments made to the B.C. government under this agreement were estimated and provided on a calendar-year basis. This revenue-sharing agreement is estimated to generate a cumulative fiscal revenue of $781 million (nominal $) for the B.C. government between 2024 and 2044.

9 However, EIA models do not incorporate a time dimension or dynamic variables as do our macroeconomic forecasting models. Also, government revenues estimated in the EIA framework do not include natural resource royalties, and are reported in real terms. As such, the results presented in this section should not be expected to align with those of our macroeconomic simulations.

10 All EIA impacts in this section are reported in 2026 dollars.



The majority (51.0 per cent) of cumulative real GDP impacts were generated across directly involved industries, with 15.3 per cent spread across indirect suppliers. The remaining 33.6 per cent came from induced household spending by workers employed by the project and its suppliers. Knock-on supply chain effects represent a relatively smaller share of total impacts partly because of a reliance on imported materials and equipment. On the other hand, the large induced effects channel is likely caused by the highly paid jobs supported by the project.

Indirect supplier impacts remained mostly within Alberta and B.C. (85.2 per cent), indicating an emphasis on local procurement. Across all of Canada, industries receiving the largest indirect impact were manufacturing (20.7 per cent) and financial services (15.1 per cent). Wholesale and retail trade, professional services, and resource extraction industries also received a large portion of indirect GDP impacts (a combined 44.8 per cent share). This industry mix represents typical spending needs for large infrastructure projects, such as raw materials, energy, manufactured products, equipment, various professional services, and financing.

The TMEP directly employed 12,600 people per year on average in British Columbia and Alberta. Most of these workers (86.0 per cent) were in B.C., which is not surprising as a larger share of pipeline construction occurred in that province. The average worker directly employed during the construction phase earned $183,800 in British Columbia and $218,500 in Alberta per year over the period—more than double the average annual wages in those two provinces.[11]

We estimated that the TMEP construction phase generated $11.6 billion in total government tax revenues. Of these, more than two-thirds (67.2 per cent) came from personal income taxes and social security contributions (such as CPP and EI). This reflects the high share of project spending that went toward worker compensation. Because of this, the federal government received the majority (61.7 per cent) of tax revenues, while municipalities received the least (6.1 per cent), mostly through more than $710.8 million in property taxes. Of the cumulative tax revenue generated for provincial governments during the construction phase, B.C.'s government reaped the largest share (63.4 per cent).

TMEP operations support Canadian supply chains

While the TMEP is operating, midstream impacts reflect spending on labour, professional services, energy, right-of-way management, and more. To operate the TMEP, more than $3.5 billion (nominal $)[12] is projected to be spent between 2026 and 2030. Beyond 2030, we assume $741 million will be spent annually.[13] Trans Mountain staff and external service providers, which often provided labour-intensive services, make up 36.0 per cent and 21.0 per cent of this spending, respectively. We estimate that pipeline operations will add $918 million (2026 $) annually to Canadian real GDP between 2026 and 2030, before jumping to almost $931 million per year in the long term. (See Table 11.)

11 Statistics Canada, "Distribution of employment income of individuals by gender and work activity, Canada, provinces and selected census metropolitan areas," Table 11-10-0240-01, Government of Canada, April 29, 2026, https://doi.org/10.25318/1110024001-ENG; and Statistics Canada, "Consumer Price Index, annual average, not seasonally adjusted," Table 18-10-0005-01, Government of Canada, January 19, 2026, https://doi.org/10.25318/1810000501-ENG.

12 In real terms (2026 $) expenditure from 2026 to 2030 is $3.4 billion.

13 In real terms (2026 $) expenditure is $694 million annually.

Table 11
TMEP's annual operational real GDP impacts will be close to $1 billion over the near term
(cumulative economic impact, 2026–2030)

Economic indicator	Total	Direct	Indirect	Induced
GDP (2026 $ millions)	4,590	1,194	2,104	1,291
Government tax revenues (2026 $ millions)	1,594	744	503	346
Labour income (2026 $ millions)	2,400	784	1,052	564
Employment (person-years, thousands, annual average)	4.3	0.9	2.0	1.4

Source: Signal49 Research.

More than one-quarter of total GDP impacts (26.0 per cent) occur directly in the pipeline transportation sector, reflecting a large portion of spending on internal operations and staff at Trans Mountain. Within Alberta and B.C., indirect supplier impacts are largest in utilities (20.9 per cent) and professional and scientific services (18.1 per cent), which corresponds to the expenditures from energy and various outsourced pipeline management and maintenance activities. Outside of Alberta and B.C., Ontario's financial services industry—Canada's financial hub—indirectly receives 3.9 per cent of total indirect real GDP from TMEP operations.

Trans Mountain directly employs about 850 people across Alberta and British Columbia, with around 60 per cent of workers located in Alberta. Pipeline operations and its supply chain support high-paying jobs, helping to generate $258 million in induced real GDP across Canada each year. Outside Alberta and B.C., TMEP operations support employment for a further 810 Canadian workers each year through indirect and induced channels.

The midstream pipeline operations will generate an estimated $319 million per year in real government tax revenues (2026 $) for all municipal, provincial, and federal governments across Canada. Municipalities in Alberta and British Columbia receive nearly 95 per cent of the municipal government revenues generated, $521 million across Canada, from 2026–30. Provincial government revenues are the least concentrated, but still substantially so, at 76.9 per cent in B.C. and Alberta.

As Trans Mountain headquarters are located in Alberta, this province receives a large portion of these tax revenues (33.8 per cent). Meanwhile, as many pipeline operators and maintenance staff and contractors work on the pipeline in B.C., this province receives the largest share of total government tax revenue impacts (52.5 per cent). Together, the provincial and municipal governments in British Columbia reap 31.5 per cent of total midstream tax revenue impacts.

Long-term recurring impacts slightly higher

As operations ramp up between 2026 and 2029, the mix of operational costs will fluctuate, before settling in 2030 once the project has matured. As such, taking 2030 as a representative year where $741 million (nominal $) is spent on operations, we estimate that annual, recurring midstream impacts will be $931 million in real GDP across Canada. More than 4,300 workers, who will receive comparable pay to the annual average from 2026–30, will be supported. In this representative year, TMEP operations will generate $327 million annually in real government tax revenues, with nearly half of these revenues (48.0 per cent) accruing to the federal government.

The TMEP enables Alberta's oil sector

The upstream component of the TMEP's operational phase refers to the increased economic activity in Alberta's oil sands sector. Between 2024 and 2044, we estimate this upstream activity will be $17.7 billion ($13.2 billion in 2026 $) per year. The majority (84.4 per cent) will stem from increased oil production stimulated by the expanded pipeline capacity. The remainder will be captured directly as profits realized by oil producers and shippers thanks to the general WCS price uplift and lower transport costs applying to the whole of Alberta's heavy bitumen basin.

Table 12
TMEP upstream activity could generate nearly a third of a trillion dollars in real GDP over the next two decades
(cumulative economic impact, 2024–2044)

Economic indicator	Total	Direct	Indirect	Induced
GDP (2026 $ billions)	321.0	194.7	97.0	29.3
Government tax revenues* (2026 $ billions)	53.3	21.5	23.4	8.3
Labour income (2026 $ billions)	62.4	12.8	36.5	13.1
Employment (person-years, thousands, annual average)	24.5	2.3	14.4	7.8

*does not include resource royalties
Source: Signal49 Research.

Our EIA model estimates that this additional upstream activity will generate a cumulative $321 billion (2026 $) in real GDP impacts between 2024 and 2044, or $15.3 billion annually. (See Table 12.)

All direct upstream real GDP impacts occur in Alberta's oil sands extraction sector, where there is expanded oil and gas activity. Among indirect suppliers, the next most impacted industry is professional services (14.1 per cent of indirect real GDP impacts), followed by financial services (6.5 per cent), reflecting a strong demand for these services by the oil and gas sector.

Two-thirds (67.2 per cent) of total employment supported by upstream benefits are located in Alberta. This represents direct oil and gas employment for an average of 2,300 jobs each year during the forecast horizon and nearly 14,200 more jobs through indirect and induced effects in Alberta. Outside the province, indirect and induced effects will support 8,000 jobs per year on average, which suggests a large knock-on impact for the rest of Canada.

The average annual salary for direct oil and gas jobs in Alberta in 2024 was $264,400 – quadruple the Canadian average in 2024.[14] This high salary, along with further activity generated across supply chains, will create many additional jobs, as there are 9.6 indirect and induced jobs across all provinces for every directly employed worker in Alberta. Indirect and induced jobs supported by the TMEP carry an average salary of $106,300 – also well above average Canadian earnings in 2024.

We estimate that upstream benefits will help generate close to $2.5 billion (2026 $) per year on average in real government tax revenues between 2024 and 2044. We estimate that the federal government will receive 61.5 per cent of these real tax revenues, due in large part to corporate income taxes, while provincial governments will receive 33.4 per cent. While municipal governments are predicted to receive only about 5 per cent of additional revenues, it will be a substantial amount. Municipal governments are estimated to receive $2.7 billion from 2024 to 2044, more than $130 million on average each year. Due to the location of increased oil and gas activity, Alberta's provincial government is set to reap 26.2 per cent of all tax revenue impacts generated by upstream benefits. Importantly, the EIA framework does not include any resource royalties as part of government tax revenue impacts.

14 Statistics Canada, "Distribution of employment income of individuals by gender and work activity, Canada, provinces and selected census metropolitan areas," Table 11-10-0240-01, Government of Canada, April 29, 2026, https://doi.org/10.25318/11110024001-ENG; and Statistics Canada, "Consumer Price Index, annual average, not seasonally adjusted," Table 18-10-0005-01, Government of Canada, January 19, 2026, https://doi.org/10.25318/1810000501-ENG.

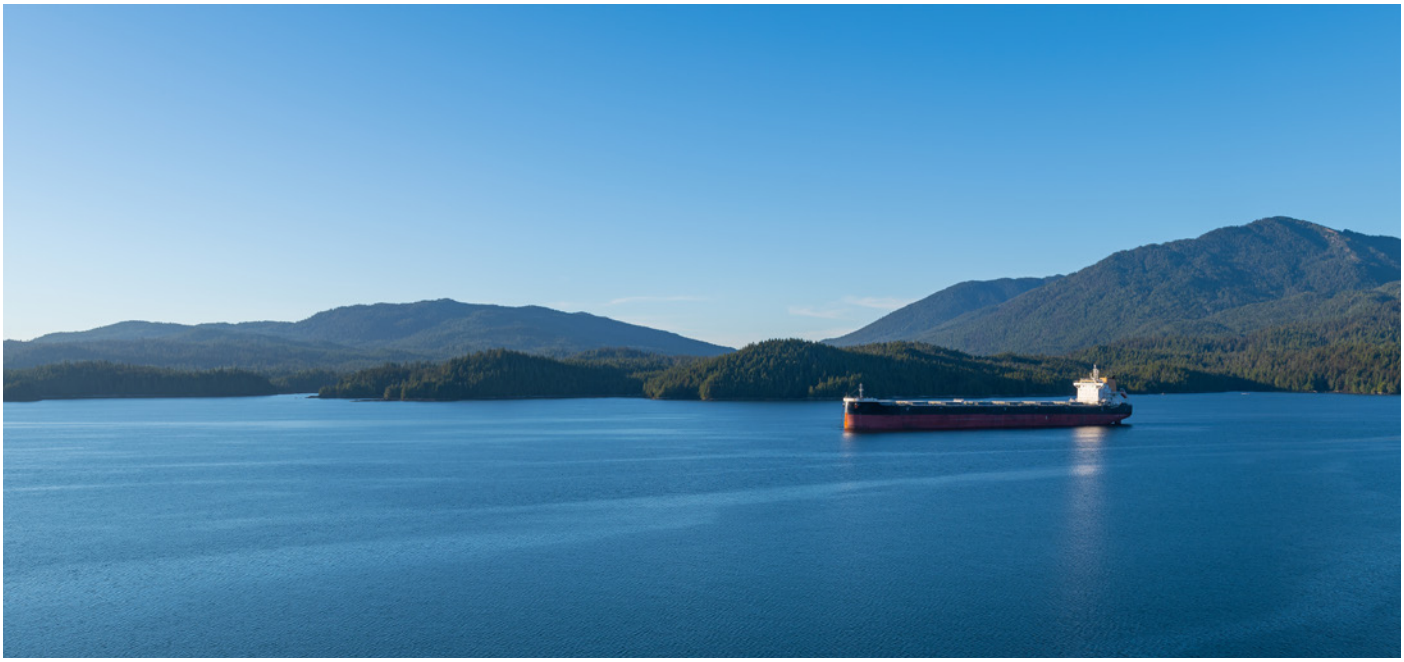
A lasting source of economic value for Canadians

Our analysis indicates that the economic benefits for Canada from the TMEP are significant and measurable. Indeed, the TMEP is expected to continue supporting economic activity across the country and specifically in Alberta and B.C. over the coming decades.

During construction, the project supported thousands of jobs, with most of those jobs in British Columbia. It also generated demand for materials, equipment, and services from suppliers all over the country. Since entering operation, the TMEP has expanded transportation capacity for Canadian crude oil, thus contributing to permanently improved access to export markets and greater prices for its non-renewable oil assets.

The project is expected to generate $80.1 billion in government revenues for Alberta, B.C., and federal governments, with important implications for public finances over the long term. Put another way, in the absence of the TMEP, government debt would be higher, leading to billions of dollars in additional debt servicing costs over time. Overall, we expect the initial capital investment of $29.5 billion (nominal $) to have a lasting positive impact for businesses, households, and governments alike.

We estimated the project's incremental economic impacts by comparing a counterfactual scenario where the TMEP was never built to the observed macroeconomic history and Signal49's baseline long-term forecast. As such, the impacts discussed here cover only the benefits associated with the expansion of the original Trans Mountain pipeline, and importantly do not cover the broader footprint of the oil and gas sector as a whole.



Appendix A

Methodology

Overview of our approach

Our modelling framework combined four of Signal49's proprietary macroeconomic models:

1. National Medium-Term Forecasting Model (MTFM)
2. Provincial Medium-Term Forecasting Model (PMTFM)
3. Fiscal (Public Accounts) Model
4. Economic Impact Assessment (EIA) Model

Our macroeconomic forecasting models

To capture the dynamic inner workings of the economy, we applied Signal49's macroeconomic forecasting models for Canada, Alberta, and British Columbia.

Our macroeconomic models incorporate behavioural responses by households, businesses, governments, and financial markets to changes in economic activity. As spending and output increase, wages, prices, interest rates, labour supply, migration flows, and investment decisions adjust in response. These interactions are particularly important when evaluating large projects over long-term horizons.

The national model captures economy-wide effects across Canada, including impacts on inflation, interest rates, exchange rates, exports, and overall economic growth. Provincial models for Alberta and British Columbia incorporate these national conditions while providing more detailed estimates of provincial output, employment, incomes, population, and industry activity.

The macroeconomic simulations form the basis of the economic results presented in this report.

Economic Impact Assessment Model

Our EIA model follows a standard input–output framework designed to estimate the detailed direct, indirect, and induced impacts of a project on GDP, employment, and tax revenues.

Because the model contains detailed industry-level relationships within each province, it provides a comprehensive view of how economic activity is distributed across industries and provinces through supply chains. The EIA framework is useful for identifying the industries most affected by construction spending and for estimating the broad ripple effects that occur throughout the economy.

However, like all input–output models, the EIA framework does not fully capture longer-term adjustments in prices, wages, migration, investment, interest rates, or exchange rates.

Integrating the different modelling tools

The EIA and macroeconomic frameworks are complementary rather than competing approaches. The EIA model provides highly detailed estimates of supply chain impacts and industry-level effects, while the macroeconomic models capture the longer-term evolution of the economy as firms, households, and governments respond to changing economic conditions.

Using both approaches provides a more complete assessment of the TMEP's economic contribution than either method could provide independently.

This report emphasizes the economic impact results from our macroeconomic modelling approach, as we consider them to be more realistic and reliable. However, we also provide a summary of EIA results, as we recognize that this is a widely used framework and can provide useful insight, especially about the decomposition of the TMEP's impact.

Fiscal impact analysis

In addition to estimating impacts on GDP, employment, income, and investment, we evaluate the fiscal implications of the TMEP for governments. While the EIA provides estimates of some components of government revenues, our Fiscal (Public Accounts) Model draws from the key economic indicators from our national and provincial macroeconomic models to estimate the detailed fiscal impact on a public accounts basis.

Changes in employment, labour income, household income, corporate profits, consumer spending, and economic activity are translated into government revenues and expenditures. Importantly, this includes royalties received from natural resource extraction sectors, which the EIA does not consider. Detailed fiscal results are presented separately.

A detailed step-by-step walkthrough of our methodology follows.

Step 1: Establishing the macroeconomic shock parameters

To quantify the full economy-wide effects of the TMEP, we implemented a structured macroeconomic shock representing a world where the pipeline was never built to compare against our baseline forecast, which already reflects the benefits of the pipeline. We separate the project into two phases: construction and operational. (See Table 1.)

Table 1
Overview of the macroeconomic shock implementation

Phase	Economic channel	Key model variables for shocks
Construction	Pipeline construction	Business investment in oil and gas infrastructure
Operational	Pipeline operations and incremental oil production	Operating expenditures and maintenance spending; oil price, export volumes for oil and refined petroleum products, upstream business investment

Source: Signal49 Research.

WCS price assumptions

We assumed the TMEP generates a positive price impact on the WCS, stemming from a general uplift for the whole production basin, plus a separate toll benefit accruing to shippers using the pipeline specifically. We also assumed that the general basin uplift will gradually decline toward zero as the pipeline reaches capacity in 2029. However, the shipper netback is assumed to be permanent.

To implement these price impacts in our no-TMEP scenario, we subtract from the baseline WCS price the weighted average of the toll benefit and basin uplift. (See Table 2.) In the absence of the TMEP, we assumed that between 2024 and 2026, the WCS price is lower by between US$5.22 and US$5.14.[1] As the pipeline nears capacity and additional barrels begin to be shipped by alternate modes of transport, the effective price impact begins to decrease before settling to an average impact of about US$0.60 per year starting in 2029. For simplicity, we used this average total WCS price impact in our macroeconomic model. In fact, the toll benefit improvement for shippers using the TMEP is projected to settle between US$4 and US$5 per barrel in the coming decade, but is only applied to the incremental 540,000 barrels per day induced and transported by the TMEP, resulting in the ~US$0.60 long-term total WCS price impact presented in Table 2 below.

Production assumptions

We assumed that in the absence of the TMEP, incremental production would be lower by 122,000 barrels per day in 2024, growing to 540,000 barrels per day by 2028 and remaining there until 2044. (See Table 3.) We also assumed that all of the incremental production will be exported.

Investment and operational expense assumptions

In the counterfactual scenario,we assumed that spending is lower in the economy during the construction and operational phases of the pipeline, occurring in Alberta and British Columbia.

During the construction phase, expenditures totalled $29.5 billion, spread across Alberta and British Columbia. (See Table 4.) These expenditures are split across labour costs, equipment, material, services, and land rents.

Table 2
Assumed price impact on Western Canadian Select of the TMEP over time
(TMEP price impact, $ per barrel)

Year	US$	C$
2024	5.22	7.16
25	5.20	7.19
26	5.14	6.81
27	2.77	3.57
28	2.69	3.46
29–44 (average)	*0.60*	*0.90*

Note: Price impact is computed as weighted average of toll benefit and basin uplift.
Sources: Trans Mountain Corporation; Signal49 Research.

Table 3
Assumed induced Alberta oil production by TMEP
(thousands of barrels per day)

Year	Additional production
2024	122
25	264
26	389
27	491
28	540
29–44	540

Sources: Trans Mountain Corporation; Signal49 Research.

1 We estimated these price impacts based on a set of conservative assumptions developed by Trans Mountain, combined with the quantitative analysis conducted by Signal49 Research.

Table 4
Annual capital expenditures for TMEP construction
(nominal $ millions)

Year	B.C.	Alberta	Total
2018	1,102	422	1,524
19	740	397	1,137
20	1,927	1,093	3,020
21	3,960	1,054	5,013
22	7,612	1,052	8,664
23	7,889	549	8,438
24	1,259	189	1,448
25	210	23	233

Sources: Trans Mountain Corporation; Signal49 Research.

During the operational phase, we assumed that 60.0 per cent of expenses occur in B.C., while the remainder (40.0 per cent) occurs in Alberta. (See Table 5.) From 2030 onwards, operational expenses are assumed to grow by 2.7 per cent annually until the end of the forecast period (2044).

Table 5
Annual expenditure on pipeline operations
(nominal $ millions)

Year	B.C.	Alberta	Total
2026	407	271	678
27	412	274	686
28	422	282	704
29	437	286	723
30	451	290	741

Sources: Trans Mountain Corporation; Signal49 Research.

Step 2: Running the Economic Impact Assessment Model

To better guide the supply chain and induced impact of the macroeconomic simulation, both in terms of its industry and geographic decomposition, we ran three EIA models, each reflecting a phase of the TMEP: construction, pipeline operations, and upstream benefits of expanded oil and gas activity. The relative size of indirect and induced GDP and employment impacts for Alberta, B.C., and other provinces acted as a frame of reference to ensure that the macroeconomic simulation properly captured the structure of the full Canadian economy.

Step 3: Implementation into our national macroeconomic model

By introducing changes to the economy associated with the TMEP construction and operations, we quantified the macroeconomic impacts of this project over time by comparing key indicators in the counterfactual scenario (excludes the pipeline) with our baseline outlook (includes the pipeline's output and pricing impact). Key indicators assessed include real GDP, employment, household consumption effects, exchange rate and trade adjustments, inflation, and more.

We conducted two national model runs—covering the construction and operational phases—to separately model and report the impacts associated with each component. The operational phase reflects both the midstream and upstream impacts as a result of the pipeline being operational.

Step 4: Implementing the shock into our provincial macroeconomic model

We incorporated our Provincial Medium-Term Forecasting Model (PMTFM) to analyze the impact for both Alberta and British Columbia. The PMTFM is a quarterly, bottom-up econometric model of provincial economies. It captures detailed interactions between provincial output, labour markets, investment, population dynamics, and interprovincial trade. This approach allowed us to produce GDP, employment, and estimates for Alberta and British Columbia that are aligned with the national results.

We conducted four provincial model runs: two phases (construction and operational) across the two key provinces (Alberta and British Columbia).

Step 5: Fiscal impact modelling

We then integrated the macroeconomic simulation results into the Fiscal (Public Accounts) Model to estimate the implications for government finances. The fiscal modelling component allowed us to estimate:

- detailed annual federal and provincial revenues and expenditures (including royalty revenues associated with incremental oil production);
- changes in federal and provincial budget balances and debt over time.

Most revenue and expenditure variables are derived directly from the economic impacts estimated in our separate federal and provincial forecast models, using established fiscal relationships that link economic activity, employment, incomes, profits, consumption, and resource production to government finances. The framework also contains an embedded debt-accounting mechanism that tracks the evolution of accumulated surpluses and deficits over time, including the resulting changes in public debt and associated interest costs.

This approach embeds those fiscal impacts within the broader economic system, allowing government balances and fiscal dynamics to evolve endogenously over time. We ran our fiscal model for each of the federal, Alberta, and B.C. governments based on their respective macroeconomic simulation results.

Appendix B

Model descriptions

National macroeconomic model

The national forecasting model—known as the Medium-Term Forecasting Model (MTFM)—is a quarterly model of the Canadian economy. It consists of about 1,700 endogenous variables, of which 500 variables have stochastic equations and all series forecast with a quarterly frequency in the medium term (five years) and annual frequency in the long term (20 years). The medium-term outlook is updated each quarter, corresponding with each release of the national accounts data, while the long-term outlook is updated semi-annually.

The MTFM is based on the neoclassical synthesis and thus possesses many of the properties associated with such models. In this multi-sector model, wages and prices are driven by sector-specific production functions. Investment expenditure is based on the capital stock solved as a factor in a constant elasticity of substitution production function. We made an effort to ensure that the rate of capital-labour substitution implicit in the investment equations was also reflected in the employment equations. Output is largely expenditure-determined in the model, but there is supply side feedback through sector capacity measures that influence prices, imports and exports, and output.

Each quarterly MTFM includes the following indicators:

- GDP on detailed consumption and income accounts
- GDP deflators
- Raw materials and industry product prices
- Consumer Price Index (CPI)
- Consumption
- Residential, non-residential and government investment
- Capital stock
- Housing starts, completions, stocks
- Unemployment rate
- Labour force participation rate
- Personal disposable income
- Wages
- Productivity
- Unit labour costs
- Capacity utilization
- Taxes and government transfers
- Exports
- Imports
- Population, total and by sex and age cohort
- Births, deaths
- Immigration (international and interprovincial)
- GDP by industry
- Exchange rates
- Short-, medium-, and long-term interest rates

The long-term MTFM forecast provides detailed insights into the long-run economic prospects of Canada's key industries. Our industry forecasts include time series at the Canada-level and cover a 20-year horizon through to 2045.

Provincial macroeconomic model

The Provincial Medium-Term Forecasting Model (PMTFM) is a quarterly, bottom-up econometric model that combines the economies of the 10 provinces and three territories. The model defines both real GDP at basic prices (the value of producers' output) by province and GDP at market prices (as paid by final consumers, including indirect taxes). To our knowledge, Signal49 is the only private organization that produces regular economic forecasts for Canada's territories.

The PMTFM includes over 2,900 equations. Of these, around 1,400 equations are behavioural or stochastic, while the other equations are accounting or definitional. Most of the exogenous variables in the model are national indicators. For each province, there are a number of simultaneous blocks of equations, including blocks for final domestic demand (personal consumption, government spending, and residential and non-residential business investment), production by industry, income, prices, and labour markets.

The PMTFM also has an endogenous provincial population block in which net interprovincial migration plays a key role in determining overall population growth.

Fiscal forecasting model

The Fiscal (Public Accounts) Model generates fiscal projections for federal, provincial, and territorial governments using historical public accounting frameworks and data from finance ministries. At the federal and provincial levels, the model aligns implicit tax rates with economic drivers like personal and corporate income and consumer spending, derived from Signal49's latest economic forecasts. Federal transfers and equalization payments are based on policy assumptions and economic outcomes among provinces, while expenditures are influenced by economic and demographic drivers.

Historical data comes from Statistics Canada, the Canadian Institute for Health Information, Health Canada, and provincial and federal budgets. The fiscal model employs Signal49's detailed demographic projections and economic outlooks for all provinces and territories, incorporating variables like international migration, fertility rates, and economic conditions.

Components of our fiscal model include:

1. **Revenue:** Includes personal and corporate income taxes, sales taxes, royalties, and transfers from the federal government;
2. **Expenditure:** Covers health care, education, social services, and debt servicing, adjusted for demographic changes and inflation;
3. **Health expenditures:** Detailed projections by spending category, age, and gender, considering demographic changes, inflation, and technological impacts;
4. **Education spending:** Projections based on age-specific enrolment rates and demographic changes, divided into elementary, secondary, and post-secondary categories.

The model can be adapted to assess the fiscal impact of changes in economic conditions, demographic trends, or policy at the federal, provincial, and territorial levels.

Economic Impact Assessment Model

Signal49's EIA model is built on Statistics Canada's Input–Output (I/O) model of the Canadian and provincial and territorial economies. The current version uses the 2022 I/O framework– which is the latest available for current use. Our analysis assumed a consistent economic structure across both the historical and forecast periods, applying the 2022 I/O relationships throughout the modelling horizon.

Comprehensive economic impacts are reported at three levels: direct, indirect, and induced. In the context of this study, the effects are as follows:

- **Direct effects** refer to the incremental economic activity generated within the oil and gas sector as a result of increased production and price realization attributable to the TMEP.
- **Indirect effects** measure the upstream supply chain impacts arising from increased demand for intermediate goods and services (e.g., transportation, engineering services, manufacturing inputs, business services).
- **Induced effects** account for the additional economic activity generated when workers in directly and indirectly affected industries spend their income on goods and services throughout the economy.

These three dimensions of the economic impacts were summed up to create the total impacts for the following economic indicators:

- GDP
- Employment
- Labour Income
- Government tax revenues

Results produced at both the national and provincial levels, including Alberta and British Columbia, provide detailed sectoral and geographic distribution of impacts.

Appendix C

Detailed results

Detailed fiscal model results

Table 1

Cumulative fiscal impact by phase – Government of Canada
(2026 $ millions)

Source of revenue	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	3,218	13,547
Corporate income tax	2,136	24,261
Sales tax	427	608
Other excise taxes and duties	63	–981
Employment insurance contributions	438	325
Other revenues	–62	–5,535
Total revenue impacts	**6,219**	**32,224**

Source: Signal49 Research.

Table 2

Cumulative fiscal impact by phase – Government of Alberta
(2026 $ millions)

Source of revenue	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	1,157	217
Corporate income tax	117	16,364
Other tax revenue	27	–4,391
Resource royalties	–85	40,046
Other revenues	–61	–17,407
Total revenue impacts	**1,155**	**34,830**

Source: Signal49 Research.

Table 3
Cumulative fiscal impact by phase—Government of British Columbia
(2026 $ millions)

Source of revenue	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	1,095	1,493
Corporate income tax	47	2,022
Sales tax	340	33
Other tax revenue	116	–167
Other revenues	385	299
Total revenue impacts	**1,983**	**3,680**

Source: Signal49 Research.

Detailed EIA model results

Table 4
Midstream annual economic impact—representative year
(2026 $ millions, 2030)

Economic indicator	Total	Direct	Indirect	Induced
GDP (2026 $ millions)	931	247	421	264
Government tax revenues (2026 $ millions)	327	153	103	71
Labour income (2026 $ millions)	488	163	210	115
Employment (thousands)	4.3	0.9	2.0	1.5

Source: Signal49 Research.

Table 5
Upstream annual economic impact—representative year
(2026 $ millions, 2029)

Economic indicator	Total	Direct	Indirect	Induced
GDP (2026 $ millions)	15,725	8,927	5,140	1,558
Government tax revenues (2026 $ millions)	2,732	1,058	1,233	440
Labour income (2026 $ millions)	3,332	697	1,939	695
Employment (thousands)	27.5	2.7	16.1	8.7

Source: Signal49 Research.

Table 6
Cumulative real GDP impact by geography—construction phase
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	3,441	17,781	21,221
Indirect	1,559	3,878	6,381
Induced	4,097	5,884	13,978
Total	9,096	27,543	41,580

Source: Signal49 Research.

Table 7
Cumulative real wage impact by geography—construction phase
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	3,088	15,959	19,046
Indirect	725	2,296	3,586
Induced	1,313	2,431	6,059
Total	5,126	20,685	28,691

Source: Signal49 Research.

Table 8
Cumulative employment impact by geography—construction phase
(person-years, thousands)

Impact	Alberta	B.C.	Canada (total)
Direct	14	87	101
Indirect	7	25	36
Induced	18	32	78
Total	39	144	215

Source: Signal49 Research.

Table 9
Cumulative real government tax revenues by geography—construction phase
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	942	4,538	5,480
Indirect	387	1,412	2,109
Induced	982	1,545	3,989
Total	2,311	7,494	11,578

Source: Signal49 Research.

Table 10
Cumulative real GDP impact by geography—midstream
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	478	717	1,194
Indirect	705	1,094	2,104
Induced	392	541	1,291
Total	1,575	2,351	4,590

Source: Signal49 Research.

Table 11
Cumulative real wage impact by geography—midstream
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	313	470	784
Indirect	334	538	1,052
Induced	141	221	564
Total	788	1,229	2,400

Source: Signal49 Research.

Table 12
Cumulative employment impact by geography—midstream
(person-years, thousands)

Impact	Alberta	B.C.	Canada (total)
Direct	1	3	4
Indirect	3	5	10
Induced	2	3	7
Total	6	11	21

Source: Signal49 Research.

Table 13
Cumulative real government tax revenue impact by geography—midstream
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	300	444	744
Indirect	147	262	503
Induced	91	131	346
Total	538	837	1,594

Source: Signal49 Research.

Table 14
Cumulative real GDP impact by geography—upstream
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	194,746	–	194,746
Indirect	79,591	5,921	97,018
Induced	14,399	6,564	29,270
Total	288,736	12,485	321,033

Source: Signal49 Research.

Table 15
Cumulative real wage impact by geography—upstream
(2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	12,816	–	12,816
Indirect	27,594	2,177	36,548
Induced	6,279	2,230	13,065
Total	46,689	4,407	62,430

Source: Signal49 Research.

Table 16
Cumulative employment impact by geography—upstream
(person-years, thousands)

Impact	Alberta	B.C.	Canada (total)
Direct	48	–	48
Indirect	218	22	303
Induced	79	32	164
Total	346	54	515

Source: Signal49 Research.

Table 17
Cumulative real government tax revenue impact by geography—upstream
(cumulative, 2026 $ millions)

Impact	Alberta	B.C.	Canada (total)
Direct	21,512	–	21,512
Indirect	18,042	1,627	23,473
Induced	3,738	1,559	8,275
Total	43,292	3,185	53,260

Source: Signal49 Research.

Appendix D

Impact on public debt and detailed fiscal results

Impacts on public debt

For the three governments examined, revenue gains generated by the TMEP consistently exceed any additional program expenditures that could arise from increased population and inflation across the two phases. The result is a net improvement in annual fiscal balances and, in turn, a reduction in the public debt. Moreover, this reduction in debt leads to lower debt-servicing charges, which compounds over time to lead to even healthier fiscal positions.

In its spring 2026 Budget Update, the federal government projects its interest-bearing debt[2] will reach $2.62 trillion (nominal $) by 2030–31, while debt servicing charges will grow to $80.9 billion. In our counterfactual scenario, this fiscal position would be weaker due to the forgone fiscal revenues from TMEP-related economic activity; by 2030–31, we estimate that interest-bearing debt would have reached $2.66 trillion ($38.5 billion higher), leading to a $1-billion increase in debt servicing costs during that year. By 2044–45, we estimate that interest-bearing debt would have reached $3.78 trillion without the TMEP, which is $139.7 billion higher than our baseline fiscal forecast. This will add $4.1 billion in debt-servicing charges. Overall, we estimate that by 2044–45 the federal government and its constituents will save a total of $38.5 billion in debt servicing charges since 2018–19, which is an average of $1.4 billion per year.

The picture is similar in B.C., where the compounding impact of higher revenues—combined with very little increase in expenditures—will reduce interest-bearing debt and debt servicing costs substantially over time. In its most recent update, the B.C. government projects that interest-bearing debt will reach $189 billion by 2028–29, with debt servicing costs reaching $8.7 billion. In the absence of the TMEP, we estimate that interest-bearing debt would have reached $192.5 billion, with debt servicing going up by $138 million. By the end of our period of analysis in 2044–45, interest-bearing debt would have reached $557.3 billion in the absence of the TMEP—$13.6 billion higher than in our baseline forecast—leading to $551 million more in debt charges. In total, we estimate that the TMEP will save the B.C. government $5.8 billion in debt servicing charges between 2018–19 and 2044–45.

2 Interest-bearing debt comprises outstanding market debt obligations, pensions, and other employee future benefits, as well as other interest-bearing liabilities.

The Alberta government currently projects its interest-bearing debt will reach $137.5 billion in 2028–29, with debt servicing costs pegged at $4.9 billion. In the absence of the TMEP, we estimate this debt level would have increased by $21.7 billion that year, leading to additional debt servicing charges of $560 million—an increase of 12.0 per cent. By 2044–45, we estimate that without the TMEP, Alberta's fiscal situation would have severely worsened. Its interest-bearing debt would have increased to $293.5 billion, which is $129.7 billion above our baseline forecast, and debt charges would have risen by $4 billion. In total, we estimate that the TMEP will save the Alberta government $36.3 billion in debt servicing charges between 2018–19 and 2044–45.

Table 1

Cumulative fiscal impact by phase – Government of Canada
(nominal $ millions)

Economic indicator	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	3,113	42,843
Corporate income tax	1,939	35,875
Sales tax	443	5,691
Other excise taxes and duties	91	551
Employment insurance contributions	418	3,532
Other revenues	4	29,702
Total revenue impacts	**6,007**	**118,194**
Employment insurance payments	–3,056	–3,626
Other transfers	39	145
Debt charges	–8,594	–40,513
Total expenditure impacts	**–11,611**	**–43,994**
Impact on interest-bearing debt by 2044–45	**–17,620**	**–162,271**

Source: Signal49 Research.

Table 2

Cumulative fiscal impact by phase—Government of Alberta
(nominal $ millions)

Economic indicator	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	1,105	19,883
Corporate income tax	136	25,053
Other tax revenue	47	3,010
Resource royalties	–	58,193
Other revenues	75	11,243
Total revenue impacts	**1,363**	**117,382**
Social programs	38	7,356
Other program expenditures	93	17,841
Debt charges	–1,209	–35,103
Other expenditures	–	–
Total expenditure impacts	**–1,078**	**–9,906**
Impact on interest-bearing debt by 2044–45	**–2,441**	**–127,288**

Source: Signal49 Research.

Table 3

Cumulative fiscal impact by phase—Government of British Columbia
(nominal $ millions)

Economic indicator	Construction phase (2018–19 to 2025–26)	Operational phase (2024–25 to 2044–45)
Personal income tax	1,018	2,220
Corporate income tax	51	2,447
Sales tax	330	287
Other tax revenue	133	60
Other revenues	386	990
Total revenue impacts	**1,919**	**6,004**
Social programs	2	25
Other program expenditures	5	58
Debt charges	–2,964	–2,818
Other expenditures	–	–
Total expenditure impacts	**–2,957**	**–2,735**
Impact on interest-bearing debt by 2044–45	**–4,875**	**–8,739**

Source: Signal49 Research.

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Accessibility Officer, Signal49 Research
Tel.: 613-526-3280 or 1-866-711-2262 | Email: accessibility@signal49.ca

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