



Legislative Assembly of Alberta

The 31st Legislature
Second Session

Standing Committee
on
Alberta's Economic Future

Ministry of Infrastructure
Consideration of Main Estimates

Wednesday, March 11, 2026
3:30 p.m.

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The 31st Legislature
Second Session**

Standing Committee on Alberta's Economic Future

Wiebe, Ron, Grande Prairie-Wapiti (UC), Chair
Dach, Lorne, Edmonton-McClung (NDP), Deputy Chair
Schmidt, Marlin, Edmonton-Gold Bar (NDP),*Acting Deputy Chair

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* substitution for Lorne Dach

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Standing Committee on Alberta's Economic Future

Participants

Ministry of Infrastructure

Hon. Martin Long, Minister

Dale Beesley, Assistant Deputy Minister, Properties

Mark Kleefeld, Deputy Minister

3:30 p.m.

Wednesday, March 11, 2026

[Mr. Wiebe in the chair]

**Ministry of Infrastructure
Consideration of Main Estimates**

The Chair: Good afternoon. I would like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates for the Ministry of Infrastructure for the fiscal year ending March 31, 2027.

I'd ask that we go around the table and have members introduce themselves for the record. Minister, please introduce the officials who are joining you at the table. My name is Ron Wiebe and I'm the MLA for Grande Prairie-Wapiti and the Chair of this committee, and we will begin to my right.

Mr. Wright: Hi, everyone. Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

Mr. van Dijken: Glenn van Dijken, the MLA for Athabasca-Barrhead-Westlock.

Mr. Bouchard: I'm Eric Bouchard, MLA for Calgary-Lougheed.

Mr. Stephan: Jason Stephan, MLA Red Deer-South.

Mr. Long: I'm Martin Long, MLA for West Yellowhead, the Minister of Infrastructure. With me today are Mark Kleefeld, my deputy minister of infrastructure; Jessica Carlson, chief operating officer and assistant deputy minister of strategic integration and operations; Brad Smid, assistant deputy minister of strategic partnerships and learning facilities; and Kostas Giannoulis, assistant deputy minister and senior financial officer.

Ms Hoffman: I'm Sarah Hoffman, Edmonton-Glenora.

Mr. Deol: Jasvir Deol, MLA for Edmonton-Meadows.

Mr. Schmidt: Marlin Schmidt, Edmonton-Gold Bar.

Member Boparai: Parmeet Singh Boparai, MLA for Calgary-Falconridge.

The Chair: I'd now like to note the following substitutions for the record. Hon. Mr. Schmidt for Mr. Dach as deputy chair, and hon. Member Hoffman for Dr. Elmeligi.

Ms de Jonge just arrived, so would you introduce yourself for the record?

Ms de Jonge: Good afternoon, everyone. Chantelle de Jonge, MLA for Chestermere-Strathmore.

The Chair: A few housekeeping items to address before we turn to the business at hand. Please note that the microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of the meeting can be accessed via the Legislative Assembly website. Members participating remotely are encouraged to turn the camera on while speaking and mute your microphone when not speaking. Remote participants who wish to be placed on the speakers list are asked to e-mail or message the committee clerk, and members in the room should signal to the Chair. Please set your cellphones and other devices to silent for the duration of the meeting.

Hon. members, the main estimates for the Ministry of Infrastructure shall be considered for three hours. Standing order

59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(6) sets out the speaking rotation for this meeting. The speaking rotation chart is available on the committee's internal website and hard copies have been provided to the ministry officials at the table.

For each segment of the meeting blocks of speaking time will be combined only if both the minister and the member speaking agree. If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotment in the main estimates schedule and the committee will adjourn. Should members have any questions regarding speaking times or rotation, please e-mail or message the committee clerk about the process.

With the concurrence of the committee, I would call for a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Does anyone have any objections to the break? Seeing none.

Ministry officials who are present may, at the direction of the minister, address the committee. Ministry officials sitting in the gallery, if called upon, have access to the microphone in the gallery area and are asked to please introduce themselves for the record prior to commencing. Pages are available to deliver notes or other materials between the gallery and the table. Attendees in the gallery may not approach the table. Space permitting, opposition caucus staff may sit at the table to assist their members; however, members have priority to sit at the table at all times.

Points of order will be dealt with as they arise, and individual speaking times will be paused; however, the block of speaking time and the overall three-hour meeting clock will continue to run.

Any written material provided in response to the questions raised during the main estimates should be tabled by the minister in the Assembly for the benefit of all members.

Finally, the committee should have the opportunity to hear both the questions and the answers without interruptions during the estimates debate. Debate flows through the chair at all times, including instances when speaking time is shared between a member and the minister.

I would now invite the Minister of Infrastructure to begin with your opening remarks. You have 10 minutes.

Mr. Long: Thank you, Mr. Chair, and thank you to members of government and opposition caucuses for your time today. I appreciate the ability to present Alberta Infrastructure's estimates for 2026-27 and to speak to the work under way to support the growing needs of communities across Alberta.

I've already introduced the members of my executive team with me today at the table, who I rely on every day and whose leadership ensures Infrastructure continues to deliver the public facilities Albertans rely on, but I would like to share how grateful I am for their support and the phenomenal job that the team does to make my job easier and serve Albertans each day. I'd also like to take a moment to recognize a few members of my executive team that are in the public gallery today, including the assistant deputy minister of properties, Dale Beesley; assistant deputy minister of capital projects delivery, Ghassan El-Chazli; and other representatives from the ministry, including Leonid, who's one of my favourites. Along with them are members of my minister's office who support me as well. I want to thank all of them for their hard work and dedication.

Since becoming Minister of Infrastructure I've heard directly from communities across Alberta about what infrastructure means in their daily lives. From growing towns to large urban centres those conversations reinforce that this work is foundational to how Albertans access essential services. As we move through this budget cycle Alberta's government is responding to today's

pressures by focusing on what matters, making disciplined choices, and turning possibility into progress for Albertans.

As Minister of Infrastructure I'm keenly aware that while this ministry may not always be the most visible in government, it is consequential to Albertans' everyday lives. It affects the schools where children learn, the hospitals where care is delivered, and the public buildings that keep communities safe, connected, and moving forward. When infrastructure works, Albertans feel it everywhere, and that responsibility sits squarely with this ministry. I look forward to sharing some of the highlights of this very important work with you this afternoon.

Before I do, I want to take a moment to say thank you to the folks beyond my executive team here today, but to the many public servants across Alberta Infrastructure who work behind the scenes to plan, manage, and deliver these projects. Their work often isn't visible, but it makes a real difference in communities across the province.

Infrastructure's work is about more than wood, steel, concrete, and construction schedules. It is about ensuring Albertans have access to high-quality hospitals, schools, mental health facilities, and public buildings. It is also about reducing red tape, driving efficiencies, and delivering value through responsible planning and sound asset management.

Before I speak to the capital plan and estimates, I want to highlight an aspect of Infrastructure's work that I'm especially proud of. Infrastructure has a long history of stretching every dollar. From Budget 2018 to Budget 2025 program expenses grew by only about 2 per cent, even as Alberta's population grew and costs increased, driven by high inflation, pandemic price shocks, and unexpected tariffs. During that time we delivered more with less by successfully maintaining our asset base and managing a complex portfolio of projects, all while supporting the needs of a fast-growing province. That kind of discipline does not happen by accident. It reflects strong teams, clear expectations, and a shared commitment to using public dollars carefully. I want to thank the teams across Alberta Infrastructure for keeping that focus even as pressures continue to grow.

This discipline is reflected in what infrastructure delivered over the past year. Across Alberta the ministry advanced work on more than 200 active health, school, and government facility projects, spanning planning, design, and construction. During the most recent fiscal year over a dozen of those projects reached completion or significant construction milestones, representing hundreds of millions of dollars in public infrastructure investment across urban, rural, and remote communities. These completions included new and modernized schools such as the St. Carlo Acutis Catholic high school, which I visited earlier this week, and new or upgraded hospitals and mental health facilities such as the new and expanded Peter Lougheed Centre emergency department, which I had the pleasure of visiting in January.

3:40

Together these projects supported thousands of jobs across Alberta's construction, engineering, and trade sectors contributing directly to local economies while building long-term value in our public assets. One of the most significant projects under way is the Red Deer regional hospital centre redevelopment, one of the largest health infrastructure projects in Alberta's history. This multiyear project represents a major investment in regional health care and is now well into construction with significant progress already achieved. That progress is critical to keeping the project on track, managing risk, and protecting taxpayer dollars.

Over the past year Infrastructure also completed planning and advanced construction of the La Crête maternity and community

health centre, progressed work on the neurosciences intensive care unit expansion at the University of Alberta hospital, and continued advancing major government facility projects across the province.

A key lesson Alberta's government has learned is this: strong outcomes start with strong planning. That is why Infrastructure continues to invest in upfront planning, ensuring projects are scoped correctly, scheduled realistically, and delivered efficiently.

Over the next three years a total of \$8 billion is allocated in Infrastructure's capital plan to deliver the facilities communities across Alberta need. This represents a \$2 billion increase from Budget 2025 reflecting Alberta's rapid population growth and increased demand for schools, hospitals, and public building facilities. This three-year \$8 billion investment includes \$3.6 billion for health and mental health facilities, including health capital maintenance and renewal, an increase of \$1 billion or 40 per cent from Budget 2025.

Some of the health care projects that are most important that I wanted to highlight are the following: \$74 million over the next three years to advance the work on replacing the Cardston health centre, an additional \$63 million over the next three years to develop shelled space in already operational health facilities across the province. Developing shelled space is one of the fastest ways that Infrastructure can deliver the much-needed capacity to health facilities across the province. My ministry will also be responsible for the additional \$50 million that will improve the existing rural health care facilities through the rural hospital enhancement program. Lastly, additional funding of \$19 million was included for the land acquisition and site readiness for the new stand-alone Stollery children's hospital to be built right here in Edmonton.

There is \$3.3 billion for school facilities including school capital maintenance and renewal, an increase of \$682 million or 26 per cent from Budget 2025. Earlier this week it was a pleasure to be part of the announcement of the 10 new school projects included in Budget 2026 for the city of Edmonton. In total Budget 2026 includes 40 new school projects with 16 being announced last week in rural Alberta and 14 in the city of Calgary announced the week before.

While the announcement of these new projects is exciting, the bulk of the capital budget for school facilities will go toward the 83 in the planning phase, 47 in the design phase, and the 30 that are currently under construction; \$681.5 million for government facilities including capital maintenance and renewal, an increase of \$174.7 million or 34 per cent from Budget 2025.

One of the largest investments from that bucket is the construction funding of \$124.5 million to build a new office of the Chief Medical Examiner in Edmonton. Once built, it will be able to better assist in investigating sudden or unexpected debts of loved ones. Lastly, \$341.5 million for various accommodation projects, an increase of \$43.2 million or 14 per cent from Budget 2025.

Because demand is greatest in education, health, and mental health care, most of Infrastructure's capital investment is focused on those sectors, but maintaining existing facilities is just as important as building new ones. Included in the figures I just mentioned, Budget 2026 provides nearly \$1 billion over three years for capital maintenance and renewal of government-owned health and school facilities, an increase of approximately 7 per cent from the previous year. This funding helps extend the life of existing buildings, keeps facilities safe and functional, and avoids much higher replacement costs in the future.

Infrastructure's expense vote for '26-27 is \$531.3 million, an increase of \$29.5 million from Budget 2025, or 5.8 per cent. Approximately 90 per cent of operating expenses supports the management of government-owned and -leased space, including the day-to-day operation of more than 1,500 buildings across Alberta. Infrastructure's capital investment vote for '26-27 is just

over \$2.5 billion dollars, an increase of \$669 million from Budget 2025.

With that, Mr. Chair, I want to thank you again for the opportunity to present our estimates. I look forward to your questions.

The Chair: Thank you, Minister.

We will now begin with the question-and-answer portion of the meeting. For the first 60 minutes members of the Official Opposition and the ministry may speak. Hon. members, you will be able to see the timers for the speaking block both in the committee room and on Microsoft Teams. Question to the member who will be speaking first, Member Deol: do you wish to combine your time with the minister or block time?

Mr. Deol: I would like to combine it.

Mr. Long: If it's okay, Chair, I'd prefer block to start with, and we'll see how it rolls and make a decision each time if that's okay.

The Chair: Block time it is.

Member, go ahead.

Mr. Deol: Good afternoon, Chair, Minister, and all the members. Thank you for the whole team appearing before the committee today to discuss the budget estimates for the Ministry of Infrastructure. At the outset, I would like to clarify that all my questions are being asked in good faith and for the purpose of obtaining information and clarity on behalf of my constituents and Albertans across the province. These questions are not intended for any other purpose. Rather, they are meant to ensure transparency, accountability in how public funds are allocated and used to address the infrastructure needs of our communities. If the ministry is unable to provide specific details during this meeting, I would appreciate receiving the relevant information in writing at a later time as well.

My question or concerns – you know, I just wanted to start with the ministry's mandate. I listened to the minister's statement. I would just like to – I wouldn't say a lot – read a small text from the ministry's mandate. The ministry mandate document says that “the Ministry of Infrastructure plays a vital role in building and strengthening resilient, accessible and future-ready communities across Alberta.” It further explains that the ministry is responsible for providing Albertans with the public infrastructure needed to support health care, education, justice services, economic growth through modernized project delivery methods, and strong partnership with industry.

Reading this mandate – you know, this is a very long mandate – from its statement it is clear that the ministry recognizes the critical importance of infrastructure in building resilient and future-ready communities. While going through the documents, that raises some concerns to understand how it really aligns with the ministry's mandate.

Given this ministry's mandate and its emphasis on supporting public services through infrastructure – so documents. Looking at documents, I found it very difficult to reconcile the absence of funding for the construction of new schools and hospitals in this budget. Alberta's education system is currently experiencing a historic shortage of classroom spaces. Many school boards across the province have repeatedly warned that they are struggling to accommodate growing student populations. As a result, classrooms are becoming increasingly overcrowded, and classroom complexity continues to rise. Teachers are being asked to manage larger classes with increasingly diverse learning needs, often without the necessary physical infrastructure to support students effectively.

I also wanted to, you know, add and say for the record that in my riding school capacity is running based on a lottery system right now. If you live across from the school and your kids probably play every evening in the school playground, they are not necessarily getting into their school. I get lots and lots of issues in my office on a daily basis regarding people asking now if I can help them even get this student into private school, whichever school.

3:50

Health care is also an issue, particularly acute care, that continues to face severe infrastructure pressure. Hospitals in many parts of the province are operating beyond their intended capacity. In the city of Edmonton alone they report nearly, I would say, more than 1,000 hospital bed shortages right now. As a result, Albertans are frequently experiencing long wait times in emergency departments and in some cases receiving treatment in hallways – like, I have very first-hand experience that I would not like to share; a bad experience – due to the lack of available beds.

In my own constituency I have heard heartbreaking stories from families who have experienced these pressures first-hand. In one particularly tragic case my constituent – you've probably heard it already – Mr. Prashant Sreekumar lost his life after waiting more than eight hours in the emergency waiting room at the Grey Nuns community hospital while waiting for treatment. Situations like this highlight the very real human consequences of inadequate health infrastructure.

My question to the minister is this: how does this government justify allocating zero dollars for the construction of new schools and hospitals at a time when both systems are facing unprecedented infrastructure shortage? Does this decision align with the ministry's stated mandate to support resilient and future-ready communities?

The government also announced plans for a new children's hospital. They did it after cancelling the first south Edmonton hospital to distract from probably the public push-back. The south Edmonton hospital was ready to go. The design funding was there. Even the first phase of construction funding was allocated, but this government, this UCP government, in seven years first delayed it twice and then finally cancelled it when the funding was even in the department already and the land was ready to go. Meanwhile the existing children's hospital is reportedly operating beyond capacity. The UCP announced, after cancelling the south Edmonton hospital, that they will build a stand-alone, independent Stollery children's hospital.

What I see in this budget is that this budget is merely design planning coming after, you know, announcing it three years ago. The Stollery hospital was announced three years ago, and what I see finally coming in this budget is a small amount of design planning. That means we will not see a children's hospital for many more years while we know that the Stollery children's hospital ran on portable waiting areas to accommodate the capacity they are experiencing, specifically, particularly when there's a flu season, when we were going through COVID. Even if you go visit the hospital, like, there are patients all over in the hallways waiting to get into the emergency side, not even the people who are admitted there. According to this budget we will not see this hospital coming for the next many years.

My other question that relates to that also is on government estimates, page 140, line item 1. This is the ministry's operating expense. While we see that there is no new major project coming for the public infrastructure, there's been an increase in the ministry's office budget. I'd really appreciate if the minister can just, you know, shed some light and explain what this increase is for, what this increase represents. Is this just inflationary adjustments or the minister hiring more staff? We see that the

government of Alberta projects to table the budget that is below the inflation and the population growth. What is this increase in the minister's office?

The Chair: Thank you, Member.

We'll now go to the minister for his first 10-minute block.

Mr. Long: Thank you, Chair, and thank you, Member. I appreciate the tone that you've set from the start. I'm fortunate to have the best critic in government, I would say. Thank you, Member.

I'll start with some of the conversation around school facilities, in particular. Our ministry works in collaboration with the Ministry of Education and Childcare and school authorities. We plan, design, build, and modernize school facilities to ensure our K to 12 students have access to modern, well-designed learning spaces. Three point three billion dollars, or 41 per cent, of the total Infrastructure capital plan over the next three years is for schools, and over \$2.5 billion is allocated to continue delivering previously approved schools; \$710 million for the schools now program, which includes \$600 million for modulars; \$55 million for capital maintenance and renewal for P3-delivered schools. It's an increase of \$682 million over three years, or 26 per cent, from Budget 2025, reflecting the government's heightened focus on school infrastructure and the progress in advancing school projects.

Four hundred and seventy-nine million dollars is new funding over three years; \$435 million additional funding for modulars and \$44 million to support planning and design work on 40 new projects: 30 for new spaces, nine modernized or replacing existing space, and one to support a charter. The balance reflects cash flow requirements for existing projects.

Ten school projects are anticipated to be completed in the current 2025-26 fiscal year, representing a total investment of almost \$400 million. Twelve additional projects are anticipated to be completed in '26-27, and 13 projects are anticipated to start construction in '26-27.

Estimated new student spaces that will be created: over 11,000 since September 2024, and then over 9,000 will be created in 2026-27, over 21,000 in '27-28, and almost 35,000 in '28-29.

Overall, Budget 2026 funding is provided to support the planning, design, and construction of 160 new and modernized schools across the province. Of the 160 active projects in various stages 83 are in planning, 47 are in design, and 30 are in construction. This does not include province-wide programs, including the delivery of capital maintenance and renewal projects, for which \$54.7 million is allocated over the next three years.

Over the next three years Infrastructure's school capital plan spending of \$3.3 billion is broken down by region as follows: \$835.8 million in Edmonton, \$461.6 million in Calgary, and \$1.3 billion in other areas; \$733.5 million for the province-wide programs to be allocated such as CMR and modulars. Percentage by region, excluding the province-wide programs, would be as follows: Edmonton, 33 per cent; Calgary, 18 per cent; and other areas, 49 per cent.

Just a few Edmonton-specific that I'd like to provide for starting construction in 2027. Of the 13 that I mentioned, a new 7 to 9 school in Pilot Sound, McConachie, a new 7-12 Catholic and public high school in west Edmonton, a new K to 6 school in Glenriding Heights, a new K to 9 school in River's Edge, and St. Genevieve Catholic elementary/junior high school as well. Then I know Morinville is just on the outskirts of Edmonton, but there's an école Morinville public school replacement as well. Again, I know that's just on the outskirts.

4:00

Just move to health portion, if that's okay. Through Budget 2026 we are continuing to expand, modernize, and strengthen our health care system by investing in critical infrastructure projects such as upgrading and building high-quality health and mental health and addiction facilities. Several major health facility projects are under way, resulting in hundreds of jobs related to planning, design, and construction to continue to strengthen our economy. The health sector ministries, including Mental Health and Addiction, with input from provincial health agencies and HSPs remain responsible for working with communities to identify health priorities and for obtaining approval for all health capital projects, ensuring Albertans have facilities to meet current and future public needs.

Infrastructure's total capital budget for health and mental health facilities over the next three years is \$3.6 billion, which includes \$3 billion for the construction of approved health and mental health projects, \$531 million for capital maintenance and renewal, and \$114 million for planning activities for health facilities. This includes an additional \$339 million in newer incremental funding approved to support 11 health projects and programs as well as an additional \$97 million for capital maintenance and renewal.

This is a significant increase of a billion dollars, or 40 per cent, from Budget 2025 due to the additional funding approved in Budget 2026 and progress advancing in major health and mental health capital projects, in particular, obviously, the advancement of the Red Deer regional hospital redevelopment. Four health and mental health projects are anticipated to be completed in the current 2025-26 fiscal year, representing a total investment of over \$266 million. Eight additional projects are anticipated to be completed in '26-27, and 14 projects are anticipated to start construction in '26-27.

Overall, Budget 2026 funding is provided to support the planning, design, and construction of 68 new and modernized health and mental health and addiction facilities across the province. Of the 68 active health and mental health and addiction facility projects in various stages, 28 are in planning, 25 are in design, and 15 are in construction. The 2026 capital plan provided \$339 million in new or incremental funding to support 11 health projects and programs. This does not include province-wide programs such as the delivery of capital maintenance and renewal.

Some of the major projects supported over the next three years: obviously, Red Deer regional hospital, \$330 million for medical device reprocessing, and \$318.6 million for compassionate intervention centres program, which includes two 150-bed facilities in Edmonton and Calgary, anticipated to be complete in 2029. Also, just a few others on the list – it's a pretty extensive list, so I probably won't have time to get to all of these for this one. We're also bringing in \$74.1 million in new funding to advance the replacement of the Cardston health centre to begin planning and design right away and \$65.2 million for the University of Alberta hospital Brain Centre neurosciences intensive care unit in Edmonton, the schedule for which will be determined as work progresses.

Some notable projects in planning include the in-patient towers at Grey Nuns and Misericordia hospital, \$7.2 million allocated to those – each tower will, subject to future funding approval, provide an additional 300 beds – \$37.9 million for the Stollery children's hospital in Edmonton, and \$5 million for the Royal Alexandra hospital redevelopment. Planning funding and schedules can vary between projects due to scale, scope, complexity as well as requirements around land acquisition and site preparation. For instance, the Stollery children's hospital's funding currently includes land acquisition as well as site preparation work, resulting in the extension of its cash flows to a third year, whereas the in-

patient towers at Grey Nuns and Misericordia community hospitals funding does not require land acquisition.

One of the elements of these projects is the planning component and why it's so critical. While unforeseen circumstances can impact schedules during any construction project, we know that one of the most significant issues is starting a project without a clear business case needs assessment, including service planning and subsequent planning activities. It is impossible to begin construction on a building such as a hospital without knowing exactly what you're going to build first. Functional programming is critical. It must be done before a project can go into a design phase. The functional program translates the clinical needs, including required services and programs, into spatial requirements.

The Chair: Thank you, Minister.

We will now go back to Member Deol for his next set of questions.

Mr. Deol: Do you want to keep it block time again?

Mr. Long: Yeah. For now. Thank you.

Mr. Deol: Thank you, Minister. What I heard from you: there's a plan for mental health facilities. That reminded me of something else. You know, when the first UCP government came in, the health minister, Tyler Shandro, also cancelled the children's and adults' mental health hospital that was going to be built in Edmonton. There is so much infrastructure deficit that we need to catch up with, and what we see in this budget is raising concerns.

Another thing in this House, even in this session, in QP I've heard so many times the hospital and acute care minister referring to Grey Nuns and Misericordia in-patient care tower expansions, explaining hundreds of beds are coming. But I was looking at the capital plan details, planning and design. There is \$4 million in this budget combined for two hospitals. I don't know what this is going to do. This will not even cover, like, design or planning, and the minister is saying that they're expanding the bed capacity in Grey Nuns hospital by hundreds of beds and in the Misericordia. If you have any other information about this, I would be happy to know for my constituents and the people who are raising the concerns. I see only \$4 million combined for the two facilities. That won't build hundreds of new beds in these hospitals.

Also, my question is on the estimates, page 140. The line item is 3.4. This is under capital grants. This line item actually shows a substantial increase in funding. The line item says that this is accommodation projects related to government departments, agencies, boards, and commissions, and the increase is quite a bit. I would be happy if the minister can explain what this jump in funding is for. Is the government planning major new capital projects? I see it's almost a 400 per cent increase in funding. Is the government planning new capital projects related to government accommodations or facilities? If that is, then which one is this? I didn't see any announcement for this project.

4:10

Further, given the recent concern raised about procurement contracting practices within the ministry, I would also like to know whether any portion of this funding is connected to arrangements, you know, the controversial contracts in infrastructure. The gentleman called Sam Mraiche: there are a lot of concerns, and every stakeholder meeting I go to, the name comes up. Is there any way that Sam Mraiche or his affiliate companies, corporations, have anything to do with this line item? I see there is a huge increase in funding. I would really appreciate clarity from the minister on this

so I can get back to my stakeholders and constituents and explain it.

My question on the same page, on line item 2.3 under capital grants that shows zero funding for this fiscal year. Last year this item had \$819,000, and now that has no money in it. That's [inaudible], so I would also appreciate if you can help explain to me which service program or project previously was funded through this line item and why their funding has now been zero, totally removed. Was the previous project completed? What was that project? Has the government decided to discontinue something that was already, you know, under the ministry line item?

My next question is also on the same page, 140, and this is line item 3.3, relates to government-owned facilities preservation. This budget line has experienced a significant reduction. Last year it was funded approximately \$50 million, and that has been reduced by approximately a cut of about 40 per cent. It's \$8,739,000 only. It's a 42 per cent cut. This line item exists specifically to support the maintenance and preservation of government-owned facilities, and I would be happy to get an explanation on the rationale for such a large reduction in the funding in this line item. How will this funding cut affect the maintenance and upkeep of public infrastructure such as government buildings?

The city of Edmonton also raised concerns about the maintenance and repair of provincial government-owned buildings. They said that the province does not 100 percent fund those repairs and renovations and maintenance, and that is extra added burden on cities. Deferred maintenance often leads to so many problems, we all know, so I would appreciate your answer to this because deteriorating infrastructure is not only a loss of a public asset, but also, you know, it's harmful in many ways to the people who use it.

I don't know if I'm going to get the opportunity after this block. I just wanted to bring in my concern that I, you know, shared with the ministry. I don't know if this is our first budget estimates since you took the office or this is the second one.

Mr. Long: Barely the second.

Mr. Deol: I had some questions around, you know, Red Deer's regional hospital centre, about its procurement and P3 partnership. We know there's a study that existed in many provinces, like Saskatchewan, Manitoba, Ontario, Newfoundland, that shows the public loses billions and billions of dollars in those contracts and then receive infrastructure that is not even meeting the basic, minimum requirements. My question was, one, what percentage of that Red Deer regional hospital is being dealt under P3, and who's going to own that, if the government is going to own it, if the public is going to own it, or any portion of that built facility will be owned by any private contractor? Other than that, if this government has done their own comparative study, how is this funded but every other province's is costly to the public sector, and why are we going through that route? I was told the study is online, but I did not find that study anywhere, so I would be happy to know where that study is published and posted online so the public can know.

The Chair: Thank you, Member.

We'll now go to the minister for his next 10-minute session.

Mr. Long: Thank you so much, Member. I might get a little bit out of order, so please forgive me for getting some of the stuff out of order. If I miss some of the stuff in this section, please, if we don't have time today, we'll work and talk offline as well. Again, thank you for your work on this file.

The 3.4 line item that you had mentioned: some of that is the funding that will be used in this program to increase space density in office buildings through the reduction of lease space required by

government, and then there is money in that line attributed to the RAM as well.

The Grey Nuns and Misericordia portion: as I had started sharing a little bit earlier, the importance of the planning element on these projects – and again, we're fortunate that on these particular projects, because they're in-patient towers added on to these facilities, the land is available. We began the planning in 2024, and then the planning scope of work includes the business cases, the master site plans at both sites to appropriate, locate the new towers, and we expect that completion in the spring. Also restacking studies that will assess how the existing clinical and support services will need to respond to support the increased in-patient demand: expecting that completion this spring, and then the functional programming portion is currently in procurement, with expected completion this fall. So the funding is going towards that work.

I really appreciated your comments around deferred maintenance creating problems. That's something that our ministry continues to share broadly and why we continue to ensure that capital maintenance and renewal is prioritized in our budget requests. We're already seeing significant investments into shovel-ready capital maintenance and renewal projects. Those projects employ hundreds of Albertans and stimulate economies locally where it matters most, but as you pointed out, they are necessary to maintain the facilities where Albertans receive government programs and supports every day. Our 2026 capital plan actually allocates \$926.6 million over three years to Infrastructure's budget for capital maintenance and renewal for government-owned and health and school facilities. That figure does not include the \$370.2 million over three years in CMR funding paid directly to schools by education.

4:20

Then some of the health CMR projects: renovating areas to meet accreditation requirements such as for labs and updating spaces such as clean rooms to meet updated codes and standards for infection, prevention, and control. As of November 30, 2025, so the very tail end of 2025, for new CMR projects there were 42 total projects in 30 facilities, 35 projects in 23 acute-care facilities, one project in one mental health and addiction facility, six projects in six continuing care facilities. For projects that were ongoing and committed there were 775 total projects in 169 facilities, 636 projects in 126 acute-care facilities, 55 projects in 13 mental health and addiction facilities, 84 projects in 30 continuing care facilities. For projects over \$5 million there were 36 projects total, which 36 were ongoing and being delivered by health service providers, and seven were under review by Infrastructure and Hospital and Surgical Health Services.

You had a question about a particular name, Sam Mraiche, and procurement. None of that is related to Sam Mraiche. Thanks for the question, through the chair, of course.

As far as the P3 study I'm not sure which study you're referring to. A review was done a few years ago, and we have implemented all recommendations. From the Alberta Infrastructure perspective P3s are a proven commodity. Alberta was a pioneer on the P3 model, and we have a successful and award-winning track record of delivering infrastructure using P3 private-public partnerships. They are used around the world, obviously, to successfully deliver infrastructure projects efficiently. When applied to the right projects, they encourage innovation, improve quality, and deliver long-term benefits. We will continue to work with industry partners to make Alberta's P3 opportunities more competitive, transparent, and attractive to the market. P3s are simply one tool, though, in our toolbox. When a specific project's business case does present value

for money with a P3, we may proceed. When it doesn't, we use other delivery models.

Currently 18 per cent of active school facilities projects are being delivered using the DBFOM model. Two per cent of active health, mental health, and government facilities projects are being delivered using the DBFOM model. Frankly, Alberta taxpayers deserve the best value for their investment dollars. P3s do help us make the best use of limited taxpayer dollars.

Although the evaluation of Red Deer's hospital's ambulatory building for P3 delivery indicated potential value for money relative to other delivery methods, the final bids did not actually achieve the desired financial outcomes. That project component will now be delivered through a construction management methodology. For that we have procured a design team and construction manager to fast track the design and initiate construction as soon as possible.

I missed a question earlier. I just want to double back. That was your question about the minister's office expense. Yeah. I did want to just say that that increase is to account for salary increases. Very fortunate to have a great team in our office, and fortunately we have good bargaining that requires us to meet those expectations. Regardless, yeah, salary increases are part of that component.

I hope that I captured most of that if not all of it. How about I'll do the right thing and cede 30 seconds back to the opposition?

The Chair: Thank you, Minister.

We'll now go over to the hon. Member Schmidt, who will speak next. Member, would you like to share your time or block time with the minister?

Mr. Schmidt: Yes, please.

Mr. Long: Could we do block time for one more segment and go from there?

The Chair: Okay. It's block time.

Go ahead, Member.

Mr. Schmidt: Thank you very much. My first set of questions are related to line item 5, realty services. I think these tie into line item 5.2, land services, and specifically a land transaction between the department and Sam Mraiche for a property at 14425-124 Avenue in Edmonton, immediately west of the Muriel Stanley Venne building. This land transaction is currently under investigation by the Auditor General, and a report by the *Edmonton Journal* at the end of January suggested that the department is currently withholding documents that the Auditor General requested in relation to this investigation, so I'm asking the minister to confirm either with a yes or no answer: is infrastructure withholding documents from the Auditor General regarding this investigation into this land transaction?

If so, can he confirm that these documents in question are actually the subject of mediation with the Privacy Commissioner in order to obtain those things? Yes, can he just clarify what's going on with that? If that's going on, can the minister commit today that the department will drop the mediation with the Privacy Commissioner and instead fully co-operate with the Auditor General's investigations and turn over . . .

Mr. Wright: Point of order, Mr. Chair.

The Chair: Go ahead, member.

Mr. Wright: The member opposite is bringing up very great questions for question period but not so much the estimates, so I call a point of order on 23(b), speaking to matters other than the

budget, which we are here to discuss right now. He's made forward document requests, et cetera, for matters outside of the estimates here today. So I think this is a point of order.

The Chair: Member Schmidt, would you like to respond?

Ms Hoffman: I would love to, actually, Mr. Chair. Thank you very much. The member clearly started his question by identifying a line item within the budget, line item 5 within the operating expenses, so this is about money that is being spent on mediation. The question is about releasing documents, and if that were to happen, then will there be a commitment to no longer pursue spending money on this specific line item as it relates to transparency, Mr. Chair? It might be a matter of debate, but I don't believe in any way that it is a point of order.

The Chair: My question: is this referring to the estimates, and where in the estimates are you referring to this?

Mr. Schmidt: Thank you, Mr. Chair. In my opening remarks for the question, I'm specifically referring to item 5 in the estimates, so pages 140 and 141 and, furthermore, page 102 of the business plan, realty services overall expense. All of my questions are related to those line items.

The Chair: Okay. I will just caution to stay on the subject at hand and refer to the estimates, and we will caution you and not be a point of order at this time.

Mr. Schmidt: Thank you, Mr. Chair. Just to complete my question before I was interrupted, will the minister commit today that the department will drop the mediation with the Privacy Commissioner if, in fact, that is going on and fully co-operate with the Auditor General's investigations?

4:30

My next set of questions, still related to realty services, are based on the outcomes of the Auditor General's investigation into the DynaLife contract. We saw the government significantly interfere with the Auditor General's investigations in that particular case, so I want the minister . . .

Mr. Wright: Point of order, Mr. Chair, 23(i). The member opposite is falsely implying that the government is using ulterior motives to prevent the Auditor General from investigating. This is a point of order, and it is not pertinent to even what we're talking about right now with budget estimates, which would be 23(b) as well.

The Chair: Go ahead, Member.

Ms Hoffman: Thank you very much. I think that we'd just save a lot of time if we heard the questions and the answers, Mr. Chair. Again, the member began by referring to a real estate line item within the budget. You know, he isn't saying anybody's motives. I listen very carefully when all colleagues speak, but I'm listening especially intently during this time as I can tell that there is a desire to call some points of order. While they might be matters of debate, they're certainly within order. They're referring to budget line items, and there is no reference to anybody's intention. They're specifically asking for turning over documents and specific expenditure as it relates to potential mediation. I couldn't imagine anything more in order than referring to government expenditures when it comes to leases and mediation within the Ministry of Infrastructure.

The Chair: I would caution the member to not bring up anything that is under investigation. That's got nothing to do with estimates at all. I would just like to stick to the matter at hand. We won't call a point of order at this time, but let's just stick to the main estimates and this ministry as it relates to what's before us.

Thank you.

Mr. Schmidt: Thank you, Mr. Chair. Of course, dealings with the Auditor General are reflected in the budget. The department pays for staff to deal with those investigations. It's a routine part of government. I'm just wondering how the government is allocating its staff resources when I ask these questions.

Will the department provide all of the requested documents to the Auditor General without redactions? Yes or no? Will the minister commit that the department will not claim cabinet privilege or solicitor-client privilege unless there is a clear legal justification to do so? Yes or no? Will the department stop the potential delays of document disclosure by having lawyers review every line of every document? Yes or no? Will every official involved in this land transaction agree to be interviewed by the Auditor General? Yes or no? Has the department destroyed any documents or communications relevant to this investigation? Yes or no? And will the minister commit today that all evidence relevant to this investigation will be preserved? Yes or no?

Again, my next set of questions is related to realty services. This is more in the '25-26 budget and forecast rather than the '26-27 estimate.

The Chair: Member, can I just interrupt here for a second? This is backward-looking. This is related to Public Accounts. This does not tie into the current estimates, so I would suggest that we use a different line of questioning here on this matter.

Mr. Schmidt: Well, Mr. Chair, as you know, we have before us documents to talk about the budget and forecast for '25-26 as well as the '26-27 estimates, so all of those things are in order.

The Chair: Member, if you can tie your backward-looking to the forward-looking budget, then that's fine, but if it's just backward-looking, then it's a matter of Public Accounts.

Mr. Schmidt: This is all related to how the department is spending money and planning to spend money, particularly with respect to line item 5, realty services.

Ms Hoffman: Yeah, or 1.2.

Mr. Schmidt: Or possibly 1.1, 1.2, the minister's office, the deputy minister's office. These are important questions related to the expenditures that are going on in these line items.

The previous minister ordered an internal investigation into this land deal. What were the findings of that investigation, and will the minister commit to releasing the internal investigation today? If not, what exactly is the government afraid that Albertans will see if that report is released?

Related to that question, I have a number of questions around the purchase of that property. I want to know if the minister can tell us who made the decision to purchase that property. Was it the minister, was it somebody from the Premier's office, was it the Premier herself, was it somebody in the deputy minister's office? Who will take final accountability for the purchase of that property? Related to that, can the minister provide documentation showing who approved the purchase and when?

My next set of questions is related to the purchase price of the property. Now, it's been reported that the department paid \$300,000 more than the price Sam Mraiche paid for the property only 12 weeks earlier. When my colleagues brought up this issue in estimates last year, the deputy minister of the day said that this was within . . .

The Chair: Member, this is all backward-looking. If you've got anything that's tying anything to forward-looking, that is fine. If not, then we'll stop this line of questioning.

Mr. Schmidt: Thank you, Mr. Chair. Of course, this is all related to the estimates.

The Chair: But this is backward-looking. This is Public Accounts; this isn't dealing with the budget as it's going forward. If you could tie it to the budget going forward. You haven't done that to this point, Member.

Mr. Schmidt: I absolutely have, Mr. Chair, and I'm complying with your ruling. Thank you very much.

The department paid \$300,000 more than the price Sam Mraiche paid for the property only 12 weeks earlier. I'm following up on questions that the department provided to my colleagues last year. The department said that the value had been assessed and the price that the department paid was within the assessed values. My question is: the department surely must have known that Sam Mraiche paid \$300,000 less than the department paid only 12 weeks earlier. How is it that the department could possibly pay \$300,000 more for a piece of property that was sold for \$1.7 million 12 weeks prior? Related to that, I want to know if the minister can commit to tabling all of the appraisals and the work that was done to assess the value of the property and to demonstrate to the public that the price that they paid was fair.

Furthermore, I have some questions related to line 5, realty services, with respect to the decision processes around purchasing a property. I'd like the minister to talk about whether or not the processes were followed in this case and, if not, how the processes for purchasing the Sam Mraiche property differed. What was the business case for purchasing the property? Specifically, I want to know: how much was the department paying to rent the space prior to purchasing the property?

Now, just looking from satellite imagery, the property appears to contain about 65 parking spaces. How many parking spaces did the Muriel Stanley Venne building actually require? Can the minister table the business case that was made to justify purchasing 65 parking spaces for the Muriel Stanley Venne and whether or not the minister can justify spending hundreds of thousands of extra dollars for a parking lot that they were already renting?

Because I don't want the minister to wriggle off the hook, I am not going to ask any more questions in this block. I look forward to him providing clear, direct, concise answers to a question that the Auditor General is asking, that the public demands to know. The people of Alberta need to have clarity on transparency. Who made the decisions and why?

Thank you, Mr. Chair.

The Chair: Thank you, Member. Minister, I just want to remind you that you do not have to answer any questions that are backward-looking, that are part of Public Accounts. Go ahead and answer the questions that are relevant to your estimates today.

4:40

Mr. Long: Thank you, Chair, and thank you to the member. I especially appreciate the member instructing me on how to answer a question. That's very much appreciated.

I will say on this particular Edmonton property purchase that on my first day as the Minister of Infrastructure I was briefed on this file. The briefing did include my predecessor's request for the office of the Auditor General to examine the Bathgate acquisition along with all real estate acquisitions from the previous two years. At that point I did direct department officials to immediately review this file and ensure full transparency. The scope was later expanded to include all acquisitions between April 2021 and March 31, 2025.

After reviewing Infrastructure's process documentation, the Auditor General's office requested information on eight acquisition files. As of March 11, 2026, all requested information has been provided, and my officials continue to meet with and provide information to the Auditor General's office as required. I will continue to exercise close oversight as this work continues to conclusion, and once the Auditor General releases his report, I will review the recommendations made and propose solutions accordingly.

As the Auditor General has work to do on this file, has to complete a review, it is premature for me to speculate on any findings, nor do I wish to fetter the process of an ongoing investigation. I look forward to the conclusion of the audit, and I will be following up with the Auditor General now that we have submitted, from our standpoint, the additional information they required to make sure that they do have the documents they require.

If it's okay with you, Chair, I'd like to invite my deputy minister to speak.

The Chair: Go ahead, Deputy.

Mr. Kleefeld: Thank you, Mr. Chair, and thank you, Minister. I do want to say very clearly on the record that I am not aware of any documents that have been withheld by my department. I have spoken with my three key officials that are involved in the audit. We are not involved of any documents being withheld. We are not involved in any current mediations. It's not clear to me what that refers to.

I will also reiterate that within my first week on the job I personally reviewed the files. I spoke with the Auditor General. I reiterated our interest in a full, fair, deep audit on this. We have every interest in understanding the truth and holding people accountable if there's any wrongdoing and in defending my team if there isn't.

With that, I will note that I will speak with the auditor again this week. I will check up. I appreciate the flag; it is possible that there is something that I've missed, and I'll follow up on that, and we will co-operate to the full extent appropriate on this audit. We want to know the truth on this just as much as anybody else.

That's my comment. Thank you for the time, Mr. Chair.

Mr. Long: Thank you, Mr. Chair. Is it okay if I have one of my assistant deputy ministers speak to this property purchase specifically?

The Chair: Absolutely.

Mr. Long: Dale Beesley.

Mr. Beesley: Good afternoon. Dale Beesley, assistant deputy minister, Alberta Infrastructure properties. Just to provide some additional context to what Mark and the minister said, we do have an acquisition, disposition, and surplus policy in place. It's been in place since 2022. The policy has eligibility requirements that Infrastructure as a department acquires properties for all departments. There's a small exception for transportation and utility corridors. The departments must identify land requirements for the program, needs for infrastructure. They must confirm sources for the acquisition and have the necessary approvals to proceed with the acquisition. Sorry; I'm just pulling off my phone. The criteria for these are: the departments must define their program criteria for new or real property. Infrastructure acquires new properties for government program funding requirements in accordance with any legislative authority and available funding.

The one thing the department does not do is buy properties on spec. We do not buy a property to hold it for an increased value. We do at times trade properties with municipalities across the province, in many instances for roadways, but as the member had said, this was adjacent to the Muriel Stanley Venne, which is a provincial operations centre, which is a 24/7 operation.

As we entered the fire season already on March 1 of this year, which goes through October 31 at times, when the POC is elevated to level 3 and specifically level 4, we do not have the capabilities to provide enough parking stalls for people that are coming in for shifts as the place gets very busy. In working with the ministry that's responsible for that, the public safety ministry, we previously had leases at the spot and we do not anymore. We bought the property and we're looking to buy the spur in the middle that separates the property from the municipality.

The Chair: Thank you, sir, for your response.

That concludes the first portion of questions for the Official Opposition. We will now go to 20 minutes to the government caucus, and Member van Dijken is up. Member, would you like to combine your time with the minister or would you like block time?

Mr. van Dijken: Either way works for me. Block time is fine.

Mr. Long: If we can start with block time, that would be great. Thank you.

The Chair: Go ahead, Member.

Mr. van Dijken: Okay. Thank you, Chair, and thank you to the minister for all the work that you do and to the department for all the work that you do to ensure that we have the facilities available for the work that needs to get done for all Albertans.

Mr. Chair, the Ministry of Infrastructure collaborates with ministry partners, industry, and other stakeholders to plan, design, build, and deliver the government facilities Albertans need for health care, mental health and addiction, education, and justice.

Key objective 1.3 on page 99 of Infrastructure's business plan states that the ministry will "accelerate construction timelines and reduce costs and red tape by streamlining processes." Given that Infrastructure manages a wide range of projects across the province, what metrics are in place to track project timelines and budgets throughout construction? Mr. Chair, can the minister explain some of the ways that Infrastructure can accelerate timelines? Also can the minister explain some of the methods it uses to decrease project costs. What is Infrastructure's success rate for completing projects on time and on budget, and what do you expect the effect of possible tariffs will be on Infrastructure's ability to continue to complete projects on time and on budget?

Mr. Chair, on page 100 of the business plan key objective 2.2 states the ministry's focus to "maximize the value of government-owned and operated infrastructure through effective management of facilities/lands/leases, adoption of [operational efficiencies], reducing overall operating costs, and disposition of inefficient or obsolete assets." Could the minister point to the specific factors that will aid in delivering cost-effective public services. Also, for any Albertans watching here today, can the minister provide a specific example of an asset that is managed with financial prudence?

Mr. Chair, I have a question pertaining to land services, line 5.2 on page 140 of the Infrastructure estimates. I understand that it involves negotiating and administering the purchase and sale of real estate for government initiatives and managing land-use agreements, easements, and right-of-ways. I see that roughly \$2.8 million in funding will be allocated toward land services, which is a slight increase over last year. Would the minister please clarify what this line item entails, and how does this funding tie into realty services?

I note that on page 112 of the Budget 2026 fiscal plan the government has allotted \$284 million over three years to the Alberta surgical initiative capital program, a significant increase over last year's forecast. Can the minister explain how the Alberta surgical initiative program will help increase surgical capacity within our health system? Also, can the minister provide an update on how many Alberta surgical initiative projects have been completed to date and where they are located? How many of these ASI projects are expected to be completed this year? Can the minister advise which projects will be funded over the next three years?

4:50

On the office of the Chief Medical Examiner. The Chief Medical Examiner plays an important role in death investigations under the Fatality Inquiries Act. Page 116 of the '26-29 fiscal plan budgets a total of \$192 million over three years for projects relating to the office of the Chief Medical Examiner in both Edmonton and Calgary. Can the minister advise what each of these projects will entail? Also, can the minister advise how these projects are expected to improve operations at the office of the Chief Medical Examiner?

Mr. Chair, one item within my constituency. Infrastructure is responsible for the operation of the Swan Hills Treatment Centre. This facility was purpose-built to process the destruction of all high concentration polychlorinated biphenyls and is the only facility of its kind in the country. Federal government regulations required the end of use and destruction of HCPCBs by December 31, 2025. This means that the Swan Hills Treatment Centre is no longer required and is slated to be closed and decommissioned. Line 3.2 on page 142 of the estimates shows \$7 million this year for asset retirement obligations and environmental liabilities related to the Swan Hills Treatment Centre. Minister, could you please provide us with the status of the planned closure? What work is now required to be done in order to decommission the facility, and how long will it take to decommission? Also, is there a plan in place or being explored for future use of this site?

With that, Mr. Chair, I cede the rest of my time to MLA de Jonge.

The Chair: MLA de Jonge, go ahead.

Ms de Jonge: Thank you, Chair. Minister, are we continuing with block time?

Mr. Long: For this round, please. Thank you.

Ms de Jonge: Sounds good. Thank you so much. All right. I'd like to start with key objective 1.3 on page 99 of the business plan. It talks about contract modernization and engaging with industry stakeholders. I'm hoping the minister can highlight some of the work . . .

The Chair: Can I just interject here? It apparently needs to go to the minister first for a response and then back to Member de Jonge, because this is block time.

Ms Hoffman: Sorry. I think in the first three rounds we can't cede time to other colleagues. Am I correct on that?

The Chair: Okay. The minister now needs to respond to the first member before we can go back to Member de Jonge. Correct.

Mr. Long: Okay. Thank you, Chair. Thank you, MLA, for your questions. Wow, you had an extensive list today. If it's okay, I would like to start with Swan Hills since, as you pointed out, that does fall within your riding. The Swan Hills Treatment Centre, as you know, is the only facility of its kind in Canada that was designed to process high concentration polychlorinated biphenyls waste, or HCPCBs. The federal regulations required all HCPCBs to be destroyed or taken out of use by December 31, 2025. However, in January 2026 Infrastructure became aware that in December 2025 a federal amendment passed, extending end of use by one year to December 31, 2026. The centre did stop accepting new waste on January 1, 2026. Remaining inventory waste is continuing to be processed, with completion expected by December 31, 2026.

Infrastructure has sought private-sector feedback on operations and possible future use of the centre, and we are receptive to feasible and viable proposals that align with the existing operating approvals. After the facility is closed in 2027, if there are no feasible options for repurposing the site, Infrastructure, as part of the ownership responsibilities for this site and the operating licence, will be required to decommission, address environmental liabilities, and perform long-term environmental monitoring and testing of the site, which will take a number of years to complete.

Infrastructure submitted two requests for funding to the federal government to help fund the decommissioning of the facility, both of which were denied. Therefore, decommissioning and reclamation work will be fully funded by the government of Alberta. We do believe this is unjust, and intend to continue to pursue reimbursement. In 2024 the cost of this decommissioning and remediation was estimated by a consultant and is reported to be \$275 million upon closure in 2027. This asset retirement obligation is fully funded and accounted for and is reviewed annually for adjustment based on factors such as inflation and estimated cash flows. As a result, this liability does vary from year to year.

In February 2026 Infrastructure submitted the decommissioning and reclamation plan to Environment and Protected Areas for review and approval in accordance with the operating licence. It's anticipated that once the plan is approved, completion of work could take up to five years. The work involves decontamination and demolition of existing infrastructure while ensuring environmental protection monitoring capabilities remain. Most of the decommissioning will be done once the plant is closed in 2027. Seven million dollars has been budgeted in 2026-27 for dismantling and decommissioning some of the areas of the centre that are not in use anymore, and once the decommissioning is complete, ongoing monitoring will occur to mitigate any risk after the waste disposal process components are dismantled. The deep well and capped site landfills will remain but will be secured and monitored in accordance with applicable environmental regulation and ownership responsibilities.

In September 2024 Infrastructure issued a request for expression of interest to determine if any private-sector interest in the future operation of the facility exists. This was posted on the Alberta Purchasing Connection as well as advertised in print and online publications. Three responses were received when it closed in January 2025. Infrastructure reviewed the submissions and determined that the proposals were not feasible.

In the past Infrastructure has explored other possible future options for the centre, including construction of a biomedical waste treatment centre, using the centre as a class 1, 2, or 3 landfill, establishing the site as a recycling or composting facility, developing a solar farm, creating a facility for power generation using waste heat, or turning the site into a hydrogen production facility or for biodiesel generation. However, the cost-prohibitive nature and location of the site as well as its limited possible uses have not resulted in any viable options being identified to this point. If no other options are deemed viable in the ongoing evaluation, decommissioning of the site will commence as planned. Again, I do thank you for your engagement on that particular issue, MLA.

Now I'll maybe start at the top of your list of questions. You know, I appreciate the attention to the budget and the metrics that we have in place to track project timelines and budgets. The ministry does report on two performance measures related to key objective 1.3. Performance measure 1(a) in our business plan reports on the average number of calendar days required to complete Infrastructure-managed over threshold procurements. It supports the ministry in creating efficiencies and allows for the timely delivery of innovative infrastructure solutions and higher quality outcomes by enhancing the ability to deliver projects on time, on budget, and to scope by developing more accurate project schedules and gaining efficiencies in the procurement phase, allocating appropriate resources, assessing performance of procurement processes, and identifying and implementing continuous improvement opportunities, providing vendors with timely information to determine whether to pursue a procurement given time and resource restraints faced by the vendor community and providing a heightened level of transparency about ministry procurement processes. This metric essentially evaluates how effectively the ministry is managing procurements by setting a target to complete them within 24 calendar days.

5:00

The second measure is performance measure 1(b), which reports on the percentage of Infrastructure-managed and delivered capital projects that are on budget and on schedule. "On budget" is defined as measuring how a project is progressing with respect to its approved budget. "On schedule" is defined as measuring how a project is progressing with respect to its approved schedule. Projects are considered to be on budget if they are forecasted to be completed within their current approved budget or total project cost. They are considered to be on schedule if they are forecast to be completed within their current approved schedule. The on budget and on schedule performance measure applies to construction projects with a budget greater than \$5 million, including government, health, and school facilities as well as major capital maintenance and accommodation projects.

I appreciated your question around how we can accelerate timelines. I know that's important to members as much as it's important to me, and we have numerous conversations about that. We've been working on several fronts to help accelerate capital project timelines to deliver the critical facilities that Albertans use. Main approaches we're using to achieve this revolve around in-year project funding approval, the standardization of design specifications,

reviewing internal planning processes, and procurement process enhancements.

Recently our government announced a new in-year budget approval process, as an example, for school construction to help accelerate project progression through development stages, reducing project timelines by as much as six months. Funding approvals will now be made as the project becomes ready to advance to the next stage. Previous to this if a school project completed one stage mid-year such as design, it would have had to wait for the next budget cycle to be approved funding for the next stage, in this case construction. As of February 2025 42 school projects had received in-year funding approvals to move to the next stage under this new accelerated process.

Work is also under way to standardize and modernize spatial specifications and guidelines for learning, health, and government facilities. This includes developing core designs in accordance with the school capital manual to reflect 21st century best practices. These core designs will reflect the size and grade configurations of schools and allow design teams and stakeholders to quickly come to consensus on layout. Health facility grossing factors and net areas are also being updated and expanded to standardize spatial specifications across acute care, with other levels of acuity to follow. Using these standardized elements for facilities where appropriate can help expedite project delivery.

Infrastructure has also worked with its partner departments to initiate preplanning work where possible before budget approval to help shorten overall delivery time from the point a project is announced. The ministry continues to examine this planning process to identify additional opportunities to further reduce timelines, including the overlap of project planning activities where possible, and performing due diligence to verify site readiness.

On the procurement front Infrastructure has developed a bulk request for proposals, which is using one request for a proposal to select multiple consultants and/or prime contractors for construction projects. Also, prequalification lists of planning and project management vendors who meet a common standard on qualifications and experience . . .

The Chair: Thank you, Minister.

We will now go to Ms de Jonge for the remainder of the segment. Block time has already been established. Go ahead, Member.

Ms de Jonge: Sounds good. Thank you so much, Chair. Going back to my question I started earlier, key objective 1.3 on page 99 of your business plan, Minister, talks about contract modernization and engaging with industry stakeholders. The question I was in the middle of asking earlier was if you can highlight some of the work that's being done in terms of stakeholder engagement over the last year. Can you explain in what ways exactly procurement contracts have been modernized? You know, what has industry's reaction been to that modernization and to the ongoing efforts? In addition to that, are contract modernization efforts still ongoing, or has that been completed? Finally, what results do you expect to see from your contract modernization efforts? I'll give you a minute and 20 to answer all of that.

The Chair: Go ahead, Minister.

Mr. Long: Thank you. That's something that I've worked over the past year quite diligently to maintain a strong commitment to proactive and ongoing engagement with Alberta's construction and building sector stakeholders. Through our industry liaison committee, particularly the risk subcommittee, industry partners have been engaged in person and via e-mail to provide their concerns and the potential risk impacts of the modernized contracts.

Both the ILC and risk subcommittee meet quarterly on offset schedules and include representatives from the construction and consulting industries. I also hold biannual large-industry construction round-tables, annual small- and medium-enterprise round-tables held in both Calgary and Edmonton, and regular one-on-one meetings with representative industry associations. These engagement activities are designed to facilitate direct dialogue with industry leaders, enabling transparent communication on emerging opportunities, sector pressures, and operational challenges related to delivering vertical infrastructure for the government of Alberta.

The Chair: Thank you, Minister.

That concludes the government members' first block of questions. We will now take a five-minute break before we move on to our second round of responses.

[The committee adjourned from 5:06 p.m. to 5:11 p.m.]

The Chair: Welcome back, members.

We will now move to the second round of questions and responses. The caucus rotation going forward will be the same as in the first round, starting with the Official Opposition, followed by members of the government caucus. However, the speaking times are now reduced to five minutes for the duration of the meeting. We will begin this rotation with members of the Official Opposition, who will have up to five minutes for questions and comments, followed by a response from the minister, who may speak up to five minutes. After both individuals have had an opportunity to speak once, we will then move to the government caucus in this rotation. If the member and the minister agree to share time, we will proceed with a 10-minute segment, during which neither member or minister may speak for more than five minutes at a time. Members are reminded that they may not share any unused portion of their five minutes with another member.

Who's up? Mr. Schmidt, do you want to share your time with the minister or block time?

Mr. Schmidt: I'd like to share, please, Mr. Chair.

Mr. Long: I think we'll proceed with block if that's fine.

The Chair: Minister, block time it is.
Member, go ahead.

Mr. Schmidt: Thank you, Mr. Chair. I want to follow up on some of the responses that the department made to some of the questions that I asked. In response to my questions around the Auditor General investigation the minister, I believe, or the deputy minister – I can't remember – said that there were eight acquisition files that are subject to investigation by the Auditor General. Can the department tell the committee which acquisition files are currently under investigation by the Auditor General and what the reasons are for the investigations related to those acquisitions?

I want to follow up on some of the questions that I asked about the internal investigation. The minister stated that he had ordered an investigation, and in fact the deputy minister in his response said that he conducted an investigation. At no point did either of those people share the results of those investigations. I'm just curious what the findings of that investigation was, that internal investigation, and . . .

Mr. Wright: Point of order. On 23(b), speaking to matters other than the budget. We're talking about investigations right now, not the estimates at hand. On both the previous comments as well as now I find this to be a point of order and would recommend the chair rule as such.

The Chair: Go ahead, Member.

Ms Hoffman: Thank you very much. On behalf of my colleague I'd like to refer to line items 1.1 and 1.2 as well as 1.3 from the estimates, page 140. They speak to how the minister's office, deputy minister's office, and then strategic integration and operations are allocating their funds. Clearly, when you're part of an investigation, you're aligning resources within the department, the minister's office, and strategic integration to be able to comply with that. So these are related to the budget in that the department is having to allocate resources to them, resources that we're considering today in the main estimates.

The Chair: The questions have to be forward-looking only. It is okay to refer back or refer to the estimates, but if it is a backward-looking investigation, that is not permissible in this line of questioning. So I would caution the member to get back to forward-looking, and not about anything that's Public Accounts. I will caution you, and you may proceed.

Mr. Schmidt: Thank you, Mr. Chair. Just a reminder for all members of the committee, I'm simply following up on the answers that the minister and the deputy minister gave to the questions that I asked. So I think it's perfectly relevant to continue to press for more information because I don't think I got a satisfactory answer.

Again, following up on those questions related to land services and realty services, line item 5 in the budget, I had asked the deputy what the rental cost of the property at the Muriel Stanley Venne centre was prior to purchasing this. The assistant deputy minister said that they're interested in purchasing the spur line. I'm wondering how much the government is anticipating spending on that particular property.

The next set of questions that I have is related to procurement. I think this is line 2.6 of the Infrastructure estimates on page 140. Certainly, shortly after the budget was released, the government announced that it's going to establish a strategic procurement office inside the Premier's office. According to the government the goal of that office is to provide strategic oversight.

However, previous investigations by the Auditor General have found that political involvement continually undermines the integrity of procurement decisions. So, given that finding, can the department speak to why the government is now centralizing procurement oversight in the Premier's office? How will the department ensure against political interference on behalf of the Premier's office, and can the department clarify whether or not this new office will have the ability to override departmental procurement decisions? Who will be involved in reviewing or approving contracts? Will it be members of the Premier's office? Is it members of the public service? And what safeguards exist to ensure political staff cannot influence procurement decisions?

The people of Alberta are keenly interested in making sure that procurement decisions made by this department are not politically involved, not made at the behest of individual ministers, and I am sure that the department can provide some reassurance to us how that will be prevented.

Finally, with respect to the Auditor General, at the last meeting that we had with the Infrastructure department, department officials said that a number of recommendations related to procurement that the department made in 2022 were ready for follow-up review in 2025. I'm wondering if that follow-up review occurred and whether or not the department passed that review, and if so, will the minister table the results of that review?

With that, I look forward to hearing the response from the minister.

The Chair: Okay. Thank you, Member.

We'll now turn it over to the minister for his response.

Mr. Long: The follow-up: we are still awaiting the results on that, but I'll get my deputy to speak to your first question.

5:20

Mr. Kleefeld: Sure. I can speak to that. Thank you.

You asked about my investigation. My core finding is that I did not see evidence of wrongdoing. I will note that I did not do an official audit. I'm not an auditor. I think it's my role to give the documentation available to me and conversations with my teammates the best go that I can and then turn it over to the professional independent auditor. That's where we're at. The short answer: my result is that I did not see evidence of wrongdoing. The longer answer is that I defer the question to the Auditor General.

Mr. Long: Thank you, Deputy.

Your questions around the procurement. Our ministry practices align with trade agreements, contract law directives, and the government of Alberta's procurement accountability framework, or PAF. The PAF ensures procurement activities are conducted in a fair, open, and transparent manner. Trade agreements regulate trade between jurisdictions, reduce barriers, and set monetary thresholds as to when the agreements are applicable. Procurement posting thresholds are governed by the New West Partnership trade agreement as it contains the lowest dollar value thresholds, requiring open public tender for procurements greater than \$75,000 for services or \$100,000 for construction.

Yeah. The strategic procurement office was established to provide centralized expertise, training, policy direction, and oversight to advance a unified procurement model across the GOA. The office will be operational April 1, 2026. Procurement practices will be standardized across ministries to reduce inconsistency and risk. Technology modernization is the core enabler of this change. Procurement processes are also being modernized to make it easier and faster for vendors to do business with government, reducing administrative burden and improving vendor experience and overall efficiency.

To accelerate the speed of business, the government is adopting new tools and streamlined workflows. This includes enhancing data systems and analytics to increase purchasing power, improve decision-making, and increase transparency for Albertans. Some of the tools we are exploring include artificial intelligence such as automated analysis, digital assistants, and smart screening systems, which will help staff work faster, make better-informed decisions, and reduce manual processing. Digital platforms, e-signatures, and advanced management systems will further streamline how work gets done.

A little bit more around the OAG. There are four outstanding audit recommendations from the office of the Auditor General for my ministry. The recommendations relate to the procurement processes audit report issued in June 2022, where the overall conclusion was that Infrastructure had processes to conduct procurements of its construction tenders fairly and competitively, but not all processes were effective, and improvements could be made. With that, we accepted all recommendations and developed a plan to implement them. All key findings have controls in place, and Infrastructure is ready for the OAG to complete a follow-up audit on the implementation of these controls to determine if the recommendations have been addressed. In April 2025 Infrastructure wrote to the OAG indicating it could return to audit the implementation of the recommendations, and we are expecting the audit to occur in 2026.

The four outstanding recommendations from the audit and the key actions that Infrastructure has taken to address them to date are as follows. Recommendation 1 was to improve controls for ensuring compliance with trade agreements. The ministry has implemented, documented, and started auditing process improvements where procurement specialists and management check trade agreement requirements for solicitation documents. This checkpoint is supported by a decision matrix that assists in identifying the correct posting period. Recommendation 2 was around improving controls for receiving submissions.

The Chair: Thank you, Minister.

We will now go to the government members. Member Wright is up. Do you want block time or shared time with the minister?

Mr. Wright: I'll do block if that works for you.

The Chair: Go ahead, Member.

Mr. Wright: Well, thank you, Minister, through you, Chair. Minister, I'm going to hit up the value-for-money delivery model's financial tools and best-fit approach for project delivery, found on page 97 of the business plan. When delivering the infrastructure projects Albertans need, it's important to ensure that these projects provide value for Albertans' hard-earned tax dollars. Page 97 of the business plan talks about project delivery and ways Infrastructure strives to deliver value for money. I'd like to ask you about various financing tools and delivery methods Infrastructure employs to ensure project delivery meets value for money. Can you tell us about the different types of financial tools and delivery methods Infrastructure is using to complete its projects and how Infrastructure determines the best delivery method for each of these projects to get them done quickly and in a way that's best value for money?

You know, I think that there's an avenue here where we can even share some best practices that your ministry is using to get projects done, most notably for me and my riding would be the brand new school that the Medicine Hat Catholic board of education is currently building, that is combining a number of schools that had exceedingly large amounts of maintenance due for them due to age.

Minister, I'm also going to continue to stay with some of the building and value-for-money pieces, but I'm also going to tie in to the Real Property Governance Act, red tape reduction, and outcome 2.3 on page 100. The goal of the act is to realize cost savings, reducing red tape, and increasing transparency in the management of the government of Alberta properties. These properties can range from schools to visitor centres in the Cypress county vicinity as well as many different properties across this province.

Objective 2.3 on page 100 of the business plan states, "Optimize the value, use, transfer, and management of all provincially-funded real property assets through continued implementation of the Real Property Governance Act..." Given that it has been a couple of years since the act came into force, how has the Real Property Governance Act reduced red tape since its inception? Can the minister advise us on how many offers to transfer have been received and accepted since the introduction of this act? And can you provide an update on how many cost savings have been realized to date and how much revenue has been realized from the sale of unused government properties?

I'm going to move on to the south zone cardiac and ICU capacity: \$59 million over three years has been planned and can be found on fiscal plan, page 112. The 2026-29 fiscal plan – I'm pleased to see a project that I've been advocating for getting the funding to get done; \$59 million is being planned over three years for the south zone cardiac and ICU capacity project. Can the minister provide a

breakdown of how these initiatives are going to be spent within the south zone? Can the minister explain how this project supports the health infrastructure development in southern Alberta? Once the project is complete, how many new bed spaces will be seen by Albertans who require these services? And what is the plan for the modernization of these spaces in both Lethbridge and Medicine Hat?

Minister, I will also bring forward the school pipeline, having mentioned a school already with an \$8.6 billion estimate on construction and preplanning, found in the business plan on page 97. Can you explain the difference between preplanning and the planning funding versus construction? And can you explain the overall process and how we can get from initial funding to completion? And why is it currently taking so long?

With that, I will turn it over to you for your answers.

The Chair: Thank you, Member.

Minister, you're up next for five minutes.

5:30

Mr. Long: Thank you so much, Chair, and thank you to the member. You know, I would like to start, if it's all right with you, with your questions around the south zone cardiac and ICU capacity. Again, I just really appreciate your advocacy on behalf of your constituents and am really pleased that our government has prioritized that project. This investment of \$59 million over three years will be used to enhance cardiac services and intensive care in southern Alberta. More specifically, this project includes the planning and design work for cardiac care and ICU capacity in the south zone, which will be enhanced by development of the shelled and vacant spaces at Chinook regional hospital in Lethbridge and Medicine Hat regional hospital. This project includes a new cardiac catheterization lab at Chinook regional hospital along with expanded intensive care units and enhanced diagnostic capabilities in both Lethbridge and Medicine Hat. These upgrades will improve access to life-saving cardiac care and strengthen the region's ability to treat patients with complex and critical needs.

This project will enhance the cardiac care availability in the south zone of Alberta by offering cardiac services closer to home for many patients of the south zone. This limits the amount of travelling they will have to do to receive this life-saving care. Collectively these improvements will enhance access to critical cardiac care and further strengthen the region's capacity to manage patients with complex and acute medical needs.

Once complete, the expansion is expected to significantly increase intensive-care capacity in southern Alberta. Subject to final design and construction outcomes, 54 intensive care beds are anticipated at Chinook regional hospital and 18 are expected at Medicine Hat regional hospital inclusive of current capacity. The cardiac catheterization lab in Lethbridge is expected to serve approximately 1,500 to 1,700 patients each year once fully operational.

Upon completion of this project both facilities will see an increase of 42 intensive-care and acuity-adaptable beds; 34 additional beds at Chinook regional hospital, and eight at Medicine Hat regional hospital. This expanded bed capacity represents just one aspect of the broader initiative, which also includes the establishment of a new cardiac catheterization laboratory at Chinook regional hospital as well as enlarged intensive care units and enhanced diagnostic services in both Lethbridge and Medicine Hat. Again, I just really appreciate the advocacy you put in and anticipate that that would be very good news for your community and surrounding communities.

Now, you did ask about the different types of financing tools and delivery methods Infrastructure uses on projects. You know, leveraging public-private partnerships and unsolicited proposals allows creative approaches for financing projects that deliver value for money, create job opportunities, stimulate Alberta's economy, and strengthen the government's fiscal responsibility.

Alberta has a strong record of delivering value for Albertans by employing the design, build, finance and maintain delivery model, also known as a P3 model. To date, 12 P3 projects have been completed to achieve savings over traditional methods. Along with this, the enhanced focus on asset longevity ensures that our end users can focus more on the delivery of the services that they provide. It's one tool in the toolkit, and we generally see major new-build capital projects as potential candidates for P3s. The project's size of over \$100 million gives us a threshold that the benefits of the risk transfer can offset with the additional cost of private financing. If there's no value for money determined, we would use a traditional method such as design, bid, build, or design, build.

Alberta's unsolicited proposals, or USP framework, encourages private-sector financing of public infrastructure outside the standard capital programs. Consideration is given to how these proposals may generate benefits for the public, and they are not a replacement for any grant programs or capital projects the government delivers.

On how we determine the best delivery method, we assess the specific attributes and objectives of each project to determine the most appropriate delivery method with value for money to the province as the primary consideration. Infrastructure uses various delivery models, including design, bid, build; design, build, construction management; design, build, finance, maintain, so the delivery method can be matched with the project's scope, certainty . . .

The Chair: Thank you, Minister.

We will now move back to the Official Opposition with hon. Member Hoffman speaking. Would you like block time or shared time with the minister?

Ms Hoffman: I'd like to share if the minister is willing.

Mr. Long: Let's continue with block, Member, if that's okay.

Ms Hoffman: Block?

Mr. Long: Yeah. Block, if that's fine.

Ms Hoffman: Okay. Sure.

For fear that this might be my only opportunity to speak to this section of the budget, I'm going to go rather quickly.

The first section I'm going to talk about is the Royal Alberta Museum demolition. It's referred to on page 94 of the fiscal plan as well as line item 3.1 on page 140 of the main estimates. It's been noted in the fiscal plan here that that \$30 million increase to that line item, property operations, is for the demolition of the former Royal Alberta Museum. I want to say how disappointed I am because I was actually very pleased about a year ago, when the minister took over this file, that there was a pause put on that previous minister's direction, that the community was being involved. We've had meetings about this, and I am grateful for the transparency, through you, Mr. Chair, that we've had to date. Then this document came out saying that the museum is going to be demolished. It certainly flies in the face of the good efforts that I think many community partners have put forward in wanting to come up with a solution. I know that the minister has articulated a desire to do that, too.

I've been informed that there were – it's public – six proponents that put forward requests for interest. One is further ahead in the process, but there's another interested procurer as well who wants to be a partner in making sure that this beautiful historic building can serve the community for future generations. Seeing that the government is prioritizing, in what is a near record deficit year, spending \$30 million on tearing down the building doesn't reflect the goodwill that I think has been built.

I'm going to give an opportunity for us to reconsider that by tabling an amendment today. I know that it gets voted on in main estimates. But my amendment is that we, under 3.1, page 140, cut \$30 million, which is specifically earmarked for the demolition of the former Royal Alberta Museum, Mr. Chair.

Is it okay if I continue with my questions? May we stop the stop the clock?

The Chair: You can continue on.

Ms Hoffman: I'm okay to keep going now? Okay. Thanks.

So that's the big one about the RAM. Then I want to spend the remainder of my three minutes talking about the health line items.

Until 2022 it used to be that Alberta Health Services makes a submission to the department of Health, and it has always been made public. Then that changed under the current Premier and government so that the AHS submissions for capital requests are no longer public.

I went back to similar submissions in the past to try to get an idea of what the scope of realistic investment would be for some of the announcements that the government has made. As the minister has mentioned, only \$7.2 million has been budgeted for the two towers that have been announced many, many times. A tower at the Misericordia and a tower at the Grey Nuns: definitely in significant need of acute-care capacity here in Edmonton and the capital region. Just for everyone's awareness, looking back at the AHS submission from a decade ago, the redevelopment of the Misericordia hospital site was \$2.5 billion, the estimate in their document. Now, that was for total redevelopment, but the NDP did replace the emergency department and rightsize that, so presumably it would be less. But I'm just very clearly articulating that \$7.2 million for two hospitals is far less than what former submissions used to speak to.

For example, a new bed tower at the Royal Alex at that time point – again, this was 10 years ago, so there are probably inflationary pressures – was \$1.4 billion in that same project. Mr. Chair, I have significant concerns that the line item that refers to \$7.2 million for those two towers is far from adequate. We know that there are significant pressures within the acute-care hospital system here in the capital region.

Then the next one, of course, is the Stollery hospital. I was very pleased to be at the announcement that the government made saying that they were going to move forward. They told the foundation to fundraise \$1 billion, and the UCP has allocated \$30 million. It just feels totally inadequate for what is required to actually build a hospital. The government knows, because they're telling the foundation to fund raise a billion dollars. And it is a public hospital. For us to see such little investment really says that the government isn't taking these matters seriously.

My question, I guess, would be: did the minister for hospitals and surgical services bring proposals for the full scope beginning with construction forward, or did he fail to do that? The reason why I'm asking is because the government hasn't scoped what they're doing with the Royal Alberta Museum, but they are allocating \$30 million to tear it down.

Thank you, Mr. Chair.

5:40

The Chair: Thank you.

Minister, you now have five minutes to respond.

Mr. Long: Thank you, Member. I appreciate your questions.

I will tell you how much I know that the former Royal Alberta Museum, the RAM, is cherished by many Albertans. Our goal through my ministry is to find a solution that balances community interest and historic value in a cost-effective way. Again, I appreciate your engagement on this, and you have been fantastic to work with on this.

You know, on July 18, 2025, Infrastructure issued a public tender for proposals to redevelop the former RAM through the Alberta Purchasing Connection, which is our dedicated platform for public sector procurement. On September 26, 2025, that competition closed. Proposals were reviewed, and Infrastructure is now currently in negotiations. We are continuing negotiations with the highest-ranked proponent from the tender process to ensure the best outcome for Albertans. If an agreement cannot be reached, we may proceed with the next highest-ranked proponent that met the initial qualifications. More details will be shared if an agreement is finalized, and all of those qualified proposals were reviewed through a fair and transparent process with each submission assessed against the criteria outlined in the public request.

I will say that there is demolition funding in the budget as just-in-case funding should an agreement not be reached with any of those proponents as a means of us being prepared, as was originally planned prior to me becoming minister, for that process to take place. But, again, I appreciate your advocacy for this. I know it's an important project consideration for you and for members of your community and many Albertans. Again, I will continue to stay engaged with you on this, Member.

Now, on the health capital projects. As you mentioned, there was a different process up until 2022. Treasury Board and Finance does lead government's capital planning process. Through a series of requirements, including business cases and templates, ministries provide detailed information in support of their priority capital project submissions. Ministries themselves are responsible for identifying and prioritizing their infrastructure needs, including scope as well as cost and schedule in consultation with the delivery ministry to meet their program objectives. Scope definitions require the service-planning component to inform both the business case development and subsequent functional programming, which is necessary for effective design and construction processes.

Infrastructure provides technical expertise and support by commenting on whether scope, timelines, and estimated costs for projects submitted to Treasury Board appear reasonable. Infrastructure, alongside Treasury Board and Finance, also evaluates the capital maintenance and renewal funding request submissions for vertical infrastructure across government. Our roles and responsibilities are to support program ministries such as Hospital and Surgical Health Services, Education and Childcare, and Justice to deliver key social programs and services and support economic development. We also support program ministries in the development of business cases, which in turn provide the evidence-based backup for the program ministries' capital submissions, plan, design, build, manage, and maintain government-owned and operated facilities and collaborate with other ministries to ensure that school and health infrastructure meets the needs of Albertans.

You know, specific to the projects that you've mentioned around the bed towers: obviously, we have to do a full plan on those projects and design before we can anticipate what the construction budget will be to support the ministry's requests at that time to

Treasury Board. We don't skip steps in this process. This is something that our ministry is very passionate about. We want to build projects at the best possible value to Albertans and at the best possible timelines, and skipping those steps does not enhance timelines or value for Albertans.

I do have a deputy minister who's very passionate about this as well that I can get to speak to it in a further round as it looks like I ran out of time on this one.

The Chair: Thank you, Minister.

We will now go back to the government caucus, Mr. Stephan speaking. Would you like block time with the minister?

Mr. Stephan: Block is best. Block rocks.

The Chair: Block time it is. Go ahead.

Mr. Stephan: Yeah. If block is okay, I'd love to do block.

I want to talk about happy things. I want to talk about happy things. In the fiscal plan, page 112, the Red Deer regional hospital: the budget for '26-27 is investing \$239 million; '27-28, \$382 million; and in '28-29, \$415 million. That's over a billion dollars over the next three years.

Why I'm so happy to talk about that and there are so many people in Red Deer who are so happy about this is that this has been a long time coming. I remember that when I was elected in 2019, there was a physicians' group called SHECA. It was a society that was formed just to advocate for the hospital expansion. Unfortunately, prior governments, not just the NDP but prior governments before the NDP, had not treated central Alberta fairly and on a per capita basis had underresourced capital funding infrastructure for the central region. The NDP: the hospital expansion was actually cancelled by them for a period of time, you know, and that was not very good at all.

In 2019, when I became an MLA, this was probably the biggest local issue, and there's a lot of excitement about this hospital expansion. Probably my questions are just going to focus on that because it is such an important project. I noticed that last week, actually, I had the opportunity to go with the health minister and local civic leaders and county leaders to view progress on the hospital expansion. It's good to see it happening.

I guess a couple of things that I wanted to ask is that, you know, from your ministry's perspective, I would love to hear from yourself about a project update in terms of how that is progressing from your point of view in terms of schedule for the buildings that are being constructed there. There are a lot of cranes right now around the Red Deer hospital. There's a lot of work going on. If you could provide maybe a timeline in terms of the project timeline. Have there been things done to expedite the project timeline? This hospital expansion: it's not just important for Red Deer, which is the third-largest city in Alberta, but this hospital provides for critical care needs of a service area of about 400,000 individuals. It's not just the city residents that are interested in this but all the surrounding communities.

As you know, Minister, central Alberta is such an amazing place to live, to grow a family, and to work. This hospital: not only is it going to provide better health outcomes, but it will actually have a powerful economic stimulative effect in central Alberta, in the area, with all the number of health professions coming to work in the hospital to provide services that, unfortunately, were not available in the central region which were available in the larger centres.

I'd just like to hear about that timeline and learnings that you're having along the way in terms of this project, which I think is the largest capital project in the GOA right now, if I understand correctly. I stand to be corrected, though. But just a huge,

transformative thing that will bless the good people in Red Deer, central Alberta for generations to come, long after I'm gone as MLA. Yeah. If we could just get your comments on that, that would be just thrilling.

If you have any time left on that, maybe tell us about the courthouse, how things are going there as well.

5:50

The Chair: Thank you, Member.

We will now turn it back to the minister for his response.

Mr. Long: Thank you, Chair, and through you thank you to the member. You know, I love his passion for his community. His constituents are very well represented by the approach that he takes in advocating for them. I just want to commend him, through you, Mr. Chair. Man, you know, when we have projects like this that are so important to community and so important to a region like the one the member represents, it causes excitement for myself and my team.

In fact, on Tuesday, March 3, we had the largest concrete pour to date at the Red Deer regional hospital centre, with an impressive 1,000 cubic metres of concrete. That pour took more than 10 hours to complete. It is a reminder of the scale, complexity, and teamwork involved in this project. Yeah. This milestone reflects the tremendous effort, co-ordination, and commitment that has gone into the project to date. Member, I do hope that you know that you and your community are being well served. Again, thank you for the advocacy that you've placed forward for this development in particular.

You're correct. The Red Deer regional hospital redevelopment is one of the largest hospital projects ever undertaken by the Alberta government. We are committed to ensuring that residents of Red Deer region can access the care they need when and where they need it.

There are two major components of this redevelopment. Project 1 is construction of a new patient tower and new centralized power plant along with expansion and renovation of the existing hospital's main building. Project 2 will be the construction of an ambulatory building. The major excavation is completed on the new patient tower, with vertical and horizontal structural concrete work progressing with slab-on-grade preparation. I will say that I was a little bit jealous that you did get a tour with the health minister and I didn't see an invite in my e-mail. Regardless . . .

Mr. Stephan: Next time.

Mr. Long: I will look forward to the next occasion.

Also excited that the new centralized power plant construction has begun, with civil and structural works ongoing. The schematic design of the renovation portion of the project is also completed. This project when done will add up to 200 new beds for a total of 570.

Over the next three years the 2026 capital plan is providing just over \$1 billion towards the total investment of \$1.8 billion for the redevelopment of this hospital. The project will upgrade or enable several services throughout the hospital site, including an additional patient tower, the new centralized power plant, six new operating rooms, a new medical device reprocessing department, two cardiac catheterization labs, renovations to various areas within the main building, a newly renovated and expanded emergency department, and a new ambulatory building located adjacent to the surface parkade.

Functional programming began in April 2022 and was finished in March 2023. Design began in June 2023 and was completed in October 2024 with construction starting in early 2025. As far as

timelines, the new patient tower will be a 54,000-square-metre building and is anticipated to be built in 2030. The ambulatory building with a multistorey facility of approximately 10,000 square metres with over 230 parking stalls below ground over three levels: it will provide medical and clinical support services, including renal dialysis, ambulatory procedures, and diagnostic imaging to the Red Deer community. The ambulatory building is anticipated to be built by 2030. Design has commenced, and the construction manager is anticipated to mobilize on-site to commence early construction works in June 2026.

As you know, with work happening on the existing site, the current hospital needs to stay fully operational, requiring the mitigation of noise, dust, vibration, and other construction-related impacts, including the safe access and operation of patient-care activities across the current hospital site. With that, I do express my appreciation to the hospital staff for their ongoing co-operation. I know that it's not easy to work in spaces like that with those things, but in anticipation of such a great facility upcoming, I hope that they're all eagerly anticipating that. Also, we appreciate the co-operation with the community of Red Deer as we move forward with that construction.

Mr. Stephan: We're super excited.

The Chair: Thank you, Minister.

We'll now go back to the Official Opposition. Member Boparai, do you want block time with the minister?

Member Boparai: Sure.

Mr. Long: Continue with block time if that's okay.

The Chair: Block time, it is.

Go ahead, sir.

Member Boparai: Thank you, Mr. Chair. Through you to the minister. Based on the line item 2, capital construction, specifically 2.3, school facilities infrastructure, which funds the planning, design, and delivery of school facility capital projects in partnership with Education and school boards and includes modernization, major upgrades, and capital project oversight, I want to ask the minister about the serious concerns being raised across Alberta regarding the declining condition of existing school buildings and their ability to handle extreme overcapacity.

Across the province school leaders are reporting that maintenance budgets have been reduced, that repairs are being deferred, and schools are struggling to address even basic upkeep. At the same time, many buildings are operating far beyond intended capacity, stressing structural systems, accelerating decline, and impacting safety and learning environments. As enrolment surges, older buildings face mounting strain on HVAC systems, plumbing, electrical, roofs, and mechanical infrastructure all while maintenance staff lack the resources to keep up. Given this, can the minister clarify how Infrastructure reconciles reduced school-level maintenance budgets, whether it's a responsibility to support safe, functional, long-lasting school infrastructure, whether the ministry has conducted conditional assessments to determine whether existing buildings can realistically withstand the increased wear caused by chronic overcrowding, whether Infrastructure anticipates greater capital renewal needs as a result of capital maintenance and overcapacity driven declines, how the ministry prioritizes modernization or renewal for divisions reporting the most wear maintenance shortfalls?

Parents, teachers, and taxpayers, especially those in fast-growing communities where schools are bursting at the seams, want

accountability for how funding under 2.3, school facilities infrastructure, is protecting the buildings their children learn in and exactly how this funding is being used to keep existing schools safe, functional, and able to handle this pressure.

The next one is based on line item 2, capital construction, specifically 2.2, health facilities infrastructure, which supports the planning, design, and delivery of health capital projects, including hospitals and clinical facilities, and provides project management advisory services to health agencies. I want to ask the minister about the growing concerns coming directly from health care workers, just as we have seen in schools, about deteriorating conditions in the facilities they work in every day.

Front-line staff report numerous issues: persistent leaks and water damage, aging HVAC systems with poor air circulation, electrical or mechanical failures, overcrowded clinical spaces operating past design limits, maintenance requests repeatedly delayed or unaddressed. These conditions have direct consequences for patient safety, infection control, worker health, and retention, yet the funding under 2.2 remains modest compared to the scale and urgency health care staff describe. Given this, can the minister clarify how Infrastructure incorporates front-line identified maintenance issues into capital renewal prioritization; whether the ministry is tracking the cumulative impact of deferred maintenance on service delivery, equipment failure, and safety; and whether Infrastructure anticipates increased demand for health facility capital maintenance renewal due to aging infrastructure and staff-reported concerns?

Alberta's health care workers are asking for safe, reliable facilities, and taxpayers want transparency in how dollars are being used to protect the buildings where care is delivered and to demonstrate that accountability by showing Albertans how this funding is addressing the facility concerns raised by front-line staff.

6:00

Next question, through you to the minister: based on the line item 6, strategic partnerships, which provides oversight of centralized public-private partnership, work supports ministries in evaluating partnership opportunities and brings expertise to strategic procurement and alternative revenue models. I want to ask the minister about concerns that Alberta may be paying inflated or bloated contractor prices in partnership-delivered infrastructure projects. Albertans have raised questions about whether P3 and partnership arrangements are competitively priced, designed in ways that discourage competition, structured with costly amendment fees or change orders, or provide private partners with premiums that exceed traditional procurement models.

Given that six strategic partnerships exist to protect the public interest in these arrangements, can the minister clarify how Infrastructure evaluates value for money to ensure taxpayers are not paying inflated partnership premiums, whether the ministry conducts post project audits comparing final costs to projected procurement savings, what oversight . . .

The Chair: Thank you, Member.

We'll go back to the minister for a response.

Mr. Long: Thank you, Chair, and thank you to the member for the question. You got quite a few questions in there, so we'll do our best to get some answers back.

For starters, in the 2026-29 capital plan the government approved \$54.7 million over the next three years for the school facilities CMR program for the public-private partnership-delivered schools. That CMR, the capital maintenance renewal funding for these P3-delivered school facilities is dictated by a P3 contract. You know,

\$50.6 million covers the cost of set maintenance payments under these contracts to repair, upgrade, and replace building systems and service equipment. The program provides funding to cover the cost of maintenance payments under P3 contracts for existing school facilities.

Thousands of maintenance and renewal events at Alberta's P3 schools are recorded each year, and greater than 99 per cent of them are completed on time. Such events range from building performance failures like no heat in classroom, service failures like snow removal after 24 hours, to accessibility failures like flooding of classrooms. I know that we have modified our approach to these and improved a lot of processes that had been reported previously. Again, to see that we have greater than 99 per cent of these issues resolved on time is a huge step in the right direction from where we were at a number of years ago when a number of complaints were brought in.

I will also say that school boards have access to a 24-hour helpdesk that is utilized to formally notify the maintenance and renewal contractor of building performance failures, service failures, accessibility failures, and complaints relating to the contractor's own performance. Informal methods of communication between the school boards and M and R contractors are discouraged, as this approach bypasses the stringent performance requirement of the design, build, finance, and maintain agreements and, obviously, oversight as such.

Other than those P3 schools, the CMR funding for schools is actually delivered from Education and Childcare. They have \$370.2 million in its targets over the next three years for CMR, and they provide that directly to those schools: education grants, the funding to school boards to carry out the maintenance of their facilities.

I can have my deputy supplement that a little bit, if that's all right.

The Chair: You bet.

Mr. Kleefeld: Thank you, Mr. Chair, and thank you for the question.

I'm inserting myself here because I'm an advocate for the work my folks do, and I'm proud of what we've done on this file. As the minister said, our involvement in the upkeep of education facilities is through the P3 program. I appreciate the tack you took where we're talking about getting feedback from the actual front lines – right? – the people that are there. Like, I will acknowledge that as we moved into our P3 program, there were concerns at the front-line level that, you know, they were assured or told they would get certain types of maintenance and the record wasn't maybe as great as they wanted it to be.

Brad's team has done a ton of work on restructuring the contracts that we enter into with our partners in the industry. We have pretty stringent time requirements now about how they respond to different types of requests. I do want to maybe just note for the record the progress that I think we've had because I think it's good. Our standards on just routine-type stuff are a response within seven days and 30 days to rectify the issue. On urgent stuff: get back in 24 hours and fix the problem in five days, and on an emergency we're getting back in two hours, and the problem is rectified within four hours. If our partners fail to meet any of these standards, there are financial penalties in the agreement, and the evidence actually shows that this has done well now to drive compliance on their end. If we skip way back to 2022 we had 3,600 events where schools made a report. We did well but not as great as I would like, but our performance within the standards was 99 per cent.

But most importantly what I wanted to bring to the record here is our results last year. In 2025 we had 3,300 events, so events in total

are going down, which I think speaks to the quality of the work that we have there. In this year 100 per cent of those were addressed.

The Chair: Thank you, Deputy Minister.

We will now go to the government side with Member Bouchard asking the question. Would you like to share or block time with the minister?

Mr. Bouchard: To quote MLA Stephan, block time is rock time.

The Chair: Go ahead, Member.

Mr. Bouchard: Thank you, Chair. Thank you, Minister and your team, for being here as well. I'll start with government facilities. The Ministry of Infrastructure is responsible for effectively managing Alberta's public facilities. One way of doing this is through using modernized and sustainable approaches to create efficiencies that ensure value for Albertans. Key objective 2.2 on page 100 of the business plan is to maximize the value of government-owned and -operated buildings through effective management, adoption of cost-saving technologies, and reducing overall operating costs. What actions has Infrastructure taken to enhance the efficiency of its government-owned buildings, and how has the government achieved savings in operating its properties?

I'll go to capital maintenance and renewal. Given that one important responsibility of the Ministry of Infrastructure is maintaining the government buildings and facilities where government programs and supports are administered and delivered to Albertans, this includes making vital repairs to government-owned buildings like health facilities, schools, and courthouses. Budget 2026 provides significant investments into shovel-ready capital maintenance and renewal projects. These projects are often delivered by small and medium-sized contractors, employing hundreds of Albertans and supporting local economies and small business owners.

Page 115 of the Budget 2026 fiscal plan shows approximately \$1.3 billion is budgeted over three years for the capital maintenance and renewal of schools, health, and government facilities. Through the chair, can the minister explain the importance of this line item? Can you also explain what types of projects are included in this line item? Also, how does Alberta Infrastructure manage capital maintenance and renewal projects, and are specific jobs contracted out or are they directly managed and maintained by Infrastructure staff?

I'll move to charter schools, if I can. It seems new spaces and systems impact another way our government is working to provide the educational space that students need through our commitment to school choice and the advancement of charter school projects. Page 113 of the 2026-2029 fiscal plan invests \$36 million over three years for charter schools. Can the minister advise how many new charter schools this funding will bring online and how many of these are modernizations? In addition, can the minister advise how many new student spaces these charter schools will create? Finally, how will these new spaces help to alleviate the strain on the province's public and Catholic school systems?

Page 112 of the Budget 2026-2029 fiscal plan includes several other health projects both in Alberta's major centres as well as in our smaller communities that will also help increase health care capacity and alleviate pressure on the health care system. Can the minister highlight some of the projects taking place in Alberta's major hospitals, and can you also highlight some of the projects taking place in our smaller communities? Also, how will these projects, once complete, help alleviate the strain on Alberta's health care system?

6:10

Lastly, in collaboration with other ministries Infrastructure plans, designs, builds, and maintains facilities to support government programs and services including museums, courthouses, and other government facilities. Page 116 of the 2026 to 2029 fiscal plan provides \$67 million for the Calgary Court of Appeal over three years and an additional \$28 million over three years for other justice and correctional planning and upgrades. The Calgary Court of Appeal project has been going on for some time. Can the minister, through the chair, provide a status update for this project? When can it be expected to be complete? Are there any projects being planned for the Edmonton law courts? If so, would it be a capital maintenance and renewal project or a whole new courthouse? One last question: how many facilities have been updated through the courthouse renewal initiative to date, how many more are expected to be started this year, and when will they be completed?

The Chair: Thank you, Member.

We'll now turn it back over to the minister for his response.

Mr. Long: Thank you, Chair and through you to the member. Again, I just appreciate the opportunity to answer a few questions. You asked a few in that block, and I wish I could answer questions as quickly as you can ask them. Thank you for that, Member, and thank you for your continued advocacy for your constituents.

You know, I do appreciate especially the question around the efficiency of government-owned buildings, something that we're all very focused on. As part of our asset management plan, Infrastructure actively reviews opportunities to better utilize government space. We invest in core owned assets, support ministry consolidations, and densify to government standards and facilitate the reduction of our office space footprint. Our projects are aligned with targets set in the asset management plan to achieve cost-effective, functional space, reduced footprint, and long-term sustainability.

To make more efficient use of space and improve utilization, Infrastructure has a long-term goal to achieve a density of 18 usable square metres per occupant in office space. Infrastructure aims to reduce high-cost lease space by 1 per cent annually and invest in core assets, cost-efficient owned buildings, as part of its long-term strategy to lower operating costs.

In fiscal '25-26 Infrastructure continued to enhance its asset management approach by developing long-term strategies and outlooks for government-owned and -leased real property, including accommodation and land strategies. Infrastructure also completes capital maintenance and renewal activities on owned assets to keep buildings in good working condition and ensure functionality and usability to support the government programs operating within them.

You know, I will say that to achieve some savings in the operations specifically, we have implemented energy saving practices, reduced electricity and natural gas consumption to realize savings in operating costs. In addition, infrastructure reviews its asset inventory to ensure efficient asset utilization. Infrastructure does seek to dispose of underutilized properties and instead invest in densified buildings that it wants to keep over the long term.

Again, with so many questions I would like to highlight a little bit in particular around your area of the province, if that's okay, a couple of key projects under way in Alberta's major hospitals as part of our 2026 capital plan. Firstly, at the Alberta Children's hospital in Calgary we are advancing medical device reprocessing upgrades. You know, this important planning work will support the proposed expansion of in-patient units and includes completing a business case, a functional program, as well as a site master plan.

This initiative also supports the addition of a new surgical suite approved through the Alberta surgical initiative and also the planning for the new research and innovative care centre, ensuring we're well positioned for the future of pediatric care in our province.

Just on this one in particular I was fortunate enough to meet with members of the incredible team at the Alberta Children's hospital and have a tour. Yeah. Such a special place that meets the needs of children and families in the southern part of the province. I'm just really proud of the work that they're doing. They were very great with our team in showing us around and explaining some of the things that they were looking for to help them move forward in a better functioning system set-up. Again, I appreciate the folks there.

Additionally, at the Foothills medical centre in Calgary we are focused on expanding the urgent power plant capacity. The scope of this project involves expanding the existing power plant at the FMC site to accommodate new heating and generation equipment, including new cogeneration. This includes a turbine generator, a fuel gas compressor, a heat recovery steam generator, and a de-aerator. These upgrades will strengthen the power infrastructure at one of our busiest hospitals, supporting reliable, uninterrupted care for Albertans. I also did a tour of this, and they knew that I was a bit of a geek when it comes to this because I'm a power engineer in my background. They were so great in touring us through this and really excited about what that's going to do for that entire facility.

On the Calgary Court of Appeal project I'm really pleased to provide an update on that. This important initiative is designed to consolidate the Court of Appeal into a new, modern facility that will feature two dedicated civil courtrooms. To ensure seamless access, the facility will be connected by a pedway to the Calgary Courts Centre, providing direct access to the criminal courtrooms as well. We are also committed to preserving our province's heritage, and as part of this project partial renovations to the historic Court of Appeal building . . .

The Chair: Thank you, Minister.

We will now go back to the Official Opposition, and hon. Hoffman has the floor.

Ms Hoffman: One more time: do you want to share?

Mr. Long: Let's do blocked to finish off.

Ms Hoffman: I knew what the answer was going to be, but I thought I had to keep asking.

The Chair: Go ahead, Member.

Ms Hoffman: Thank you. I'm going to focus on health capital. The other ministers made announcements that they were going to be expanding acute-care capacity. We've already touched on the two towers that haven't been costed, scoped, or budgeted for in terms of any construction. They also announced that they were going to do a significant expansion at the South Health Campus in Calgary, and that isn't even – \$7 million isn't enough to get things going, but there isn't even that in this budget. There's nothing for the South Health Campus expansion that has been announced multiple times by the current minister of hospitals, surgical services and the Premier, so I would love to know more about why there's no money at all for that when it's been announced multiple times already.

And then I'm going to go through a number of line items that are in capital plan, page 112. The first one I want to touch on is the

Alberta surgical initiative capital plan. We've been told in previous estimates that this is all public money for public builds or expansions of surgical capacity within publicly owned facilities. It was underspent this year by \$40 million. That is about half of their budget. So why did we fail to actually expand, to invest the \$84 million that was budgeted there when we're investing so much in expanding opportunities for private surgical centres?

The Bridgeland residence was also underfunded this year. The forecast is \$9 million less than budgeted. I'll just remind folks that Bridgeland and Norwood were both announced at the same time when I happened to be the health minister. Norwood has been open for two years already, and Bridgeland, according to the Calgary Health Foundation, is still at least a year from opening, so what is going on there? Why is it taking so long, and why are we failing to get these more than 100 seniors – mostly seniors; some might be younger – out of hospital beds? This is really for the most acute residents needing long-term care who are living in hospital today.

The next one is the CASA expansion. It was underspent as well by about \$20 million and looks like it's going to be \$20 million in the upcoming year, so why are we behind on that one? What's going on with delays there?

The next one, the continuing care program: again, underspent. It was supposed to be \$178 million that we voted for. The forecast is only for \$99 million this year. Again, these are folks who are living in hospital or living at home without adequate support. They are diagnosed as needing long-term care or assisted living support, and we haven't delivered on building the spaces that the government and opposition, all members of the Legislature, through the process prioritized for them.

The next one I've highlighted is the Gene Zwozdesky Centre, or the Norwood, here in Edmonton. Again, underspent by almost \$20 million. Why are we not getting this open to full capacity in a timely way?

I do want to say that the increase to medical device reprocessing is a positive thing, going from what was budgeted, \$33 million, again, underspent, but now we're proposing \$98 million. For context 10 years ago that was about what we were spending. The reason why this is so important – I know you don't cut ribbons on medical device reprocessing units. This is the equipment in our hospitals that we use mostly for surgeries. It's so important that it's held to a very high standard.

6:20

Folks might recall – it was a number of years ago, before the NDP was in government – that there was a significant breach in the safety and well-being of residents in a hospital east of Edmonton here, so it's important that we get this equipment back up to proper standard.

Red Deer interim cardiac catheterization lab: again, underbudgeted. It's important that we get these projects right. We're saying that we need all this time to do scoping and planning, but we're clearly not.

The rural health facilities revitalization program was overspent significantly. This one is interesting to me. It was supposed to be \$25 million. Instead, government has spent \$79 million. What happened there? Why was it so out of whack from what was budgeted that they increased the spending by 200 per cent over what was actually budgeted?

Again, to reiterate the concerns around the Grey Nuns and Misericordia being woefully inadequate for what's being announced.

Then, lastly, the one I want to touch on is the urgent care centres. This is something that was announced, again, by the current

government multiple times. There was only \$5 million allocated towards it, but the government didn't even invest that in actually building and opening up new urgent care spaces in the province of Alberta. And to tie us back to our very first speaker from the Official Opposition, this past December we saw a significant emotional response from all Albertans around the woefully inadequate staff and provided a . . .

The Chair: Thank you, Member.

We'll go to the minister for his response.

Mr. Long: Thank you, Member, and thank you for your passion on this. And to all members of opposition: I do thank them for their time today and their dedication, the member especially. You know that I love working with you guys. Again, just appreciate this opportunity to work with you.

I'll just quickly get my deputy to speak on the South Health Campus expansion question, and CASA was on your list as well.

Mr. Kleefeld: Yeah. Thanks again, Mr. Chair, and thank you for the question. I'll just take a quick second to kind of clarify sort of our role in all of this and how it fits into those questions, right? A question with respect to South Health Campus, for instance, we would have to defer to the other ministers, maybe the Treasury Board minister or the health minister. Our role here is to deliver the projects, not to set what gets into the capital plan. Similarly, with the CASA facility, ALSS is going to deliver that facility, so I don't have information on that one for you.

Mr. Long: Thank you, Mark.

I know Bridgeland was on your list as well, Member, another facility that I've personally been able to tour. Yeah, the construction of the Bridgeland Riverside continuing care centre in Calgary we anticipate will be completed in 2026. It will provide a combination of adult day programs, 198 long-term residential care units located over four floors. The project will address the need for community-based continuing care and complex care in the Calgary area. Complex care plans may include patients with brain injury, dementia, or other developmental disabilities. Once complete the centre will provide adult day programs, long-term residential care, and a wide range of ambulatory programs and services for seniors throughout Calgary.

The new centre is in Calgary's Bridgeland Riverside community and will be approximately 25,000 square metres, or, for people like me, 270,000 square feet. Over the course of the project it is estimated that we had about 730 construction-related jobs created. Now, again, I think that you know the timeline specifically, but for those who don't, the project did start in February 2021. Again, at this point the estimated completion being in the fall of 2026. There were a few issues, obviously, that we were made aware of. In June 2022 construction activities were paused to address some design and construction issues identified by the contractor. There had to be an independent review to address those issues, and then construction resumed on-site in February 2023. You know, regardless of the timing and the process, when we're made aware of any circumstance that is called into question, we do have to do our due diligence. When these projects are complete, they need to be constructed appropriately for the people who are going to be in them.

Another issue: on April 20, 2025, unfortunately, a fire did occur in an uncompleted space of the new facility. The fire took place in the early morning, when the facility was unoccupied, thankfully, for that. While the fire was largely contained in one room, smoke and water damage was extensive across several floors and affected major equipment like air handling units. Obviously, with damage

like that, there was time required to order and install new air handling units. Again, construction is expected to be complete on that in late 2026. We continue to work closely with the contractor to minimize further delays, understanding that this is a priority for that community and for the seniors in that area, and we look forward to that new facility providing long-term residential care for years to come.

The Norwood components. The new Norwood tower is complete, with 234 residents receiving care. The remaining scope of this project is to bring the vacated former Angus McGugan Pavilion, built in 1973, which was last renovated in '97, up to current codes and standards and to renovate the facility to accommodate 153 resident spaces. This file has transitioned from a previous health ministry to ALSS, who have differing needs and priorities, and they are confirming the final scope of work for the AMP.

In parallel, when hazardous materials were removed, structural issues were revealed. A structural review was completed.

The Chair: Thank you, Minister.

We will now go back to the government side, and Member van Dijken will finish the remainder of this segment.

Mr. van Dijken: Good. Thank you, Chair, and thank you to the minister for being here again. I just have questions with regards to schools. The construction of schools is an important part of ensuring that we are able to build all these schools on time, on budget, and the like. Given that the strength of Alberta's economy is driving population growth and the need for new and modernized educational spaces, many communities feel that there are often lengthy waits from the time funding is announced to when the project is complete and ready to be delivered to the school division. Can you please explain the difference between preplanning and planning funding versus construction funding? Can you explain the overall process of how we go from initial funding to completion? Why does it seem to take so long, and how is the schools now program helping to ensure school projects are delivered quickly to alleviate pressures on spaces for students?

The Chair: Thank you, Member.

Minister, for your answer.

Mr. Long: Thank you, Member. I love talking about schools. You know, it is our priority to ensure Alberta's students have access to the state-of-the-art facilities they need to learn and succeed, and the demand for new and modernized educational spaces is very high. I never get tired of talking about this.

We committed \$8.6 billion for allocation over three budget cycles for the schools now program, which began in 2025. The program, combined with previously approved projects, will create more than 200,000 new and updated spaces across Alberta by 2032. With the announcement of the program comes a consistent and sustained provincial capital investment in school construction over a longer time frame, which allows for the market to adapt, plan for, and support future construction of school facilities. This commitment will allow our government to kick-start up to 30 new schools and as many as eight modernizations or replacement schools every year for three years for a total of up to 90 new schools and 24 modernizations and replacements. Budget 2026 approved \$479 million in new funding, supporting 40 new and modernization school projects under this program.

My ministry continues to work with industry to ramp up school construction, including discussions on capacity and delivery strategies, as well as working with municipalities and school jurisdictions to ensure that sites are ready. In addition, multiple types of delivery will be utilized for the schools now

program to encourage as much participation from a variety of market participants and projects.

The Chair: Thank you, Minister.

I apologize for the interruption, but I must advise the committee that the time allotted for the consideration of the ministry estimates

has concluded. I would like to remind the committee members that we are scheduled to meet this evening at 7 to consider the estimates of the Ministry of Arts, Culture and Status of Women.

Thank you. This meeting is adjourned.

[The committee adjourned at 6:30 p.m.]

