



Legislative Assembly of Alberta

The 31st Legislature  
Second Session

Standing Committee  
on  
Alberta's Economic Future

Ministry of Executive Council  
Consideration of Main Estimates

Tuesday, March 17, 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  
Pancholi, Rakhi, Edmonton-Whitemud (NDP),\* Acting Deputy Chair

Boparai, Parmeet Singh, Calgary-Falconridge (NDP)  
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Wright, Justin, Cypress-Medicine Hat (UC)

\* substitution for Lorne Dach

**Also in Attendance**

Gray, Christina, Edmonton-Mill Woods (NDP)  
Haji, Sharif, Edmonton-Decore (NDP)  
Nenshi, Naheed K., Edmonton-Strathcona (NDP)

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## **Standing Committee on Alberta's Economic Future**

### **Participants**

Ministry of Executive Council  
Hon. Danielle Smith, Premier and President of Executive Council  
Dale McFee, Deputy Minister



3:30 p.m.

Tuesday, March 17, 2026

[Mr. Wiebe in the chair]

**Ministry of Executive Council  
Consideration of Main estimates**

**The Chair:** Well, good afternoon, everyone. I would like to call the meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of Executive Council 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. Premier, 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. We will begin starting at my right.

**Mr. Wright:** Well, good afternoon, everyone. Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

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

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

**Mr. Bouchard:** Happy St. Patrick's Day, everyone. Eric Bouchard from Calgary-Lougheed.

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

**Ms Smith:** Thank you, Mr. Chair. For the record, I'm Danielle Smith, President of Executive Council and Premier of Alberta as well as Alberta's Minister of Intergovernmental and International Relations. I'm joined today by Dale McPhee, Deputy Minister of Executive Council and secretary to cabinet; Liam Stone, who is Deputy Minister of Intergovernmental and International Relations; Chris Ewert, deputy clerk of Executive Council and deputy secretary to cabinet; and Joffe Hotz, the assistant deputy minister and senior financial officer for Executive Council. In the gallery I'm also joined by Sherri Wilson, who is senior deputy minister of operations; Enyinnah Okere, who is deputy minister of communications and public engagement; and David Skene, deputy chief of policy co-ordination.

**Ms Pancholi:** Good afternoon, everyone. Rakhi Pancholi, MLA for Edmonton-Whitemud. We are joined at the table today by Devery Corbin, chief of staff to the Official Opposition as well as Kyall Glennie, who is the executive director of issues management.

**Mr. Nenshi:** I'm Naheed Nenshi, Member for Edmonton-Strathcona and Leader of His Majesty's Official Opposition.

**Ms Gray:** Afternoon, everyone. Christina Gray, MLA for Edmonton-Mill Woods.

**Mr. Haji:** I'm Sharif Haji, MLA for Edmonton-Decore.

**The Chair:** Thank you. I'd like to note the following substitutions for the record. Ms. Pancholi for Mr. Dach as deputy 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 of the transcripts of the meeting can be accessed via the Legislative

Assembly website. Please note to set your cellphones and other devices to silent for the duration of the meeting.

Hon. members, the main estimates for Executive Council shall be considered for two hours. Standing Order 59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(7) 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 Premier and the member speaking agree. If the debate is exhausted prior to two hours, the ministry's estimates are deemed to have been considered for the time allotted in the main estimates schedule and the committee will adjourn. Should members have any questions regarding speaking times or the rotation, please e-mail or message the committee clerk about the process.

Ministry officials who are present may, at the direction of the Premier, address the committee. Ministry officials seated in the gallery, if called upon, have access to the microphones in the gallery area and are asked to please introduce themselves for the record prior to commenting. Pages are available to deliver notes or 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 two-hour meeting clock will continue to run. Any written material provided in response to questions raised during the main estimates should be tabled by the Premier in the Assembly for the benefit of all members. Finally, the committee should have the opportunity to hear both the question and answers without interruption during estimates debate. Debate flows through the chair at all times, including instances when speaking time is shared between a member and the Premier. I would now like to invite the Premier to begin with her opening remarks. You have 10 minutes.

**Ms Smith:** Thank you, Mr. Chair, and good afternoon, everyone. I'd like to start by providing an overview of the role and structure of Executive Council. Executive Council leads strategic planning, policy development, and policy co-ordination across government. It also supports cabinet decision-making. It's the central co-ordinating body of the government of Alberta, providing leadership to the public service and to ministries as they implement the government's agenda. Executive Council also plans and manages any state visits of foreign dignitaries that involve government of Alberta representatives. It leads Intergovernmental and International Relations, including our relationships with other governments in Canada and countries around the world.

New to Executive Council this year is communications and public engagement, the government's central hub for strategic communications, public relations, and marketing. CPE delivers full-service support to all ministries, combining a strong central function, working directly with departments to ensure co-ordinated, high-quality, and timely communications across government.

Executive Council's budget is allocated to three programs, which you'll find in the voted estimates. Program 1 includes the Premier's office at the Legislature and the southern office at McDougall Centre in Calgary as well as the office of the Deputy Minister of Executive Council, who serves as head of the public service and provides policy advice, operations support, and issues management. The office of the senior deputy minister of operations works with the Deputy Minister of Executive Council to drive government-wide operational alignment, productivity and integration, working

with the Continuous Improvement Cabinet Committee, which I chair. This office works to drive efficiencies, expand operational capacity, and enhance crossministry co-ordination and collaboration.

A key component of these efforts is the establishment of the strategic procurement office within Executive Council, effective April 1. Once established, the office will lead crossgovernment procurement to ensure that Albertans are getting the most value from their public services. Modern tools, including secure digital platforms, e-signatures, and advanced management systems, will streamline how staff and suppliers conduct business with government. These improvements will reduce administrative burden, accelerate service delivery, and create stronger safeguards that protect data and enhance accountability.

Government is also working to strengthen transparency, accountability, and efficiency across its procurement system by implementing the Wyant report's 18 recommendations. Key actions are focused on including strengthening conflict of interest management, enhancing whistle-blower protections, improving record keeping, and professionalizing and modernizing procurement practices through training. Executive Council also includes the Lieutenant Governor's office, which, of course, is critical to supporting Her Honour's responsibilities and fulfilling her duties as the King's representative in Alberta. The protocol office is essential to building partnerships and relationships both here and internationally, normally through state official working and private visits.

The offices of policy co-ordination and cabinet co-ordination support the development and implementation of government's legislative and policy agenda. Operations and machinery of government works with ministries to track crossgovernmental programs, projects, and issues and provides corporate support to Executive Council. Each of these offices serves an important function in ensuring that the different parts of government work together and that our agenda is advanced efficiently and effectively.

Program 2 focuses on intergovernmental and international relations, and this includes the Department of Intergovernmental and International Relations, or IIR, which leads Alberta's domestic and international engagements. IIR advocates on issues that are important to Alberta while building and maintaining strong relationships with federal, provincial, territorial, and international partners. This work delivers real results for Albertans. Last year's memorandum of understanding with the federal government represents meaningful progress for Alberta and includes a number of important wins: the declaration that a new bitumen pipeline to the west coast is in the national interest and will be fast-tracked through the national projects office, commitments not to introduce the oil and gas emissions cap that would stifle Alberta's prosperity for generations, an immediate suspension of the unconstitutional and unworkable federal clean electricity regulations, and commitments to develop the world's largest carbon capture, utilization, and storage project.

Taken together, these measures help ensure Alberta's industries remain a generator of wealth for Albertans and Canadians. At a time when global energy security has never been more important, we will position Alberta to grow our production to be a reliable energy supplier of choice for partners around the world. Beyond energy, IIR works with departments across government to identify opportunities to expand trade, strengthen partnerships, and promote Alberta's interests internationally. Through our international office network, IIR supports engagement with key markets across Europe, Asia, the Middle East, and Latin America. IIR also supports me as Premier for intergovernmental meetings such as first ministers' meetings, the Council of the Federation, and the Western Premiers'

Conference. Through this work IIR ensures that Alberta's voice is heard and our interests are advanced across Canada and the world.

Program 3 relates to communications and public engagement. Last spring this department was moved under Executive Council to streamline government communications. This move also ensures transparent and co-ordinated strategic communications support with consistent messaging across all ministries.

3:40

CPE plays a vital role in connecting Albertans to government programs and supports. This includes crisis communications, marketing and advertising, media relations, public research and engagement, and multilingual translation services. A centralized CPE also strengthens the delivery of information to Albertans through services like alberta.ca. The ability to effectively communicate accurate and useful government information to Albertans when it is needed most is essential for maintaining public trust and an informed public.

When Minister Nate Horner introduced Budget 2026 in the Legislature last month, he was pretty blunt about Alberta's fiscal situation. He felt that Albertans deserve that level of honesty up front. To run a balanced budget, the long-term WTI average price would need to be \$74. Budget 2026 assumes a long-term average WTI price of \$60.50.

If the budget passes as presented, the province will face a \$9.4 billion deficit in the coming fiscal year. As a result, we've had to make some tough choices. As he said, we're not making massive program cuts and we're not raising personal income taxes. While other provinces, including our neighbours in B.C., have taken steps to increase their haul of personal income taxes through deindexation and other measures, we're not doing that. That would be unfair to hard-working Albertans who continue to contribute to this province's prosperity.

Instead, we're focusing on what matters. Our government is committed to making responsible choices for the benefit of all Albertans by controlling costs and setting clear priorities. We are making targeted investments in education, health care, and our economy to keep Alberta moving forward. We are delivering record investment in health care, over \$34 billion in overall spending, to support the system that Albertans rely on every day. This includes \$13.8 billion in the coming fiscal year to operate and expand hospitals, surgeries, emergency services, and diagnostics; \$7.7 billion in physician compensation; \$525 million in additional funding over the next three years to deliver 50,000 more surgical procedures, expanding operating room capacity, and reducing surgical wait times; and \$224 million over the next three years to expand cancer care capacity, hire specialists, and upgrade treatment facilities.

We're also making new investments in K to 12 education, recognizing that student enrolment continues to increase. That is why Budget 2026 provides \$3.3 billion in overall funding to support new and ongoing school projects; \$722 million in new funding to support enrolment growth, teacher compensation, improved classroom conditions, and the construction and modernization of school infrastructure; \$86.5 million in new funding to support students with specialized learning needs, bringing the total to \$1.8 billion. We're providing funding for school boards to hire 3,000 new teachers and 1,500 educational assistants.

Despite our fiscal challenges, this is what Albertans expect us to do. Whether it be through health facilities, school buildings, highways, water systems, or municipal infrastructure, we are making targeted investments that will benefit Albertans for generations to come. These are the kinds of choices that will allow us to continue to grow and prosper.

While increasing funding to core services, our government continues to proactively review government program and service spending, ensuring that every dollar is spent wisely and effectively. The province continues to be a leader in red tape reduction across the country, removing more than 220,000 government inefficiencies since 2019 and saving Alberta's job creators approximately \$3 billion.

Meanwhile our long-term plan to grow the heritage savings trust fund to \$250 billion is on track. Since 2019 the value of the fund has nearly doubled through new investments and regularly reinvesting its earnings. By the end of '26-27 the fund will have reached \$34 billion. By the year 2050 the fund will have reached sufficient size that its annual earnings would be able to help off-set any unexpected decline in resource revenue. That means, for the first time in generations, our province's fiscal capacity and position will not be dictated by world oil prices.

As we've seen over the last few weeks and in the time since Minister Horner first presented his budget, in which we conservatively estimated about \$60.50 per barrel of west Texas intermediate oil for the coming fiscal year, the price of WTI has shifted dramatically and reached highs not seen in years. This is the type of volatility that makes budget planning so challenging and why staying the course through highs and lows is so important.

Despite global uncertainty, Alberta continues to strengthen its economic resilience through diversification, attracting investment in key sectors, and increasing the production and export of oil and gas resources through future pipeline projects. We will continue to deliver accessible, efficient core services for Albertans so they can maximize their personal opportunities and keep building a prosperous future. We have a duty to make decisions that contribute to a strong and free Alberta for generations to come and that's what we're doing.

I look forward to your questions.

**The Chair:** Well, thank you, Premier.

We will now begin with the question-and-answer portion of the meeting. For the first 50 minutes members of the Official Opposition and the Premier may speak. Hon. members, you will be able to see the timer for the speaking block both in the committee room and on Microsoft Teams.

It is my understanding that Member Nenshi from the Official Opposition will speak first. Member, would you like to combine your time with the Premier?

**Mr. Nenshi:** I'm happy to combine time.

**The Chair:** Premier, do you agree?

**Ms Smith:** I'd like to do block time.

**The Chair:** Block time it is.

Member Nenshi, go ahead.

**Mr. Nenshi:** Well, thank you very much, Mr. Chair, and through you thank you to the Premier and to senior executives of the public service for being here today. Before I begin, one minor thing, which is that I took a bad spill on the ice outside today, so if I need to stand up at some point it's not because I'm offended. I promise, Premier, that I will not ask you questions about Alberta Infrastructure and snow removal in the Legislature district today.

I really want to thank my staff, the Official Opposition staff, for preparing us so well in all of this. We have a couple of members of the staff with us and sitting behind me, and they've really done a wonderful job, I hope, in preparing me for this conversation.

I also want to thank the Premier for her very broad and expansive opening statement, which gives us a lot of opportunities to go down a few different paths and talk about a few different things here. In this first block I would really like to talk about the overall economy and fiscal management of this government. I'll try not to say "fiscal mismanagement," Mr. Chair. Through you I really want to examine our fiscal trajectory and the economic stewardship of the province in the context of Executive Council's authorities and resources, that are highlighted in the '26-27 government estimates, specifically page 107 of the estimates and the Executive Council business plan '26-29, which assigns responsibilities, as the Premier highlighted, for crossgovernment co-ordination, intergovernmental strategy, and public engagement.

With that context, Mr. Chair, it's no surprise to any of us that this budget, Budget 2026, presents huge deficits, deficits of \$9.4 billion, \$7.6 billion, and \$6.9 billion over the next three years. We know that pages 14 to 16 of the fiscal plan outline the fiscal framework rules that were put in place by this government not three years ago and confirm that these rules are in fact being breached by this budget. The first question is: given that the government's own fiscal framework, established by statute, is being breached and Budget 2026 contains no plan or analysis to return to balance, as required by the fiscal framework, what plan has Executive Council approved to return Alberta to balance and on what timeline? Will the Premier table any fiscal framework analysis supporting such a plan given that none appears in the budget?

I would further ask whether we have legal advice that the Legislature can actually pass the budget. The budget is, in fact, illegal under the government's own statutes, and we heard from the minister this morning that he's not planning on amending the fiscal framework until this fall. Can we even pass this budget given that it is illegal by statute to do so in two or three different ways?

Now, the other important thing to note here is taxpayer-supported debt. Taxpayer-supported debt will increase to \$109 billion this year and \$117 billion by '28-29 according to the fiscal plan. That means Alberta's entire debt will double in the term of one government, but we didn't see anything in this fiscal plan about how to manage that situation overall. So what specific spending controls or capital timing decisions has Executive Council approved to mitigate this trajectory, and what is the timeline on those?

The Premier also spoke a bit about the heritage fund, and I appreciate her explaining that, but the contribution schedule under the Premier's previously tabled heritage fund plan no longer works. Given that there will be no surplus in the budget in the entire timeline of the fiscal plan, that means there are no net new contributions to the heritage fund over the next five years. Given that the policy in place now doesn't work anymore, when will the Premier table a new policy governing the income investment in the heritage trust fund, when it can be withdrawn, and what that policy will look like to get to her stated goal of bringing the heritage trust fund up an enormous amount by 2050?

**3:50**

Now, that takes us to the question that the Premier herself highlighted, of revenue volatility. Throughout Budget 2026 we see a forecast of real GDP growth of 1.8 per cent and then 2.3 per cent in '26 and then '27, with WTI assumed at \$60.50 per barrel in '26-27. Now, today in question period the Premier highlighted that governments are always conservative in their oil price forecasts, but this doesn't seem to be the case here. While \$60.50 is roughly the private-sector forecast, the private-sector forecasts in 2027 are for \$60.50 again, but the budget assumes \$67. In fact, in each of the next three years the budget assumes a WTI that is higher than private-sector forecast consensus.

Given that we know that every dollar that the WTI is up or down from the government's forecast has a huge impact on provincial revenues and on the budget, at U.S. \$60.50 WTI what is Executive Council's assessment of revenue risk if prices fall by \$5 or \$10 or rise by \$5 or \$10 below or above forecast, and what is the projected impact on the deficit at each of those thresholds? Will the Premier table those sensitivity figures for us? Will the Premier further commit to quarterly public updates comparing actual WTI and differential performance against fiscal plan assumptions and outlining the resulting fiscal impact? Will the Premier table Executive Council spending restraints or hiring control triggers if revenues fall below forecast?

There's another point that the Premier and I have been discussing over the last few days in question period, which is that the government's legislation on gas tax relief for Albertans is very specifically written, and it only looks at 20 days that end 16 days before the beginning of the quarter. By pure coincidence – and it really is pure coincidence – that date ended the day after the invasion of Iran and the day after gasoline prices went up 16 cents per litre in one day. Given that the government is getting a windfall here, does the government have any plan to share that windfall with families and consumers that have been badly hit by the increase in gas taxes? Will we see an amendment to that formula?

I want to, also, next talk about labour market. The Premier has often talked about how the increase in population growth in Alberta in two years out of the last 10 has really taken the government for a shock, and they've been quite overwhelmed by it. However, we know, according to the figures in the budget, that population growth has already fallen sharply from 3.9 per cent in 2023 to a forecast 1.1 per cent in 2026, far below historical averages. Net migration, similarly, goes from 202,000 to only 42,000.

Now, the challenge here is that while the Premier has explained that this is the cause of her fiscal problem, the budget lays out the opposite quite clearly. The budget says that economic growth is a result of population growth, and we've heard the minister say in the House that curtailing population growth is actually curtailing economic growth and stifling economic growth. Given that that is the plan, the Premier's plan, given the combination of a cooling labour supply market and rising unemployment, will the Premier identify the specific programs Executive Council has approved for '26-27 to support job creation, and what outcomes is the Premier using to evaluate their performance?

Mr. Chair, that's quite a lot. I've got a little bit more in this time frame, so through the chair again, I have some questions around transparency and risk related to page 107 of the estimates. Albertans deserve transparent answers about the multiyear deficits, the revenue volatility, the debt increases, the labour market performance, the government's economic strategy. Number one, will the Premier table Executive Council's risk management triggers, the specific revenue thresholds that would activate spending constraints or hiring constraints or hiring freezes, given that no such triggers appear in the budget itself?

Given all of that, the context of all of these questions really relates to the economic and fiscal management of the province. You know, we've heard several times in question period over the last few days that this is all because the price of oil was much lower than we anticipated. However, the government has near record resource royalties, seven times what Premier Notley had when she was in power, so the real big question that Albertans are asking, that I'll ask through the chair to the Premier, is: if we can't balance the budget with seven times the resource revenues, with prices even at \$60 WTI, what will it take to be able to balance this budget, and what is that plan to be able to get to budget?

I'll cede my time, then, Mr. Chair, and turn it over.

**The Chair:** Thank you, Member.

We'll now go to the Premier for her answers.

**Ms Smith:** All right. Thank you, Mr. Chair, and thank you for the questions. I think that what you heard from the Finance minister when he was talking about having a plan in the fall is that we haven't technically run a deficit yet. We are still in the 2025-2026 budget year and will be until March 31, so whatever revenues that might be gained from this surge in WTI and western Canada select prices will be booked in this year's budget, and then we will have an update, not until June of 2026, to see what kind of impact it had on this year's budget. I will point out that the Q3 budget update had us at – we had anticipated last year having a \$5.2 billion budget deficit; up to \$6.1 billion. It's now down to \$4.1 billion, so I anticipate it will be much lower than that.

Being that that will be the first budget deficit, that will be the trigger for the fiscal rules that will come into place over the next three years to get to budget balance. I'm looking forward to seeing what those final numbers look like myself, which will also help to have us calibrate what measures we do need to take. If there are any changes that have to be made to the fiscal framework, they would be brought forward at that time, but we're not even sure that we will have to bring forward changes to the fiscal framework. It all depends, I think, on whether these western Canada select prices and WTI prices continue at this high because, as the Official Opposition leader knows, each dollar of WTI and, in particular, each dollar of western Canada select being variant from the budget contributes about \$700 million to the treasury. Those, I believe, answer question 1 and question 2.

The timeline to mitigate on any future deficits or debt is going, again, to be determined by what we see over the coming months. I note that the Finance minister took with some interest the recommendation from the Alberta Next Panel, which suggested that we take a closer look at personal income tax revenue collection ourselves, saying that if we were going to take over any additional tax revenue collection roles, we should look at a way of being able to make that more efficient. I think he's quite interested in working with some of the economists that were on those panels with us – Trevor Tombe, Adam Legge, and others – to see if there is a comprehensive approach that can be taken to looking at how we can have a more efficient system. I think that will be one of the mitigation strategies that he's going to be looking at. I think that answers question 3.

I dispute the notion that we've doubled the amount of debt. When I came in, we not only managed to pay down \$15 billion worth of debt, but we have also increased the heritage savings trust fund. It was at \$16 billion at the end of 2021. It is now projected to go to \$34 billion, so that is an improvement in net debt of \$30 billion to \$35 billion just in the few years that I've been here. That compares with the prior year period of the NDP, which drove the debt up to \$90 billion. I have to suggest that perhaps the math needs to be looked at a little bit closer there.

When it comes to the heritage savings trust fund, this is the beauty of compound interest, and it's a shame that this policy wasn't put into place earlier, whether under a PC government or under the NDP, to just simply keep the investment income in the fund. That's a very powerful tool because with compound interest you can double the size of a fund over a period of time. The rule of 72 means that if you get a 7 per cent return, you can double the size of the fund every 10 years. I think 7 per cent is a very modest return that we'd be expecting on there. It could be even higher than that. Just with the doubling value of money, without even adding additional contributions to the fund, we anticipate that we'll be able to grow close to or at \$250 billion by 2050. If there are years where

we end up with surpluses, as we have whenever oil prices spike, then we have an opportunity as well to put additional contributions, which we have done.

The revenue volatility is something that I think we're no stranger to, and I don't think that any government has been. It seems like there are these ongoing cycles where we think that there's a new floor, and then it goes lower, and then we think that there's a new ceiling, and it goes higher.

When we look today at what the future pricing is for WTI, they're now looking going out to '28-29 at it being in the order of \$68 WTI. I think that the world has realized that the balance is a lot more fragile than what had been expected, and that might be causing a recalibration.

4:00

That being said, this budget makes it very honest about what it is we would be facing if we end up with WTI averaging \$60.50. It assumes that we would have essentially a \$7 billion structural deficit, with \$2 billion for a contingency fund. Over time what the goal would be is to narrow that gap so that we can reduce the amount of WTI that we rely on so that ultimately, whether it's five years from now or 10 years from now, we can be able to balance the budget at WTI of \$60.50. That is the work that is going to be continuing as we go through this next budget year.

I think I'd already answered the question about the sensitivity to WTI and WCS; it's about \$700 million for each dollar.

Going on to question 6, quarterly updates. That's a simple yes. We always do quarterly updates, so you'll be able to see what the budget is, what the actual is, what the differential is.

We have a process that we began called the productivity review cabinet committee. We now have a continuous improvement policy process. The cabinet committee began this in 2024 because what we realized is that the budget only looks at the incremental spending increase, and what we needed to do is look in the rear-view mirror of all of the previous decisions that had created programs in the past to make sure that they were still going to be serving the purpose that we needed to. I can tell you that there have been numerous program efficiencies that have come from that process.

In fact, we just did the public service awards, where we handed out 22 awards to teams and individuals for the incredible improvement that they're making in their areas of expertise across the public service, many of them using technological solutions, innovations, AI, dashboards, and various other reporting tools. I'm delighted that Dale McFee has joined us as our Deputy Minister of Executive Council because he has particular expertise in that area, and he's driving a lot of change through the administration on that front. So that continuous improvement process is going to be how we find those efficiencies.

When it comes to the gas tax, thank you to the member for acknowledging that it's just the formula and it just so happened. I mean, we issued our budget, and I think the very next day we saw the increase in prices. Sometimes that does happen. As I've mentioned, we don't have a windfall yet. We have two weeks where we have seen elevated prices. If you just do the math, that \$700 million per dollar I was talking about is based on an annual basis, so we won't know what the additional revenues that we get are until the end of this budget year. Then at that point we hope it will reduce our deficit. That is the reason for us taking a wait-and-see approach when it comes to the gas tax.

When it comes to the labour market, I would say that we've had 600,000 people enter Alberta in the last five years. That has put immense pressure on our public services. Yes, I can understand how in theory that is supposed to drive a greater amount of economic growth; in practice it hasn't been the case. When we had

a very high amount of labour market growth back in the 2008 period, we had an increase over a period of time of 11 per cent, but economy grew at 24 per cent. That was under Ed Stelmach. We have seen a 13 per cent increase in our population, yet our economic growth has only been 8 per cent. That's the crunch that we're having.

This is a unique situation where the more people arrive, they're actually putting more burden on the public service than they're bringing in new tax revenue. I talked to my Finance minister, and he said that the amount of tax revenue from the 282,000 temporary foreign workers that we have in the province is about \$152 million. Meanwhile they have children in the education system, 45,000, costing \$13,284 each. That's \$600 million. Plus, on average we have \$6,800 which is spent on health care per person, which would be \$1.9 billion. You can do the math on that, and you can see that we have only \$152 million in personal income tax revenue generated from that group and then well over \$2 billion just on those two programs in spending. That's part of the reason why the Alberta Next Panel recommended having some policy questions posed to the public to see if they want to change that balance.

Then on the issue of job creation, we have a youth employment benefit, where we're subsidizing \$10 an hour for the first 400 hours that a young person is on the job. We have initially made that available to 2,000 individuals, and we hope to expand it.

**The Chair:** Thank you, Premier.

We'll now go to the Leader of the Opposition for his next set of questions.

**Mr. Nenshi:** Thanks very much, Mr. Chair. Just a couple of quick follow-ups from what the Premier's answers were. Thank you, Premier, for those answers. We do know that according to the figures in this field the government debt is going up to \$137.5 billion at the end of the fiscal forecast here, which I believe is a record for Alberta and certainly much higher than it was under Premier Notley, who I'll remind us was governing during an economic recession, during which royalty revenues were one-seventh of what they are now.

I would ask the Premier my first question here on the very last thing she said about that employment grant. Has there been an analysis done of the cost benefit on that grant, what's been paid, and what net new jobs it has created versus subsidizing jobs that were already being created given the increase in unemployment generally and the increase in youth unemployment that we have seen in Alberta?

For this block, through the chair, I would like to actually focus in on specific expenses and disclosure from Executive Council, page 107 of the government estimates, as well as some questions around Invest Alberta, which, of course, lives, I believe, within Executive Council. Before I get there, I want to remind the committee of something very good, I think, that the Premier said and did when she was the Leader of the Official Opposition. Back in 2012 when expense scandals were engulfing the Alison Redford government, the Premier didn't wait to be asked for accountability. She voluntarily posted her own receipts, she publicly called out the government for failing to meet the highest standard of transparency, and she made that standard her defining contrast with the party in power. That was her standard. Today I'd like to ask some questions measuring her own government against that standard because by nearly every metric, her office has actually moved in the opposite direction.

We'll recall that when Premier Redford was in power, there was quite a bit of scandal, and we heard a lot from the then Leader of the Official Opposition about her extraordinarily high expenses. My

brilliant staff have reviewed every single publicly posted expense disclosure going back to 2012, and we found something very interesting, that Premier Redford spent on average per day \$623. This government's expenses are \$2,081.71, so three and a half times per day what Alison Redford spent. Now let's adjust that for inflation because inflation has been very high under this government. If we adjust it for inflation, we still find that we are spending nearly three times per day what Premier Redford spent. Executive Council's daily spending rate is the highest cost in Alberta history, and the total expenses exceed the combined expenses of premiers Redford, Hancock, Prentice, Notley, and Kenney.

The first question in this is very simple. The Premier has often said, especially in the last few weeks, that we are overly generous in Alberta to poor people, to seniors, to people with disabilities. Yet the Premier's office expenses are so much higher than they've ever been. How does the Premier justify telling poor Albertans they've got to buckle up and tighten their belts when her expenses are so much higher? Some might say they are overly generous.

That's the first bit of question, but we also want to talk about how these expenses are disclosed and the transparency rollback that we saw in August 2025. Through the chair, in 2020 the UCP narrowed its disclosure rules under Premier Kenney. They disclosed less, and they disclosed it less often. Then in August 2025, without any debate, discussion, nothing in the Legislature and nothing public, the government eliminated the requirement to post receipts over \$100, and they also removed eight years of historical expense disclosures. Only after journalists reported on this, because it happened without any legislative oversight, the government said that this change was, quote: lost in translation.

#### 4:10

Through the chair, we still don't know who drafted that change, who approved it, or why eight years of public expense disclosures were erased. So question 2: who specifically ordered the removal of eight years of publicly posted expense receipts? Was this a ministerial decision, a cabinet office decision, or a directive directly from the Premier's office? Question 3: will the Premier table the briefing note, the directive, or the internal correspondence authorizing both the rule change and the deletion of these records? Question 4: does the Premier consider removing eight years of public expense records consistent with her own transparency standard from 2012?

Now, the Premier has been travelling a lot, and Executive Council has been doing a lot of travel. I want to highlight two particular travel questions that we have. The first is the PragerU fundraising gala. I learned in orientation when I became an MLA that MLAs have very strict requirements on how we can support nonprofits in our own ridings and in Alberta. We can't donate money to them directly, taxpayer money. There are certain things that we must do. However, we learned through expense disclosures that the Premier's office spent nearly \$20,000 – \$19,442 to be exact – to send the Premier and four staff to Florida for the PragerU gala, a private fundraising event with tickets starting at \$1,500 USD. The Premier defended this trip as advocacy on tariffs.

Question 5: why were taxpayers funding attendance at a private fundraising gala? I don't care about the purpose or that it was about tariff advocacy. The specifics of the taxpayers funding a fundraiser for a private U.S. organization is what I'm interested in, because there are lots of other ways to do tariff advocacy. Now, question 6: if this was tariff advocacy by name, who did the Premier advocate to at that event, and what concrete outcomes resulted?

Question 7 – and my chief of staff will get mad at me for asking this question. I get in trouble all the time because I hate travelling

with an entourage. I generally travel by myself. But the Premier for a single two-hour event required the chief of staff, the press secretary, two advance staff, plus security. Will the Premier provide a full breakdown of each staff member's role and the cost for each one?

Now, Mr. Shapiro, who the Premier appeared on stage with, has a lot of anti-Muslim values that he has expressed. It caused a lot of division in the community. Does the Premier feel that this was worth it given the division it caused? Can the Premier name one measurable outcome from the PragerU trip that justified nearly \$20,000 in public money? We got one YouTube video out of it. Was one YouTube video worth \$20,000?

Now, last year I sat in the gallery, and the Premier spent nearly two minutes detailing a list of every American official that she had met in her advocacy. I thank the Premier for giving us that list because my staff actually contacted every one of them, every single person the Premier said she met last time. Through the chair, I will tell you that not one of them has a record of a meeting with this Premier. Not one. We know that President Trump didn't recognize her on the tarmac when she greeted him at the G-7. Given that . . .

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

**The Chair:** Go ahead, Member.

**Mr. Wright:** I'm calling this point of order on 23(b), speaks to matters other than the question under discussion. As the member even just stated, he was in the gallery last year when this question was asked. These are questions that would be wonderfully asked at PAC. This is not Public Accounts. He needs to keep it on the discussion at hand, which is our current estimates, and consider taking these questions to Public Accounts.

**The Chair:** Member.

**Ms Gray:** Thank you, Mr. Chair. On behalf of the member, I do not believe that this is a point of order. The member did begin by referring to Executive Council page 107. We are talking about the Premier's estimates, the spending as well as the plans for future meetings going forward. I don't think that this is a point of order. I do think the meeting has been running very well, and I do think that in this case it should be up to the Premier and her officials on how they choose to respond.

**The Chair:** Okay. I would advise the member to get to the current estimates, and not talk about things outside the scope of these estimates. I will caution you at this time and will not rule a point of order, but I would like you to get back to the estimates on the year looking forward.

**Mr. Nenshi:** Great. Thanks very much, Mr. Chair. Really the only question that comes out of that is: why is there a discrepancy between what the Premier had said and what we're able to find in official records?

Now, there is a specific question here on a specific flight. Last fall when the government invoked the notwithstanding clause to end the teachers' strike – Mr. Chair, I noticed that my speaker time is not going down on the big screen there. There we go. Thank you. The Premier and senior staff travelled to Riyadh and then Dubai: \$64,000 in disclosed expenses. However, there's one flight missing, which is the Riyadh to Dubai flight. It's posted for a tour director, but none for the Premier or for her senior staff.

It's 1,000 kilometres across desert highways. You don't drive that; I know this. So how did the Premier and senior staff travel from Riyadh to Dubai? Was it a private jet? Did someone else pay

for it? Why is there no flight record for this leg? If it was paid for by a third party, under what terms? Why was this not disclosed? If Alberta taxpayers paid, where are the receipts for this? Will the Premier table a full, unredacted list of every official organization and individual she met during the trip, along with the purpose and the outcomes?

I had a quick question. I'll just ask it now in my last 40 seconds. We know that Invest Alberta's CEO, Rick Christiaanse, resigned abruptly after four years in the role. His expenses were \$615,000 over that time, and the final six months of 2025 are still unposted. Why did the CEO resign so suddenly? Was the Premier informed in advance? Will we see those receipts? Did Mr. Christiaanse receive severance? If so, how much, and on what terms?

**The Chair:** Okay. Thank you, Member.

We'll now go back to the Premier for her answers.

**Ms Smith:** Why, thank you, Mr. Chair. Again, when we're talking about debt, we should be looking at net debt figures because, since we've got a dual approach of paying down debt as well as increasing our assets in the heritage savings trust fund, the net debt figure is what we'll be compared with compared to other jurisdictions, and we are the lowest of the provincial jurisdictions. Even with the projection out, it'll go to 10.5 per cent compared to places like Quebec and Ontario, which are well above 30 per cent.

The cost benefit on the youth employment: I can tell you that we've already seen a decrease in the youth unemployment rate. It was at a high of 17 per cent, and it's been down to 14 per cent. We intend for it to keep going. We will have full accounting of the benefit of that program once we've had a full year of it being put into practice with our partner, with Careers.

When it comes to disclosure of receipts, I think that the member opposite knows that we have a policy around receipt disclosure. I'm not quite sure how he did his math on Executive Council, but it does seem to me that each Executive Council has different roles. This particular iteration of Executive Council has international and intergovernmental relations involved in it. It also has the communications and public communications area involved in it, and for a time it did have Invest Alberta, which is now moving on to jobs, economy, trade and investment.

I don't think it's accurate to look at different departments coming in and out of Executive Council as somehow equating that with the expenses. I would say that the controversies from back then were around government planes. We don't have government planes. It was around a private residence for the Premier – there is no private residence for the Premier – and around a few things associated with individual receipts being put in for dinners. We now have a standardized per diem, and that is all posted publicly. I encourage the member opposite – if he's interested in looking at particular expenses of mine, he can find them there.

When it comes to the disclosure that he was referring to in August of 2025, there was a Treasury Board decision that was made, I think, based on a misinterpretation of a cabinet discussion. There were some members of cabinet that were quite concerned that, as they were staying in hotels – not everybody has an apartment that they rent when they come to Edmonton. Many stay in hotels and stay in the same hotels over and over again. The concern was that in posting where certain of those members regularly stayed, if they had a particularly angry individual or constituent coming to that hotel and seeing that they check in and check out on a regular basis, there might be some security issues associated with that. The discussion at cabinet was to remove and redact the names of hotels in order to ensure that no one was put in danger.

The interpretation that Treasury Board took away was to remove receipts over \$100, which was, I think, a little bit of an overstretch on what the cabinet direction was. When it appeared that that had been misinterpreted by cabinet, and that they had also taken the additional step of removing eight years' worth of data, then that came back to cabinet for a reclarification and Treasury Board reversed it. I don't know that that is reflected in internal correspondence. It might be reflected in minutes as they become available, but that is the sequence of events that occurred there. The eight years was also restored, so that information is now fully available.

4:20

When it comes to the event at PragerU – gosh, I guess that was March of 2025, so not only not this past year but the previous year, so it's two Public Accounts ago. What I would say is we have to remember where we found ourselves in January of 2025 when the new president first came in and began making good on threats to impose tariffs on Canadian goods. One of the things that we were looking for was advocates in the United States who would be able to have some influence on the U.S. President to get them to change direction. PragerU is a very influential organization that supports a number of Republican events. They also have a number of Republican donors who flew across the country to participate in that event, and they also had a Republican-aligned media personality, Ben Shapiro, who engaged in conversation with me on the issue of tariffs. Incidentally he was opposed to them and, in a podcast subsequent to that, made his position very well known that he was opposed to tariffs against Canada.

I can tell you that there has been continued advocacy that has occurred not only from my office but from James Carpenter, who is our envoy in Ottawa, who's developed a very close relationship with the U.S. ambassador, as well as Nathan Cooper, who is our new envoy in Washington, who has very close relationships with many members of the administration. They know who Alberta is, they know that we are an oil and gas provider, they know that we have \$188 billion worth of cross-border trade, they know they have several refineries that rely 100 per cent on our product, and they know that because of the continued advocacy we do.

They have also demonstrated, especially in the tariffs that they have put in place on Canada, that Alberta is the one that has the least touch on it. Only 2 per cent of our products have tariffs on them. I think that is the result of the advocacy that we have done in making sure that those who benefit from having a secure supply of energy from Alberta are advocating on our behalf down there. It's part of the reason why I continue to do that kind of advocacy, and we've seen the positive outcome of that. I would say those are all very strong, positive outcomes.

When it comes to my staff members, my principal secretary is also my chief of staff for Intergovernmental and International Relations. The principal secretary and the chief of staff, Intergovernmental and International Relations, works in collaboration with the Premier's chief of staff, deputy chiefs of staff, in providing political, strategic, and policy advice to the Premier. The principal secretary and chief of staff, Intergovernmental and International Relations, is a close adviser to the Premier and works with colleagues to ensure the staff of the Premier's office and ministers' offices are focused on achieving the Premier's direction. The role also provides strategic political advice and policy support to the Premier's and ministers' staff. This position often accompanies the Premier to stakeholder meetings and works closely on intergovernmental relations. I have to follow up on the other two positions or the other positions that you were asking for in particular. Since it was over a year ago, I

don't have that one in front of me for who accompanied me on that trip.

As for Ben Shapiro's comments, he's a Jewish man. I'm not Jewish. I don't want to comment on the Jewish experience, as I'm not Muslim and don't want to comment on the Muslim experience. I would just say that he has his own views based on the fact that that is his heritage. We don't have to agree with everything every person says in order to talk and have a conversation with them. At least we agree that tariffs are bad, and I think that that's a very positive message for him to be getting out.

When it comes to the flight that the member was asking about to Saudi Arabia, first of all, I can happily give a list of the individuals that we met with in the Middle East. I had an opportunity to meet His Royal Highness Prince Abdulaziz bin Salman Al Saud. I met him at the World Petroleum Congress, when I first announced our intention to grow our oil and gas production to 8 million barrels per day, and he and I had a bond over the fact that we believe that we should be reducing global poverty at the same time as we're reducing global emissions and making sure we have energy security. That friendship developed into an invitation for me to be hosted by him in the kingdom, and the protocol in Saudi Arabia and hosting us, they provided the accommodation. It was approved by the Ethics Commissioner in advance.

When it came to the flight that we took, it was a private plane, non-commercial aircraft. It was proposed by the government of Saudi Arabia in order to enable efficient movement around the country, including to locations with limited commercial airline services. In fact, we went to the million-barrel-a-day oil field as one of the stops that we went to, that has now been shut down as a result of the conflict in the Middle East, and so having that perspective was really important for me to have. We also consulted and received prior approval from the Ethics Commissioner to use non-commercial aircraft during that mission, so it was fully disclosed to the Ethics Commissioner.

As I mentioned: Prince Abdulaziz, Minister of Energy; Doug Burgum I met on that trip as well, who is the U.S. Secretary of the Interior; Dr. Sultan Al Jaber, Minister of Industry and Advanced Technology at the U.A.E.; His Royal Highness Suhail Mohamed Al Mazrouei, Minister of Energy and Infrastructure at the U.A.E.; His Excellency Omar Al Olama, Minister of State for Artificial Intelligence, Digital Economy and Remote Work Applications at the U.A.E.; the U.A.E. Ministry of Economy and Tourism; His Excellency Haitham Al Ghais, who is the Secretary-General of OPEC Leadership Roundtable; Abu Dhabi National Oil Company, ADNOC; Aramco; we went to Mubadala; embassy of Canada to Saudi Arabia; Abu Dhabi Global AI Summit leadership roundtable; natural gas, LNG; Dr. Dan Yergin.

**The Chair:** Thank you, Premier. We'll now go back to the Official Opposition. You have approximately eight minutes left in this segment.

**Mr. Nenshi:** Thanks very much, Mr. Chair. I will go quickly and see if the Premier can get a couple more answers in here within this segment, but I will just highlight the interesting thing she said right at the end. I, as a private citizen, actually did a lot of work in the Middle East as well, and I'm quite surprised to hear that the flight between Riyadh and Dubai was one where it was not commercially available. It's one of the most travelled flight corridors in the world. Between Riyadh and Dubai there are a gazillion commercial flights, and I do highlight that when the Premier was a journalist, she took several strips off of the then Prime Minister for daring to take a private flight, not a private flight supplied by foreign governments. So I'd be very interested if the Premier could please table the Ethics

Commissioner's advice on whether it's okay for the Premier to accept a private jet flight for her and her staff from a foreign government.

I want to spend a couple of minutes looking forward. This is particularly on communications and public engagements around what is going to happen on separatism, and I'll probably come back to this in my next line. There are some real questions around how we're going to spend taxpayer money for these referenda going forward.

Number one has to do with the constitutionality of these questions. So, through the chair, the Premier has highlighted on several occasions that she will not allow for an unconstitutional question to appear on a referendum ballot, but we know from a judge that the question that is being petitioned right now is unconstitutional. And we know that one of the questions the Premier has put forth as her nine bad questions has been ruled unconstitutional by a court just in the last two weeks. So what is being spent now to do the legal analysis to figure out how to make these things constitutional? And what is the government's response to the non-confidence vote by all the treaty 6, 7, and 8 nations, all the chiefs, relating to the unconstitutionality of this? How are we going to pay for it? And how will Executive Council figure all of this out?

I'll flip forward a little bit and just ask – actually, you know what, I will pause there. No, no. I'll ask this one. Sorry, Mr. Chair. My House leader here is better at this than I am. She's telling me what to do here.

4:30

I also want to ask a question about the security of the referendum and how we will manage that, particularly around foreign influence. You know, the Premier has suggested that she'll solve foreign influence by having a citizenship marker on people's driver's licenses. That's not the question people are concerned about. People are asking: Where's the money coming from? Are there foreign governments that are engaging in trying to influence the outcome of these questions? I'm curious if the government of Alberta or Alberta's Washington office has communicated with the foreign interference commissioner in Ottawa, Commissioner Boegman, or his staff regarding foreign influence risks on a potential separation vote. Again, are we concerned about this, and how is the government managing it?

Then a final question on CPE, on communications and public engagement, in the referenda: given that the Premier has a clear position on her nine referenda questions – she hasn't been shy about that – how can citizens be assured that public money will be spent to disseminate neutral information in these referenda to give people all the information that they need in order to make a decision?

I'll stop there. Thank you, Mr. Chair.

**The Chair:** Thank you, Member.

We'll go to the Premier for her response.

**Ms Smith:** Well, thank you, Mr. Chair. The way the Citizen Initiative Act is written is that it's meant to be permissive. It's meant to allow for citizens to identify an issue that's of concern to them and to bring it forward without gatekeepers, without us deciding they can't do it or the elections officials deciding they can't do it or a court deciding that they can't do it. If they get the requisite number of signatures, which is 177,000 over a 120-day period, then it will go to a process where the signatures will be validated, which is vitally important. We saw with the Forever Canadian petition that there were some 50,000 signatures that were not considered valid, so that is important as part of the process.

Then we will have an idea by June whether or not that is a valid petition that has collected signatures in the appropriate way. We have a committee that's looking at the Forever Canadian petition. It's up to government to then put these forward on a ballot and, depending on what the outcome is, make sure that they're implemented in a constitutional way.

I'm not afraid of having these questions put forward. I trust Albertans. I can see that the work that we are doing on the MOU, the work that we're doing to give confidence that Canada could work is having an influence. I would encourage everyone to do exactly what we're doing, to look at the grievances that have been raised as a matter that is very serious. I know I do. I know that the Prime Minister does, and it's part of the reason his officials have flown out to meet with my officials today so that we can continue working on that MOU. It's part of the reason why we put our name forward to host major international events like the World Cup of Hockey so that we can cheer on Team Canada.

These things are important to demonstrate that we can work in a way that's collaborative with our neighbours and it can benefit Alberta, so that's what I'll continue doing. We'll watch and see what is the outcome of those petition campaigns. In the end I don't want to prejudge what the outcome is going to be, so we will wait to see whether the petition signatures have been reached, and we'll also wait and see what the result of the committee deliberations are on the other one.

When it comes to the security of the referendum, once again we have a few things that we're looking at. I will rely on Deputy Minister of Executive Council Dale McFee to assist on this as we go forward. As you know, he was the former police chief of the Edmonton Police Service. We also have a cybersecurity team in Tech and Innovation that does incredible work in monitoring, and we're also developing out our new Alberta Sheriffs Police Service. When that is fully stood up, one of the arms that we'll be developing is an intelligence arm so we are developing the capacity to be able to do that.

I wish we could rely on the RCMP, but they have not been forthcoming on giving us this information. I wish we could rely on CSIS, but they have also not been forthcoming at giving us this information because you have to get certain security clearances. So we're going to have to take matters into our own hands to make sure that our own security is taken care of. That will be the plan as that gets implemented over the next couple of months.

When it comes to the final question – I can't read my writing – on neutral information. My apologies. Look, I mean, I think that it's no secret when we're putting forward these proposals, these nine proposals, that is government policy that I'm attempting to get sanction for from the people. It's pretty clear that I'm supportive of those. That's why we're putting them forward as government-backed items, but we have to make sure that what we do is also backed by the people of Alberta considering that three and a half years ago we were having a very different conversation, so I think this is the reason why we want to make sure we get that input.

**The Chair:** Thank you, Premier.

That concludes the first portion of the questions for the Official Opposition. We will now turn over to go to the government caucus. We will have 20 minutes for the government caucus and the Premier. Member Wright is the first one to ask the questions. Member, would you like block time or share time with the Premier?

**Mr. Wright:** I'd like to do block time, please.

**The Chair:** Let's do block time. Go ahead, Member Wright.

**Mr. Wright:** Perfect. Premier, I'm going kick right off with deficits. On page 7 of the fiscal plan it showcases that this budget's key fiscal metrics include a projected \$9.4 billion dollar deficit. Now, I've heard already today the opposition talk about oil prices being seven times lower under Notley, but I also can't help but notice that between those same years the total provincial debt increased from approximately \$11.9 billion to, ballpark, \$85.9 billion, which is about a 620 per cent total increase of debts carried over. Now, I think that that's some pretty relevant data, especially with, you know, budgets that address how clearly Alberta's future is going to be laid out.

My main concern and why I got into politics was about making sure that we're protecting families of the future and ensuring that the torch is passed off in a better place for the next generations. Families rely on the government every day to provide long-term financial strength. We know Albertans are expecting discipline from the government, and we know that we are talking about large figures at the table, which is why we need to make every single dollar count.

Premier, how is our government balancing the needs for fiscal restraint with the reality of the provincial growth by thousands of people every month? Can you please explain why this government has decided to take this financial approach? Continuing to that point, for those who may be watching at home and want a better understanding of the budget: Premier, can you please explain the specific global economic factors and revenue volatilities that have negatively affected the economic outlook?

Then on page 8 of the strategic plan it explains that our government is dedicated to "Maintaining [the Alberta] tax advantage compared to other provinces for both individuals and businesses." Last year our government delivered a significant personal income tax cut. How does keeping money in Albertans' pockets help our province maintain the title of being the most affordable place to live, work, and raise a family despite this budget's challenges? How does this approach help families manage their own household budgets during these volatile times?

Continuing on the fiscal responsibility portion, on page 8 of the strategic government plan under priority one, objective one, to maintain Alberta's advantage, it's mentioned that our government is dedicated to "Maintaining a responsible approach to fiscal management by finding efficiencies in program delivery and operations to reduce government spending." When I was working in the corporate world in business and management, you know, we used to often go into facilities that may be underperforming, and we would look at process, we'd look at people issues, and we would look at your value proposition issues. In what way are we looking at efficiencies and program delivery pieces that we can find to reduce government spending?

Also, I see that the ministry's business plan on page 71, key objective 1.2 for your department, is to "Provide advice and information to the Premier and Cabinet to support informed decision-making." Can you expand on what are some of the initiatives that the government is working to understand these undertakings, to find efficiencies in program delivery, and reduce government spending when appropriate? How is the Executive Council ensuring that all ministries remain disciplined and keep their operating expense growth below population plus inflation as outlined on page 7 of the fiscal plan? Premier, can you expand on why it is so important that our government maintain this level of control over these types of expenses?

With that, Mr. Chair, I'll cede my time to Member de Jonge.

**The Chair:** Are you looking for an answer from the Premier first, or are you looking to go directly . . .

**Mr. Wright:** Sure.

**The Chair:** Let's go to the Premier for your answers.

4:40

**Ms Smith:** All right. Thank you for that. Well, a couple of things that I would say about how we're balancing our need: we're balancing restraint with reality by targeting investments where growth is hitting the hardest, and that's part of the reason why we are directing major increases in health, in education, and capital infrastructure, not only because those are core business of the provincial government but because rapid population growth is also driving service demand and enrolment pressures across the province, and those pressures have to be addressed by maintaining quality and access.

Then we're also maintaining our core fiscal anchors holding operating spending growth to inflation plus population and keeping a firm cap on baseline cost growth even as total expenses rise to meet essential service needs. We chose this fiscal approach with an eye to Alberta's long-term financial health. With energy revenues down and population-driven costs rising, Budget 2026 emphasizes discipline and sustainability and predictability. It preserves lowest taxes, avoids broad tax hikes, and keeps Alberta's debt burden among the lowest in Canada while still responding to growth. Despite the deficit Alberta maintains the lowest net debt-to-GDP ratio in the country, preserving our long-term fiscal stability. It's about responsible growth management, investment where needed, restraint where possible, and ensuring that Alberta can meet today's demands without compromising the province's long-term fiscal stability and future opportunities.

On the second question about the factors that are impacting and the volatility impacting our outlook, there are multiple factors, of course: heightened geopolitical and economic and trade uncertainty, elevated and sustained population growth in recent years and inflation. Uncertainty in the U.S. economy also affects Alberta. As the U.S. is Alberta's largest trading partner, it can create a wait-and-see kind of environment among those who have the means to invest.

In November 2025 Alberta's U.S. effective tariff rate was estimated around 1 to 2 per cent, which was the lowest among the provinces. Most Alberta exports are Canada-U.S.-Mexico agreement, CUSMA, compliant and tariff exempt, which is a good thing. U.S. trade policy remains a major source of uncertainty. Our forecast assumes that the tariffs currently in place will remain in place over that forecast period, but that could change, especially with CUSMA up for renewal this year.

Energy prices, of course, are a major driver of Alberta's revenue. Forecasts depend on global economic conditions, storage levels, trading activity, OPEC decisions, non-OPEC production, geopolitical events, economic sanctions, weather-related events, and war, as we've seen in the last couple of weeks. As we've seen since the budget was introduced and new geopolitical developments continue to rise, the factors can change quickly and result in price volatility. West Texas intermediate was initially expected to average \$60.40 in '26-27. I think today it's averaging somewhere around \$95. While interest rates have begun to stabilize in '25-26, risks remain if inflation persists or if global conditions tighten. Movements in the Canadian dollar as well relative to the U.S. dollar also impact Alberta's revenue.

On the third question about how we're going to keep more money in the pockets of people, well, one of the biggest things that we did

was to advocate against the carbon tax at the federal level. The retail carbon tax was a huge impact on individuals. For the average person was spending 17.6 cents a litre to fill up their tank. It was \$300 a year on average in tax. The heating had \$4.10 per gigajoule. The average homeowner would be spending almost \$500 per year just on that tax. With electricity we brought down rates from a floating average of about 32 cents a kilowatt hour to the rate of last resort, which is now 12 cents a kilowatt hour. That will save families over the course of a year close to \$1,500 per year.

Those are very tangible, real things that we had to do in order to bring down the cost of living for individuals. Then on top of that we came through with the tax cut, \$750 for an individual, up to \$1,500 for a two-income family. That saves Alberta taxpayers \$1.2 billion at a time of this economic uncertainty. So low personal income taxes strengthened by the tax cut, no sales tax, payroll tax, health premium, and we continue to enjoy a tax advantage over every other province. In 2026 a family with two children earning \$90,000 would pay over \$1,400 more provincial tax in B.C. and \$4,600 more in Ontario.

On the issue of the program review we're continuously auditing program delivery, as I mentioned, to ensure every taxpayer dollar receives a measurable return on investment. We treat every taxpayer dollar like our own. If a program isn't working for Albertans, we fix it. We initially established the productivity review cabinet committee in 2024 to find efficiencies across all ministries, increase accountability and transparency, and develop a government-wide approach to improving efficiencies.

The committee continues to fulfill its mandate in a new form as the Continuous Improvement Cabinet Committee. It's comprised of nine members. It's chaired by me, co-chaired by Nate Glubish and Nate Horner. The committee supports ongoing opportunities to realize savings in still greater integration and continuous improvement across ministries and ensure effective and timely decision-making throughout the year. Many of the ideas then come forward and are realized in subsequent budgets. It reviews ministry proposals on implementation progress to confirm realized cost savings and operational improvements.

Twenty twenty-five items returned to departments for implementations, initiatives already under way, were previously presented for information. Items aligned with achieving Budget 2027 targets and ministry priorities are mandate items related to service-delivery improvements and government integration.

And we have, of course, our red tape reduction policy. Every cabinet document that is presented includes not only a Treasury Board impact but also a red tape impact. We have reduced red tape by 35 per cent since 2019, eliminating nearly 220,000 regulatory requirements. That has generated about \$3 billion in savings for Albertans and Alberta businesses.

Then on the last question, on the importance of maintaining control over government expenses, we know how important it is to control our spending, especially now that we see that our economy is not growing as fast as our population. There are a couple of things that we're going to do to address that. One of the things that we would like to do is get a mandate from Albertans to take more control over immigration so that we can have more control over economic migrants in particular to ensure that those who arrive in Alberta have a well-paying job and are able to support and sustain themselves. That, I think, will be one improvement, to go back to the way our immigration system used to operate. Then if we can continue to be on a pathway of maintaining strict limits on increases, inflation plus population growth, grow our economy faster, that is the way that we'll be able to bridge the gap and reduce the structural deficit that we have.

Keeping operating expense at or below that ceiling allows us to fund pressures in a volume-driven program like our schools, health care system, AISH, long-term care. Very many of these programs are driven by the number of people who come and need to access them. We want to make sure that we are not an outlier on per capita spending compared to other provinces as well as ensuring that our programs consistently match what we see in other provinces without being excessively high and acting as an additional cost driver. The disciplined approach is how we maintain our advantage even in a volatile economy.

I think I've answered all of his questions.

**The Chair:** Thank you, Premier.

We will now turn it over to Member Stephan for the next questions. You've got approximately eight minutes left in this segment.

**Mr. Stephan:** Thank you, Chair. I'd like to ask just two questions, with time being a bit of the essence here. Outcome 2 of the business plan, under key objective 2.4, specifically includes building and maintaining strong relationships with priority international partners, particularly with national and state-level officials in the U.S. and other key markets. My question is: in terms of Alberta's trade relationship with the United States, if we could please hear why the U.S. is such a priority relationship for the prosperity of Alberta, including Alberta's exports to the U.S. vis-à-vis other provinces in Canada.

My second question is about economic growth and diversification. Priority 1 of the strategic plan speaks about maintaining the Alberta advantage. I want to congratulate the government. There's just a recent report that came out that in the last year Alberta accounted for 85,000 new jobs in Canada. Actually, the rest of Canada experienced a 33,000 job loss. Certainly, Alberta seems to be setting a good example for the ability to create prosperity. I'd like the Premier to speak to what specific Alberta advantage factors are keeping individuals and businesses interested in our province in terms of our per capita GP performance and our performance being the lowest cost tax jurisdiction in all of Canada, including our 8 per cent new low tax rate, which certainly supports Albertans on affordability challenges. Love to hear about those matters.

Thank you.

4:50

**Ms Smith:** Thank you, MLA Stephan. Thank you, Mr. Chair. There is no question that the United States of America remains Alberta's most important economic partner. We have grown our trade relationship with other nations of the world. I think that that is an aspiration not only of the current Prime Minister but also of all of the other Premiers as well. It's now at about 8 per cent trade that we have with the rest of the world, which is an improvement over where we were before. Before 98 per cent of all of our energy, in particular, was destined to the United States. That gives you some idea of just how outsized our relationship is with the United States compared to elsewhere.

Our next closest trading partner is China. I think I'd already mentioned that our cross-border trade with the United States is \$188 billion. Next closest is with China at \$10 billion, although it was depressed for the past year because of the trade dispute. But very quickly we've restored some of those ties around agriculture and increasing in energy. Japan and South Korea and Mexico are all very similar but kind of in the \$2 billion to \$3 billion worth of cross-border trade. An area that we want to continue to see additional growth in is India, which currently only has about \$600 million in

cross-border trade. We'll be opening up an office in Mumbai to see if we can establish greater trade ties there. My parliamentary secretary recently had a very successful trade mission there to open up some of that discussion.

When it comes back to the United States, Alberta is firmly committed to protecting and growing this relationship, recognizing the deep integration of Alberta and U.S. supply chains, labour markets, and energy systems, focused on promoting and protecting Alberta's economic interests in the U.S. through direct advocacy with policy-makers and, of course, economic leaders. Key U.S. priorities include advocating against U.S. tariffs on Canadian products and preparing for the 2026 CUSMA review, closely monitoring geopolitical developments that may affect energy security, trade flows, and investment decisions, and enhancing market access for Alberta exports. We are working with the federal government to ensure all provinces and territories are regularly informed and engaged throughout the CUSMA process, including timely sharing of negotiating objectives, areas of discussion, and potential impacts on provincial jurisdiction and economies. We are also steadfast in our opposition to unjustified U.S. tariffs which violate existing trade agreements and threaten jobs and economic stability. We remain committed to advancing global trade.

We also regularly engage with Congress, the administration, governors, state legislators, industry, unions, and think tank leaders to share Alberta's story and advance areas of mutual interest. The network of U.S. offices we have in the United States also support engagement with several U.S. transboundary organizations. These organizations provide Alberta with a platform to access state and territorial legislators to share information, build consensus, and promote common interests. International relations division maintains membership in U.S. transboundary organizations, including the Council of State Governments national, midwest, and west; National Conference of State Legislatures national, midwest, south, and west; Pacific North West Economic Region – I'm pleased to say that we'll be hosting PNWER in Edmonton this year as well – North American Strategy for Competitiveness; Western States and Tribal Nations Energy Initiative; Governors Coalition for Energy Security; Western Governors Association. We'll undertake a series of initiatives to attend major meetings to further build and develop relationships and promote the province. I understand as well that among those various organizations I think they're planning on sending a delegation of about 150 legislators to this year's Stampede in order to enjoy some of our western hospitality and learn a little bit more about our energy sector and all of our cross-border collaboration as well.

How much time do I have? A few more minutes? Okay.

I should also, then, just underscore that the success that Alberta has had in ensuring that most of our goods are tariff free is unique. In Ontario 15 per cent of their goods are subject to tariffs. I think that the approach of diplomacy is clearly working. Talking in terms of the Americans' interests in being able to get the goods flowing from Alberta to their value-added producers in order to generate additional goods and economic growth: that is a message that is working for us, so that is the message that we are going to continue to be talking about. Alberta will continue to position itself as a cornerstone of North American energy security while advancing practical emissions reductions solutions. I think that we'll have significant work to do in that regard over the course of the next couple of years.

We've also had a couple of major legal challenges related to line 5 in Michigan, which not only helps us to maintain that but also Ontario. We've been opposing discriminatory policies affecting Alberta exports, including country of origin labelling and broad America First trade initiatives and also supporting additional

pipeline egress projects. There are at least two that are in open season right now, which is the South Bow and Bridger one using existing Keystone infrastructure as well as the open season for Enbridge, and we're very hopeful that those are going to continue to advance. We'll be advocating for energy, agriculture, and, of course, forestry sectors as well, using fact-based pragmatic approaches to policy.

**The Chair:** Thank you, Premier. That concludes the government's first block of questions.

We will now move on to the second round of questions and responses. The caucus rotation going forward will be the same as 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 a member of the Official Opposition, who will have up to five minutes for questions and comments, followed by a response from the Premier, who may speak up to five minutes. After both individuals have had the opportunity to speak once, then we'll move on to the government caucus. If the member and the Premier agree to share time, we will proceed with a 10-minute segment, during which time neither the member nor the Premier 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.

Member Nenshi, are you wishing to share your time with the Premier? Yes or no?

**Mr. Nenshi:** I'm happy to share time or do a block.

**Ms Smith:** Yeah. We can do block time.

**The Chair:** Block time it is.

Member, go ahead.

**Mr. Nenshi:** Thanks very much, Mr. Chair. I just wanted to highlight that I'm pleased that the Premier got some good meetings in at the World Petroleum Congress. My chief of staff and I were very happy to work on that bid committee and get the World Petroleum Congress to Calgary.

Now I want to talk about the Wyant report, corrupt care, and the strategic procurement office coming into the Premier's office. I'll dispense with all my preamble, Mr. Chair, if that's all right. The Premier has mentioned it. It's in Executive Council. We'll get straight to the questions, I think.

There are a number of things in the Wyant report, and the Premier has suggested that Mr. McFee is going to fix it all – she said that in the House – by implementing the Wyant report recommendations, but there are a number of challenges here. Let's start with correcting the record on the former AHS CEO. The Premier has suggested that the former AHS CEO has mishandled an RCMP investigation in British Columbia. The CEO, of course, has denied this, but it is going to become a matter under litigation. I'm just going to ask the Premier what evidence she relied upon when making that statement, if she'll table that evidence today, or if she's willing to apologize to the CEO and correct the record before we are the subject of even more litigation on this.

Ultimately, the critical question here is: how much public money has been spent defending the government's position in the former CEO's wrongful dismissal lawsuit? Will the government table a full cost breakdown, including external legal fees? It just so happens that in this case the Premier and I share a lawyer, and he is the most expensive litigator in Canada. I would love to know how much taxpayer money has actually been spent on doing this work.

Similarly, Justice Wyant was given an initial – oh, and I should add: given that the government has cancelled the contracts that were the primary source of the former CEO's complaint, so she was right, will the government discontinue this legal action given that they've admitted that she was right? How much money is this going to cost us if they don't?

Now, Justice Wyant was also given an initial budget of \$500,000, paid \$31,900 per month. The report ran twice the expected timeline, required the engagement of a number of external staff, partially because the government attempted to drown Justice Wyant in documentation that he needed help reading. What was the final total cost of the Wyant report, including extensions, third-party contractors, and staff support, and does that include the work that Mr. Wyant is still doing for the subsequent report from RSM that we have not yet seen, that we talked about in question period today?

5:00

Further, the government has reportedly stated that the Wyant report cleared elected officials, but of course Justice Wyant did not interview any elected officials. He didn't interview the Premier's staff, and he explicitly stated he could not make a final determination due to lack of subpoena power and individuals declining interviews. Will the Premier acknowledge this and withdraw her claim that elected officials have been cleared?

Mr. McFee has been tasked with implementing all 18 Wyatt recommendations. How many have been implemented, how many are in progress, how many have not yet been started, and will the Premier give a full accounting and implementation status report on how Mr. McPhee is doing on all of that?

Going to Turkish Tylenol, the Wyant report clearly says that Alberta health was presented with three options for the Turkish analgesics purchase, and they were warned that one of the options was a bad one by AHS, yet that is the option that the Premier's office chose. Will the Premier confirm who made that decision to proceed with the riskiest option? Will she table the records showing what advice she and her office received before that decision was made? Will the Premier also highlight who in her office declined to participate in the Wyant report? If so, who and why? Will she direct her office staff to fully participate in the Auditor General's report? Will she table all communications between the Premier's office . . .

**Mr. Wright:** Excuse me.

**The Chair:** Point of order.

Go ahead.

**Mr. Wright:** I'm going to call point of order on 23(b) "speaks to matters other than the question" and estimates as discussed here. We've continued to hear policy-related issues, but not budget-related issues, specifically around who has been approached and who will be directed to be discussed with under the Wyant report going forward. That is outside of the scope of what we're talking about right now, and I would ask that things return back to the matter at hand.

**Ms Gray:** Thank you, Mr. Chair. I disagree with that government member. I don't believe this is a point of order. Even in her opening remarks the Premier spoke about the importance of her being the lead of crossgovernment procurement, referenced the 18 recommendations in the Wyant report, and we are here discussing budget estimates. The cost of these reports, as well as the current state of it, all land squarely within the estimates in my opinion and, Mr. Chair, if you require it, I'm happy to bring some of the more specific page references, but I think on its merit we should allow the Premier to respond to these questions should she choose to.

**The Chair:** Okay. Thank you, members. Matters of policy are allowed if they're forward-looking. If you remain on the business plan and forward-looking, then we will continue with the discussion and we will not call it a point of order at this time, but caution you to keep forward-looking and remain on the plan ahead. Thank you.

**Mr. Nenshi:** Thanks, Mr. Chair. I'll wrap up on this quickly, which is moving central procurement into Executive Council and closer to the Premier is actually the opposite of what Justice Wyant recommended, which is less political interference. How does moving this into the centre of politics result in less political interference rather than more political interference, and, finally, will the government suspend new contract awards to MHCare until all of this is sorted out?

**The Chair:** Thank You. We'll go to the Premier for her response.

**Ms Smith:** Well, I would encourage the member to search the CBC and the B.C. Ombudsman report for the false allegations that were made that resulted in the suicide of an individual for whom those false allegations were made against. That was publicly reported at the time. That's what I rely on for my information, and I would encourage him to look at that as well.

When it came to the Wyant report, the judge did not ask to interview anyone in my office, did not ask to interview me, and the individual who refused to be interviewed was a member of AHS. The insinuation somehow that our office was not co-operating is simply false, and I think what the judge found was that all of the information that he needed was within the purview of AHS and the people that he interviewed there. You can tell that by looking at the recommendations of the report.

Recommendation 1 was to "implement a centralized system for online Conflict of Interest declarations tied to the Human Resources system of AHS, or the agency responsible for procurement." There was not a proper conflict of interest declaration.

Recommendation 2: "Implement a Vendor Code of Conduct and require compliance for all entities contracting with AHS . . ." There was also not a vendor code of conduct that declared a conflict of interest.

Number 3: "Create a whistleblower protection scheme for employees of AHS who become aware of conflicts about which they wish to inform management." Again, internal to AHS: having a whistleblower role.

Recommendation 4: "Establish and expand a cooling off period for former employees of AHS who wish to assume employment with or to consult [with] an AHS vendor." Again, improper processes for managing cooling off periods of AHS staff.

Recommendation 5: "Set out due diligence requirements for employees who are primary and secondary signatories on contracts and purchase orders that require a thorough review of the contract by each." Again, improper processes at AHS in having proper oversight and a second set of eyes.

Recommendation 6: "Establish a procurement centre of excellence for the health system with experienced employees who are specialists in procurement . . ." That is exactly what we are doing, and I will turn it over to Dale McFee in a moment to explain that.

Recommendation 7: "Clearly prohibit one individual from acting or appearing to act for both the vendor and AHS within a single procurement." Again, an AHS employee who appeared to have conflicted roles.

Recommendation 8: "Implement mandatory training on conflict of interest declarations and disclosure obligations."

Recommendation 9: "Establish procedures for monitoring and auditing conflict of interest compliance and enforce accountability when disclosure requirements are not met."

Recommendation 10: "Require that standard templates to be used for all contracts and require that any deviation must be identified . . ." Once again, some strange clauses written into this conflict that did not comply with standard contract language.

Recommendation 11: "Establish a reasonable dollar value at which procurement and contracting decisions will be supported in a standard form . . ."

Recommendation 12: "Require that all contracts with a value over \$10 million be reviewed by the procurement lawyer." That did not happen.

Recommendation 13: "Revise the procurement policies to require that if there is a change in ownership of the vendor, [that it] . . . be halted and [information to review the vendor] . . ." That did not occur.

Recommendation 14: "Revise the procurement process to require that all necessary aspects of the purchase are considered before a contract is approved . . ."

Recommendation 15: "Revise the procurement policy to require that if a significant change occurs . . . the process will be cancelled and a new RFP issued . . ." That would be above 10 per cent change.

Recommendation 16: "Where a third party is involved in the procurement, require remuneration . . . is disclosed."

Recommendation 17: "Establish a policy that prohibits any individual from utilizing their personal email address . . ."

And recommendation 18: "Improve the Authorized Procurement Exception process to require more rigour and detail, fully explaining why a competitive process cannot be used."

This, sadly, was a failure of internal AHS oversight processes. They've been doing billions of dollars of work for us for many years, and this was an example of how that process failed. As a result, we have now created a new procurement modernization that will be overseen by the independent nonpartisan civil service, of which Dale McFee is the lead. I'll just turn it over to him to explain a little bit more about how that's going to operate, because it will operate at arm's length from the politicians, as it should.

**Mr. McFee:** Yes. Thanks, Premier, and I just want to thank you for the deferral as well. As we all know, that procurement is the responsibility of the bureaucracy, and a reminder that the Judge Wyant report was about AHS, which was not under Executive Council. As government has seen fit to take swift action in modernizing procurement because of the way government buys goods and services, it must keep pace with scale, complexity, and urgency of demands. The government spends billions of dollars each year on procurement, and even small improvements in efficiency, co-ordination, and decision-making can deliver significant savings and better outcomes for taxpayers. I look forward to taking this work on.

**The Chair:** Thank you.

That concludes this block. We'll now turn it back over to the government members. Member de Jonge, do you wish to go block time or shared time with the Premier?

**Ms de Jonge:** Block time.

**The Chair:** Go ahead, Member.

5:10

**Ms de Jonge:** Thank you, Chair. Thank you so much, Premier, for being here this afternoon and to your department officials. I want to talk a bit about the MOU that you recently signed, and our

relationships with the federal government and internationally as well. Outcome 2 of your business plan talks about Alberta's priorities to be advanced not just across Canada but internationally as well. Key objective 2.1 mentions that this includes advocating "on the issues that are important to Albertans while building and maintaining strong relationships with federal, provincial and territorial governments."

First, I just want to start off by saying that you've been doing such an excellent job on this front. I think you've accomplished what very few thought to be possible, including that MOU with the federal government to build a bitumen pipeline to B.C.'s west coast. You know, you convinced them to initially address seven of the nine bad policies that were hurting Albertans and hurting our economy. Now I believe it's eight out of nine of these bad laws that have been addressed. It's really remarkable work. I'm just so proud to be part of this government and to serve under your leadership. I think we've accomplished a great deal for Alberta.

Page 11 of the government's strategic plan, priority one, objective four, is to pursue the full value of Alberta's natural resources and talks about the role of Alberta's government in promoting our province as a reliable partner and supporting a North American and global energy security. Premier, you mentioned PNWER being hosted here in Alberta this year in Edmonton. These are really great platforms for us to share that message with other legislators and stakeholders from across North America. We know that, you know, this all includes continued work in advocacy for expanded pipeline capacity, including the development of a crude oil pipeline to the west coast as well as just the optimization of existing and new infrastructure to enhance market access, increased production, strengthen energy security, and of course grow value-adding industries, which we've been working on. My questions are: how will this increased capacity protect our energy sector from the uncertainty that we're seeing elsewhere, and how is this going to strengthen our economic position over the long term?

Of course, a cornerstone of this new pipeline is the opportunity for Indigenous co-ownership. Through the chair: can the Premier elaborate on how our government is working with partners to ensure that Indigenous communities aren't just stakeholders but that they're true equity partners in this nation building project?

Finally, Premier, the northwest coast pipeline is designed to move 1 million barrels per day specifically to Asian markets. Through the chair, how does this project combined with the recent completion of the Trans Mountain expansion give Alberta the global price we deserve for our ethical energy, and how does it insulate our budget from U.S. trade volatility?

I'm going to jump topics a bit here, Premier, to something I hear a lot about from my constituents, and that is health care. It's really at the top of Albertans' minds. I hear about it from my constituents. With a growing population, we need to ensure that we're prudently investing in programs and services that Albertans need. Priority two, objective one, of the strategic plan is to advance to a modernized health care system, and to do this, our government is making targeted and high-impact investments to strengthen our four health pillars. Through the chair, can the Premier elaborate on how Budget '26 is investing in acute care, specifically, to reduce wait times for surgeries and improve access to health care across the province?

Of course, then on page 8 of the fiscal plan it talks about the establishment of Health Shared Services, which is intended to centralize and deliver shared corporate services. Through the chair, can you share with the committee how that particular change will advance Alberta's refocused and modernized system? You know, how is this going to be different than before? What's the importance of that particular change?

Yeah, two very different topics, the MOU and then health care, but if you're able to speak to those both, that would be great.

**The Chair:** Thank you.

**Ms Smith:** Do I have 22 seconds, Mr. Chair, or does it restart at five?

**The Chair:** You have five minutes.

**Ms Smith:** Okay. Got it. Thank you. Phew. I was wondering about that.

Thank you so much for the questions, MLA de Jonge. I can say that you're absolutely right. The world has now realized how important energy security is to national security. I think increasingly we're seeing and our American counterparts are understanding that Canadian supply can also help them with energy security as well as their goal of energy dominance.

Part of what we've now observed is that when I put out the audacious goal to double our oil and gas production a few years ago, what we saw was that everybody started looking at ways that they could do it, so there's a few things that were needed. Number one is that we needed a new relationship with Canada to make sure that they weren't suppressing our investment. The emissions cap that was being proposed would have actually caused a shut-in of our production of 2.1 million barrels per day by 2035, and then the net-zero power regs had already put a damp on any investment in natural gas power generation. So getting those two things removed was an immediate improvement to our investment climate, and we've seen the immediate results from it.

One of the things that we saw was a 400,000 barrel per day optimization being proposed by Enbridge, 600,000 barrels per day or more being proposed by South Bow. We've seen Trans Mountain pipeline talk about optimization that would increase barrels by 360,000 barrels a day, in addition to the northwest coast B.C. pipeline that we're proposing for a million barrels a day. We have an agreement with Doug Ford to look at ways that we can expand pipeline capacity into Ontario potentially, either up through James Bay or to Thunder Bay, and then out through the Great Lakes system to get to international markets.

We've got an MOU with Saskatchewan as well as Manitoba on an energy corridor. The Premier of Manitoba, Wab Kinew, has been talking about expanding Churchill, which would also be a potential with icebreakers to get additional product that would be up and out over to Europe as well as to the east coast. Jean Chretien is also backing an oil-by-rail proposal that would bring 75,000 barrels a day by rail to Sydney Harbour in Nova Scotia. I'll also be having Tim Houston join me at CERAWEEK next week in Houston so that we can talk about the incredible resources that Nova Scotia has in developing out natural gas and how they can also provide that additional energy security, so this really is becoming an all-of-Canada kind of approach.

Indigenous co-ownership is something that we've also pioneered. It was a program that came into place under my predecessor, the Alberta Indigenous Opportunities Corporation. It was successful in underwriting seven major projects worth \$750 million, that will provide \$1.2 billion worth of revenue to the Indigenous communities that have signed on to that. It was so well subscribed that we've expanded it to include other types of investments, but it also allowed us to underwrite up to \$3 billion worth of loan guarantees, which we hope will be one of the catalysts to ensuring that there is a substantial Indigenous ownership in the northwest coast pipeline. We also saw that other provinces followed suit. B.C. has a similar type of fund, as does Saskatchewan, and the federal government has a \$10 billion fund, so I think we're entering a new

era of economic reconciliation. I'm just pleased that our government was able to be the pioneer on that.

The immediate impact of the Trans Mountain pipeline was to reduce the differential. The differential was as high as \$30 U.S., and it's now been averaging between \$11 and \$15 U.S. And for every dollar that is narrowed, it allows us to have \$700 million of additional revenue. So it was an enormous change, and I think that the additional million-barrel per day pipeline is going to continue to provide that kind of insulation.

When it comes to health care, we're doing many things to improve acute care, reduce wait times for surgeries, and improve access across the system. One of the things that we're doing to expand surgical access is investing \$525 million to deliver up to 50,000 additional surgeries between '25 and '28. We already have surpassed our volumes. We'll be on track to have 330,000 total surgeries this year in a combination of AHS- and Covenant-run facilities as well as charter surgical centres. We're also going to be creating new urgent care centres: west Edmonton, south Edmonton, Stony Plain, Spruce Grove, east Calgary, Lethbridge, Medicine Hat, Cold Lake, and Fort McMurray. We have several additional projects proposed: a new tower at south campus, a new tower at Grey Nuns and Misericordia, a new Stollery hospital, which will be a stand-alone children's hospital in Edmonton, as well as the Red Deer hospital. It may well be that we have to do more, but those will offer significant improvement in our ability to deliver acute-care services.

**The Chair:** Thank you, Premier.

We'll now go back to the Official Opposition. Member Nenshi, take her away for block time, I assume.

**Mr. Nenshi:** Thanks very much, Mr. Chair. Through the chair, three quick follow-ups. Number 1 is that I just heard the Premier espouse the benefits of oil by rail there. Does she regret the UCP government wasting \$2 billion on cancelling the oil-by-rail contracts, and is she intending on renegotiating those contracts going forward?

5:20

Number 2 is just to confirm that the Premier didn't answer this earlier. Will she commit to tabling the Ethics Commissioner's approval of her private jet flights in Saudi Arabia?

Number 3: in her long discussion of the Wyant report – thank you; we could have read that – she avoided the actual question, which is: the Wyant report actually said not that this was a problem of AHS procurement; it actually said that AHS procurement officers several times raised concerns with these deals, and the political masters of AHS overruled them and chose the riskiest, worst options. How does moving the CPO into Executive Council prevent that kind of political interference?

My last set of questions, through you, Mr. Chair, are around health care restructuring. The Premier spoke a lot about this in her opening statement, and, of course, Executive Council is in charge of overall co-ordination. There are some questions that cannot be answered by the four ministers of health or their deputies, so I'm going to ask them here because, of course, Executive Council has oversight of the whole thing. Through the chair, can the report confirm that the current governance structure that has replaced the single ministry, single authority model, has, to my count, 13 new organizations to replace AHS, four health ministers, each led by its own minister and deputy minister, and other corporate subsidiaries?

Could the Premier please table an authoritative – it says organogram; that's a good word – organization chart detailing every board, CEO, ADM, DM line, and ministerial reporting relationship

created by the new structure? That's not just the four organizations and Health Shared Services but also the three existing service providers, new organizations like Cancer Care Alberta, give hope Alberta, Lamont health, and all the regional-level organizations the Premier has often talked about but that have not yet come into place. If the Premier could actually table a full organization chart, that would be helpful.

Through this organization chart we need to know some numbers here. Alberta Health Services had the lowest management costs of any health program in Canada. Now we have a whole bunch of new CEOs, multiple new levels of management. Can we please see the total cost of the new system versus the old system? What's been taken away from the front line? Can we also please see how much has been spent on consultants? One FOIP result, one FOIP request, a singular FOIP request has showed more than \$53 million in consulting contracts related only to restructuring at the ministry level, let alone at the organizational level, nor the dismantling costs. It would be very helpful if the Premier could please provide a full cost of the refocusing, as she calls it, or the reorganization, both one-time and ongoing costs.

We would also like to see, please, the maps that have been used by Executive Council to determine the new structure. What organizational functions have been mapped, in what way? What is missing? And we've heard constantly from AHS employees that they don't know where they stand. For example, I go to an ambulatory care centre, which is still run by AHS, but if AHS is only running hospitals, the ambulatory care centre in the former children's hospital in Calgary shouldn't fit under AHS, but they have nowhere else to go. Surely the government has actually mapped all of these things and figured out where they lead, but we've never seen these maps. Could they please be tabled? Could the Premier, further, table an accountability map showing who reports to whom, who makes the decisions, where those decisions will be?

Could the Premier also talk about how the new reorganization is ensuring patient safety and ensuring that people haven't fallen through the cracks? Finally then, on all of this, this is really about costs and crossministry conflicts. We've seen in the ER a horrifying situation that happened to Mr. Sreekumar, and the government has admitted that there is no one overlooking the entire system anymore, and we're trying to rebuild what we had before with AHS. So, really, can the Premier please table a before-and-after breakdown, not an ideology; a breakdown of costs before and after, including one-time costs, consultant costs, and ongoing costs of the old system and the new system, including ministry-level costs through the deputy ministers?

Thank you.

**The Chair:** Thank you, Member.

We'll go back to the Premier for her answers.

**Ms Smith:** Thank you, Mr. Chair. The oil by rail being proposed is being proposed by the private sector, and that is always the preferred way to get our product to market.

When it comes to the Ethics Commissioner's approval of our trip, you'll see that it is going to be tabled in the public documents. I had my recent meeting with the Ethics Commissioner, but all of that had been worked out.

When it comes to the issues being raised around the health restructuring, I think that the important thing to remember is that we had a structure where AHS was the purchaser, the provider, and the evaluator of performance, and it was very difficult to get measures of accountability. All we heard each year was that they just needed more money and they'd improved performance, and as

we looked at the performance, what we discovered is that even giving them money for dedicated envelopes was not being spent on that.

Even in the time that the NDP was government, they also saw that continuing care was important to invest in, but the money would go and the continuing care would not get built. They actually didn't have a line of sight on how to release people back into the community, as we saw, sadly, when somebody was released to a hotel with inappropriate supports. They didn't have line of sight on how many beds were empty within long-term care facilities outside. They didn't have a structure of building out recovery communities so that there was a different place for those who had addiction to go to, and they didn't seem to have much interest in seeing if we could connect people to having a doctor or a nurse practitioner. They also continued to run ambulances as if they were an extension of hallway medicine.

All of those were what we diagnosed as problems, and what we saw was that no matter how much money we gave to AHS, and it was 3 and a half billion dollars, they actually were performing fewer surgeries than they were prior to COVID. These are all of the signals that we had that the structure of AHS wasn't working.

The new structure allows for dedicated service-delivery arms focused on a particular type of service delivery. Primary and preventative care is going to be focused on making sure everyone gets attached to a family practitioner, whether that's a doctor or a nurse practitioner. They're going to be managing the patient experience from the moment they see a doctor to the moment they need a specialist and ultimately go on to surgery. They're going to also be expanding the roles and functions of pharmacy and overseeing public health.

The second role, of course, Mental Health and Addiction, which we began to extract earlier, is also going to be providing that support to have somebody who may have an acute mental health or addiction condition in hospital, but then seamlessly go into community for community-based treatment and recovery. That's the role of Mental Health and Addiction.

The role of Assisted Living and Social Services is to manage our continuing care facilities the same way that we've been managing our housing facilities. Our housing facility within assisted living is one of the largest affordable housing entities in the country and have expertise in managing this, and have already demonstrated it with the portal that they created so that there is line of sight on the

30,000 or so beds and what amenities are offered at each of those different facilities. That simply wouldn't have happened without the leadership of Assisted Living and Social Services.

Acute-care and surgical services is going to be operating to oversee all of our service providers. AHS is now a service provider. They manage over a hundred hospitals on our behalf. Covenant Health manages 17 facilities. There are 50 charter surgical centres, and I would hope that there would be hundreds more as we go along so that we continue to have an opportunity for more and more services to be provided and for more and more innovation to be provided.

The oversight roles that are important from a government point of view are the four organizations that each have a minister associated with them. Since this is a very large restructuring that we have been doing, there continue to be refinements that are going to be made as we find different roles that should be in different departments, so the work is not quite complete. There's going to be another piece of legislation coming forward in this spring session that will complete that.

Once we have established those org charts in the final format, we'd be happy to make sure that that is mapped or shared in the suitable way, not only for the opposition but also for the public to see. There is still work that needs to be done. Shared Services is the area of IT, of contracting, of payroll, of HR: all of those services that are going to be shared across those four service providers so that our service providers can focus on what they do best, which is delivering care to patients. That is the reason for the oversight. Then, of course, Health Quality Alberta will continue to act as a monitoring role and identify issues that need to be resolved.

**The Chair:** Thank you, Premier.

It looks like we're down to our last few seconds here. Unless there's any question here from the government side, there's probably . . . [A timer sounded] There we go.

I apologize. I must advise the committee that the time allotted for consideration of the ministry estimates has concluded. I would like to remind committee members that we are scheduled to meet this evening at 7:00 to consider the estimates of the Ministry of Technology and Innovation.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 5:30 p.m.]







