Legislative Assembly of Alberta

The 31st Legislature
Second Session

Standing Committee on Alberta's Economic Future

Ministry of Technology and Innovation
Consideration of Main Estimates

Tuesday, March 17, 2026
7 p.m.

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Standing Committee on Alberta's Economic Future

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Standing Committee on Alberta's Economic Future

Participants

Ministry of Technology and Innovation
Hon. Nate Glubish, Minister
Janak Alford, Deputy Minister

7 p.m. **Tuesday, March 17, 2026**

[Mr. Wiebe in the chair]

Ministry of Technology and Innovation
Consideration of Main Estimates

The Chair: Well, good evening, everyone. I would like to call this meeting to order and welcome everyone in attendance. The committee has under consideration the estimates of the Ministry of Technology and Innovation for the fiscal year ending March 31, 2027.

I'd like that we go around the table and have our members introduce themselves for the record. Minister, please introduce the officials who are joining you at the table. My name is Ron Wiebe. I'm the MLA for Grande Prairie-Wapiti and the chair of this committee. We will start, beginning with Mr. Wright.

Mr. Wright: Hi, everyone. Good evening. My name is Justin Wright, MLA for the charming constituency of Cypress-Medicine Hat.

Ms de Jonge: Hello. Chantelle de Jonge, MLA for Chestermere-Strathmore.

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

Mr. Stephan: Greetings and salutations. Jason Stephan, MLA, Red Deer-South.

Mr. Glubish: Nate Glubish, Minister of Tech and Innovation. I'm joined by my deputy minister, Janak Alford; ADM Martin Dinel; SFO Richard Isaak; and ADM Hilary Faulkner.

Mr. Eggen: My name is Dave Eggen, and I'm the MLA for Edmonton-North West.

Mr. Ip: Good evening, everyone. I'm Nathan Ip, MLA for Edmonton-South West.

Member Kayande: Samir Kayande, MLA, Calgary-Elbow.

The Chair: A few housekeeping items to address before we turn to the business at hand. Please note that microphones are operated by *Hansard* staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of the meeting can be accessed via the Legislative Assembly website. Please set your cellphones and other devices to silent for the duration of the meeting.

Hon. members, the main estimates for the Ministry of Technology and Innovation shall be considered for three hours. Standing Order 59.01 sets out the process for consideration of the main estimates in the legislative policy committees. Suborder 59.01(6) sets out the speaking rotation for this meeting. The speaking rotation chart is available on the committee's internal website, and hard copies have been provided to ministry officials at the table. For each segment of the meeting blocks of speaking time will be combined only if the minister and the member speaking agree. If debate is exhausted prior to three hours, the ministry's estimates are deemed to have been considered for the time allotted in the main estimates schedule, and the committee will adjourn. Should members have any questions regarding speaking time or the rotation, please e-mail or message the committee clerk about the process.

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

Ministry officials who are present may, at the direction of the minister, address the committee. Ministry officials seated in the gallery, if called upon, have access to the microphone in the gallery area and are asked to please introduce themselves for the record prior to commenting. Pages are available to deliver notes and other material 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 the individual speaking times will be paused. However, the block of speaking time and the overall three-hour meeting clock will continue to run.

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

Finally, the committee should have the opportunity to hear both the question and the answer without interruption during estimate debates. Debate flows through the chair at all times, including instances when speaking time is shared between a member and a minister.

I would now like to invite the Minister of Technology and Innovation to begin your opening remarks. You have 10 minutes.

Mr. Glubish: Well, thank you, Mr. Chair. I'm pleased to present the 2026-27 estimates for Technology and Innovation. Before I get into the substance – well, actually, no. I've already introduced my team, so I guess we can get right into it. I want to thank my whole team and my entire department for all the work they do every day in delivering critical technology services for Albertans and across the government.

Budget 2026 provides $1.1 billion for Technology and Innovation. That's a $93 million increase over last year, but I don't want to just talk about numbers tonight. I also want Albertans watching to understand what this budget actually does for them. This budget does three things. First, it makes Alberta's public service more productive and more capable by leading with technology, especially artificial intelligence. Second, it positions Alberta to attract tens of billions of dollars in new investment through our AI data centre strategy with the potential to generate hundreds of millions of dollars in new tax revenue to fund the services that Albertans rely on. Third, it protects Albertans by meeting the most sophisticated cybersecurity threats we have ever faced head-on with the same AI tools that the adversaries are using against us.

Let me walk through each of these. There's a lot of conversation in Canada today about AI – lots of reports, lots of committees, lots of hand-wringing – and Alberta is done just talking about it. We're doing it. Our goal is to make Alberta's public service the most innovative in Canada, and that means our public servants are trained on AI. They're proficient in it and using it every day to deliver better outcomes for Albertans. Through our AI maximalist program we are equipping public servants with the tools and training to do more with less, better services, faster turnaround, and lower cost to taxpayers. This budget includes $60 million over three years for the digital accelerator program, with $48.2 million in 2026-27 alone. That's helping us replace aging systems and building new digital tools that make it easier for Albertans to interact with their government.

We're also investing in AI-augmented in-house staff. Where we've identified contractor arrangements that weren't delivering

good value, this budget redirects that spending toward permanent public servants who are AI proficient from day one. They accomplish more for less, and we continue to value and rely on the specialized partners and innovators who bring real expertise to the table. Every day more public servants across government are becoming AI proficient. That's not a slogan; it's a measurable shift in how this government operates, and it's something that governments all across this country are taking notice of. In fact, our AI Academy now has students in it from other provinces and the federal government, who have all said: "We love what Alberta is doing. Can we join you in this journey?"

A more productive public service is only part of the story. Let me turn to what might be the single biggest economic opportunity Alberta has seen in my lifetime, and that is the AI infrastructure industry. The global AI industry: they need infrastructure. They need data centres, and those data centres need power. They need reliable, cost-competitive jurisdictions with stable regulatory environments, and Alberta checks every one of those boxes. Our AI data centre attraction strategy has laid the foundation for tens of billions of dollars of private investments to flow into this province. We've built a clear, fair, consistent playing field so companies can develop their projects with confidence, and many are now approaching final investment decisions. That investment will create construction jobs, operating jobs, and supply chain jobs. It will generate hundreds of millions of dollars in new tax revenue that will fund schools, hospitals, roads, and the services Albertans depend on.

Now, let me be clear about how we structure this. The affordability and reliability of our electricity grid is paramount. Our data centre levy encourages companies to bring their own power. That's how we scale this industry big and fast without putting pressure on the grid. Some projects may use grid power, and we've structured the levy to ensure Albertans benefit when they do through increased tax revenues. Our cost-causation policy is equally clear. If a project requires new transmission infrastructure, the project pays for it, not Albertans. The rules are clear, simple, and well defined, and everyone plays by the same rules. By providing that certainty, we have sent a signal that Alberta is open for business. We have what the world needs, and the world is showing up.

There's another dimension to this that doesn't get enough attention, and that's digital sovereignty. When Alberta has access to domestic AI computing infrastructure, we are no longer dependent on foreign data centres to process data, train our models, or power our public services. Our intellectual property stays here, gets developed here, gets protected here, and then commercialized here without the risk of foreign jurisdictions claiming access to our data or our intellectual property. That matters for privacy, for security, and for Albertans' long-term economic future.

7:10

If we want to make sure that Alberta's innovators and entrepreneurs and investors can build the next big thing in tech and go toe to toe with the biggest, most powerful companies in the United States and around the world, the only way they can do that with confidence is if they know that whatever technology they are building, they built it on infrastructure that is sovereign, that is located here in Canada and, ideally, in Alberta. That is why our focus on attracting AI data centre capacity is so important.

Data centres are one piece of a much bigger picture. Alberta's innovation ecosystem as a whole is thriving. The Alberta technology and innovation strategy is delivering results: over $440 million in investment leveraged, more than 8,200 direct jobs created, over 10,000 Albertans trained or upskilled, and more than 375 patents and intellectual property transfers have been supported. Our targets of 20,000 new jobs and $5 billion in Alberta technology firm revenue by 2030: well, we're on track. The innovation employment grant puts $385 million over three years behind small and medium-sized businesses doing research and development here in Alberta. That's real money going directly to the companies and the innovators that are creating the jobs and the economy of the future.

Alberta Innovates continues to drive commercialization across sectors, from digital health to agriculture to responsible resource development, and we are always looking at how we can do better. Continuous improvement is how we deliver the most innovative outcomes for Albertans and the best return on investment for taxpayers. That's why we've sharpened our focus on the sectors where Alberta has real competitive advantages and the best alignment with Albertans' priorities: advanced materials and aerospace, which has a significant national defence angle; applied, digital, and emerging technologies; natural resource recovery, including critical minerals; health and life sciences; and agriculture. Public dollars are going to the initiatives and sectors with the strongest returns, and that's what this budget delivers.

Now, everything I've talked about so far – the AI-powered public service, the data centre investments, the innovation ecosystem – all of it depends on one thing: security. So let me talk a little bit about cybersecurity. The cybersecurity threat facing Alberta and every government in the world has fundamentally changed because of AI. The attacks are more frequent, more sophisticated, and more automated than anything we have ever seen. State actors, criminal organizations, and hostile groups are using AI to probe for vulnerabilities, craft attacks, and move faster than traditional defences can respond.

We are meeting that threat with the same technology. Our cybersecurity division is deploying AI-powered tools that identify threats proactively, design patches to vulnerabilities automatically, and monitor our systems around the clock. This is a proactive, always-on capability that keeps Albertans' data and government systems protected.

Before I close, one more commitment that this budget delivers on: this budget invests $183.1 million to continue delivering high-speed Internet to every corner of the province. Those of you who've been around since I started in service Alberta know that I was the one to develop Alberta's broadband strategy to secure funding for the Alberta broadband strategy and to negotiate the partnership with the federal government with the universal broadband fund. This has been a passion project of mine for many years. I'm pleased to say that over 18,000 homes have already been connected, with another 107,000 homes that are in progress, not to mention the tens of thousands of homes that have since been connected through private-sector investment that complements our broadband strategy.

When this strategy is complete, 100 per cent of the roughly 201,000 underserved households that we identified at the start of this journey will have access to reliable high-speed Internet. We won't stop until we meet our goal. Every Albertan, no matter where they live, will have access to reliable high-speed Internet.

Mr. Chair, I want to close on this note. Alberta's technology sector is strong, and it is growing. Our public service is becoming more productive every day. More public servants are AI proficient today than at any point in the province's history, and that number is climbing. We are building the foundation for the economy of the future. We have the talent, the resources, the strategy, and the momentum. The future is bright, and Technology and Innovation: we're leading the way.

The Chair: Thank you, Minister, for your opening remarks.

Before we turn it over to the Official Opposition, I see Member van Dijken at the table. Member, can you introduce yourself for the record?

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

The Chair: Thank you.

We will now begin with the question-and-answer portion of the meeting. For the first 60 minutes members of the Official Opposition and the minister 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.

Question to Member Ip: would you like to combine your time with the minister? If yes, Minister, do you agree with the combined speaking time with the member?

Mr. Ip: I'll continue with block time.

The Chair: Block time it is. Go ahead, Mr. Ip.

Mr. Ip: Thank you, Mr. Chair. I want to begin by acknowledging that we are gathered on Treaty 6 territory, a traditional meeting ground, gathering place, and travelling route for the Cree, Saulteaux, Blackfoot, Métis, Dene, Nakota Sioux, and we acknowledge all the many First Nations, Métis, and Inuit whose footsteps have marked these lands for centuries.

I want to thank you, Minister, and also your staff for being here this evening and for the dialogue that will take place. Budget estimates are an important part of the Legislature's work. They give all of us as members the opportunity to examine not only the dollars being allocated but also the government's priorities, its assumptions, and the outcomes it is seeking to achieve on behalf of Albertans. Estimates is an important part of the public assurance process that gives all of us the chance to discuss whether budget choices are aligned with the needs of Albertans and whether public resources are being used in a way that is thoughtful, effective, and accountable. I appreciate the opportunity to ask questions this evening in that spirit.

I would like to begin this evening by discussing the government's decision – I'll start, actually, with the provincial innovation agency, Alberta Innovates. Of course, it's the government's primary vehicle for funding research and innovation, for helping bring research to market through commercialization. It's central to this ministry's mandate to support innovation, economic diversification, and long-term growth.

My next set of questions pertains to government estimates document, page 219, line 2.2, grant to Alberta Innovates. It also pertains to the ministry business plan, page 157, outcome 3, Alberta is the most attractive jurisdiction for innovators and investors in Canada. The next set of questions will refer to key objective 3.1 and key objective 3.2.

While the ministry's overall budget is increasing by about 5.4 per cent over last year, there is a significant reduction to the Alberta Innovates grant. The core grant to Alberta Innovates funds, of course, both staff salaries and nondilutive granting programs for companies and researchers. The reduction of $60.6 million, or 31 per cent, compared to last year's budget is substantial. Now, what is not clear from budget documents is how specific programs within Alberta Innovates will be impacted. What I'm hoping is to get some clarity on whether these funding cuts are translating to staffing reductions, grant reductions, or both.

Through the chair to the minister, let me begin with granting programs for entrepreneurs. How does this 31 per cent funding cut affect Alberta Innovates' granting programs for entrepreneurs, particularly popular microvouchers and other bottom-up approaches to grant distribution? For example, the strategic and networking development grant, a popular microvoucher-style program, is no longer accepting applications. There are others as well. Additionally, what other programs or support organizations might be affected by this cut, including funding to the regional innovation networks, for example? Can the minister confirm whether any funding for granting programs that go directly to entrepreneurs is being reduced? If so, which programs are being cut, and what is the rationale for that decision?

While I recognize that these are operational decisions made by Alberta Innovates, these operational decisions should align with strategic goals. My next question, then, is: how do these cuts align with the ministry's broader strategic goals? Additionally, when it comes to staffing, page 160 of the government's fiscal plan shows staffing levels for Alberta Innovates, while it remains relatively unchanged from the previous fiscal year, in fact, going from 604 to 608 FTEs, an increase of four.

7:20

I think that what it doesn't tell us, though, and I'm hoping the minister will clarify, is what the impact might be of that 31 per cent cut to staffing levels. My understanding, and I would ask the minister to clarify, is that those FTE levels are currently being maintained in part because of federal funding tied to many Alberta Innovates programs and that once those funding cycles run out, there will likely be staffing reductions. My understanding also is that a number of positions have already been cut from Alberta Innovates. Through the chair, my question to the minister is: going forward, how will this shortfall be managed? Are we likely to see additional staffing reductions? How do we ensure that Alberta remains competitive in retaining talent and maintaining sustainable and predictable sources of grant funding?

As the minister knows, access to nondilutive capital for early-stage companies is critical, so how is the ministry evaluating the performance of Alberta Innovates under its new strategic plan? To date no one knows which Alberta Innovates programs will be cut or consolidated. There is no notice posted on the website, and the agency has not yet released its 2026 business plan. These cuts, therefore, introduce uncertainty to investors, founders, researchers, and others as they wait to see what programs remain, so to the minister: when will Alberta Innovates formally announce which programs have been discontinued or consolidated? I also want to take this opportunity to get clarity on which grant programs are being eliminated within Alberta Innovates, if any. Again, I just want to reiterate that this all relates to page 219, line 2.2, grants to the Alberta Innovates Corporation.

I should mention that a 31 per cent cut is a large reduction for any public agency to absorb in its base operating grant. It is therefore important to understand the wider implications for those working in research and development and for those relying on Alberta Innovates funding. Last year in response to a 6.5 per cent reduction to its grant, the CEO, Mike Mahon, said that Alberta Innovates would need to consolidate and eliminate some of its work. Naturally, I expect this year will be similar but on a much larger scale, so some clarity would be helpful. Programs may not always be cut outright, but they may be merged into one another, and the criteria for eligibility and evaluation may be tightened.

On the Alberta Innovates website there are 42 programs listed, but only 21 are currently accepting applications, so I would like to ask about some of these currently open programs. Some of these grant programs directly support company founders, like the voucher program, which provides up to $100,000 to companies, and the microvoucher program, which provides up to $10,000. There's also

direct support to researchers, such as the graduate student scholarship, where Alberta Innovates awards between $12,000 and $31,000 annually for up to four years. Of course, if there are any significant changes to any of these programs, it may disrupt research and development activity in the province. Again to the minister: can you please provide clarity in terms of how this impacts direct supports for founders and researchers such as the programs that I've already mentioned?

I also want to draw attention to the government's own stated ambitions. The government has a goal of creating 20,000 jobs by 2030 through its Technology and Innovation agenda, and Alberta Innovates is clearly an important part of that ecosystem. Through the chair to the minister: how does a cut of this size affect the government's ability to meet that goal? How does reducing funding to Alberta Innovates fit with the objective of building that level of job growth in Alberta's innovation economy by 2030?

Actually, I have more, but I will leave that to the next block if I may. Thank you.

The Chair: Thank you, Member.

Minister, you now have 10 minutes to answer.

Mr. Glubish: Sure. Thank you. First, let me just say that, you know, Alberta Innovates continues to be an important part of our innovation game plan here at Tech and Innovation. We understand that they play an important role in supporting innovators, start-ups, researchers. As you all know, we've been going through a bit of a program review. There hadn't been a program review in a very long time, and I think as minister my job is to make sure we're getting the best bang for our buck, that when we're putting millions of dollars of taxpayer resources to go and serve a purpose, we should be evaluating how well that's going and making sure we're getting a good return on investment.

I had asked the board to undertake an in-depth program review, to look line by line at everything that they do and say: you know, what are the superstar programs that are performing exceptionally well? What are the ones that maybe started off well intentioned but maybe they're just not hitting the mark anymore? In what ways could we maybe ensure that we're putting all of our resources towards the things that yield the biggest and best returns? The review is complete. The team at Alberta Innovates is working through some of the recommendations from that, and I look forward to seeing where they decide to go with the structure of all of their programming.

What I'm confident on is that they are going to be aligned with the key sectors that we have chosen to prioritize as a government. I mentioned those in my opening remarks. The key sectors that align with the Alberta technology and innovation strategy are aerospace and defence, advanced manufacturing and materials, natural resources including energy and critical minerals, health and life sciences, agriculture. I think I covered most of them.

We want to make sure that we're focused on the things that Albertans care the most about, you know. Of course, for me a big focal point that I'm pushing all of our innovation programming to focus on is: how do we make sure that the research and the technology development and commercialization that we fund is going to help us to tackle the growing challenges in our health care system? We have a rapidly growing population, a rapidly aging population. There are some pressure points in our health care system. From my perspective bringing more innovation into the health care system with novel therapeutics, new drugs, new treatments, but also operational efficiencies that come from optimizing how we run our health care system: that's one of the ways that we can, as I said in the broader theme in my opening remarks, do more with less.

You know, if we've reached the maximum limit of how much money we have, I still want to be able to do more. Focusing our research and our innovation supports into things that will support our health care system: I believe that that's aligned with what Albertans care about. I think, you know, we hear about it a lot. When there's debate in the Chamber, health care is a theme that comes up regularly in question period and in debate. I think we can all agree that more innovation in health care is going to be a good thing. Therefore, ensuring that Alberta Innovates is focused on health and life sciences should be a priority.

One of the things that reflects a change in the Alberta Innovates budget is that we did make a bit of a change because the Alberta Machine Intelligence Institute, or AMII, which is our key AI research institute, used to be funded underneath Alberta Innovates. We gave a broader grant to Alberta Innovates, and then Alberta Innovates had their own grant agreement directly with AMII. What we decided to do is to take that relationship back so Tech and Innovation had a direct relationship with AMII. It allowed for a bit more of a stronger relationship and more of an ability to have an ongoing dialogue about priorities and alignment. That just aligned better with my priorities as minister of wanting, again, to make sure that we're accelerating AI adoption, that we are accelerating the commercialization of new technologies that are built on AI.

The amount of funding was $36 million over four years. Take the annualized portion of that. That is a corresponding decrease in Alberta Innovates' budget, and we are funding that directly to AMII. A portion of the numbers that you're seeing on the decline are explained by something where it's not that we're doing less; we've just moved the money from one bucket to another.

7:30

You know, there were a few other things that we found weren't performing exceptionally well. Some of the accelerator programs were serving a lot of companies that weren't even from Alberta, so we were putting millions of dollars into these programs that were serving companies from outside of Alberta. Or you would have these programs where you'd have companies that would go into them that weren't even quite ready for a mentorship program like that. Like, I'm all for trying to encourage and inspire young up-and-coming entrepreneurs and innovators, but I also want to make sure I don't give them false hope. If you're not quite ready for it, then maybe there's a different way to give you some support and some help to help you figure out what it takes to get ready. We were spending millions of dollars on programs that were not quite delivering the value that the participants needed, and the results just were not there in terms of ensuring that taxpayer dollars led to the commercialization of a new technology which led to a company growing and creating jobs and attracting investment.

Those are some examples of some things that, you know, we're doing less of because they just weren't hitting the mark. They weren't achieving our objectives. They weren't making our health care system stronger. They weren't helping with our energy industries. They weren't helping to deal with improving our agricultural industry and all the other key sectors of the economy that we've chosen to prioritize through innovation.

I think that that's a prudent approach, to say: "You know what? It's not working. We don't have to do it," and we don't need to necessarily jump at replacing it with something else right now. If it wasn't working and if it wasn't delivering a good outcome, let's just take a breath. Let's stop. Let's reassess. There's always potential when the budget improves to say: "You know what? Should we look at something new that will align with our objectives

and that is going to help to deliver more momentum in our tech sector?" I'm always open to have that discussion. As you know, this is a tough budget. I'm not looking to rush into replacing something that wasn't working with something new right now today, but we can always re-evaluate that in the future.

To some of your specific points, just looking through some of these one by one here. The one question about key objectives 3.1 and 3.2 and the overall budget changes and then how that relates to the Alberta Innovates grants: I think we've kind of touched on that reasonably well. If you want to dig into that a little bit more later, just let me know.

In terms of staffing levels there have been some changes. I know in October of 2025 Alberta Innovates reduced its workforce from 587 FTEs to 522, which is a reduction of about 65. You know, some of those were within Alberta Innovates itself at the parent level, and some of that was within InnoTech, which is one of their subsidiaries.

In terms of grant programs, while the total number of programs has been changed from 44 different programs down to 24, again, some of those are like the programs I just mentioned that just weren't delivering the results, so I think we've kind of touched on that. There were also a few projects that just had run their course. Not everything is an evergreen program that goes on forever. Some of it is like: hey, we do this for a year or two, and then when it's done, it's run its course. About $20 million of that decrease was simply just the natural end of specific grant agreements, one of which was the $10 million for the clean Hydrogen Centre of Excellence. You know, it served its purpose. It did some important work. It set the stage for some of the conversation about hydrogen, the hydrogen economy, and Alberta's role in that. I think we've been able to just say that that one is done. We don't necessarily need to jump at replacing it right away.

One of the other things that I did want to just point to as well is that I know that these questions were really talking about Innovates, but let's not forget all of our broader innovation funding. Like, there are many different things. It's not just Alberta Innovates. While that is an important part of our innovation agenda, it's not alone in a vacuum. The innovation employment grant, I think, is something that is important to keep in mind. That's sort of the provincial SRED program, the equivalent to the SRED program that the feds have, and that's increasing: Budget '25-26, $117.8 million; '26-27, $125 million; '27-28, $130 million; '28-29, $130 million. This is a program that we know is working well, and we want to anticipate that going up. So, yeah, you might see a few things going down in Innovates, but you're also seeing other things going up.

The Chair: Thank you, Minister.

We'll now go back to Member Ip for the next block of questions.

Mr. Ip: Thank you, Minister, for providing that very thorough response. I would actually like to continue in the same vein of sort of diving into some of these budget items. I appreciate your help in sort of providing some clarity with respect to the specifics.

When I'm looking at the ministry's overall budget, you know, we've already talked about the $60.6 million that's being cut from Alberta Innovates, but there is actually an additional increase of $76.9 million allocated to tech support and operations on line 3 and page 219. That's defined in the budget documents as managing the government's secure technology platforms, including the 1GX system and users' voice data, videoconferencing, network services, and SuperNet operations. In the 2025-2026 budget $106.2 million was allocated to this line item, and then in the 2026-2027 budget that rises to $183.1 million, representing a 72.4 increase year over year, or, again, $76.9 million in actual dollars. This is interesting because the budget documents allude to what some of these things were. It seems that they are presumably enterprise systems that the government spends its money on. Can the minister perhaps shed some light on why there's such a significant increase and provide some additional context? Will this represent a one-time investment perhaps for enterprise system upgrades, or will it be a more permanent increase to tech support and operations? If it is more permanent, it would be helpful to understand that context. I should also note that this increase comes in addition to the increase in the cybersecurity budget, which appears under its own separate line item.

Minister, you did mention that Alberta Innovates was undertaking a line-by-line review at your request. Certainly, there is value in reviewing programs and making changes where needed, but I suppose it isn't entirely clear, at least to members of the public, how this specific reduction relates to that review. You've explained it here, so I appreciate that, but I think what I would like to know is what the government sees as the long-term direction for Alberta Innovates. Will you begin to perhaps carve out some funding and fund partners directly, which is sort of a change from how it's currently being funded or how it has been funded, essentially, for a long time, which is that it flows through Alberta Innovates? If that's the change, why is that change being pursued? Is the minister confident that Alberta Innovates in its current form can still fulfill its mandate and objectives? Of course, it plays an important role, but I think the broader question is: how does the minister see the role of this agency evolving? It certainly has gone through multiple iterations and changes over, you know, the last 15 years or so.

I also want to switch gears a little bit and talk about the province's overall reduction to research and innovation funding in this budget. In the budget document this relates to page 157, outcome 3, key objectives 3.1 and 3.2. Given the overall reduction in provincial investments in research and innovation I would like to ask the minister through the chair: what are the ministry's expectations for who is going to pick up this torch for funding work in research and innovation in the province, especially for sectors that are seeing reduced support?

7:40

While some granting programs within Alberta Innovates might see some reductions, I guess I'm making an assumption here that there have been some reductions also for research and innovation, specifically research and development. If that's the case, if the minister can confirm that. If so, is the ministry expecting the federal government to then come in and fill in some of the gaps? How does the ministry imagine that the province will maintain its productivity given some of these changes?

Next I actually want to ask about some things that you've brought up just moments ago. In particular, Minister, you mentioned AI in health, so I want to ask about the AI in health consortium, which, of course, Alberta Innovates is part of. It supports health care transformation by using AI to shorten patient wait times and assist in workforce planning. What dollar amount is getting allocated to this program in the 2026-2027 fiscal year? How will funding flow? Will it be through Alberta Innovates? Is this new money, or will the program funding be coming out of the Alberta Innovates operating budget?

I also want to ask about a specific key initiative in the ministry business plan, again under outcome 3 on page 157, on the first bullet under initiatives supporting key objectives. In 2026-2027 $25 million is allocated towards key initiatives of the Alberta technology and innovation strategy, including support for technologies such as AI and quantum science and defence innovation. To the minister, I'd like to know: how is the ministry making these investments? Again,

is this new money, or is it flowing through grants that already exist through Alberta Innovates? Is it flowing directly to postsecondary researchers? I think sort of understanding what this looks like is certainly helpful. In some cases is it flowing directly to companies or perhaps another mechanism? What are the ministry's objectives with this investment? What will be the expected KPIs and outcomes from this investment in artificial intelligence, quantum science, and defence innovation?

I also want to just take a moment to talk about how the approach by Alberta Innovates towards research has changed over the years. As you know, there has been this shift for really a number of years now from basic research or pure research to focusing almost exclusively on translational or applied research. I should note – of course, the minister and others in the department that have been around for a while would know this – that it was much of the basic research or the pure research that led to breakthroughs like the Edmonton protocol for type 1 diabetes in 1999 developed in Edmonton by University of Alberta medical researchers, and of course we still feel the protocol's impact today as it's used world-wide to treat diabetes. It's also spurred the U of A hospital to become the host to the world's largest islet transplant program.

Alberta used to prioritize pure research in health through the Alberta Heritage Foundation for Medical Research, an endowment fund established in 1980 under Premier Peter Lougheed. This world-class foundation, which reached $1 billion in value in 2011, blended both basic and applied research and attracted medical researchers to Alberta. However, it was then discontinued by the then Progressive Conservative government in 2011 and folded into Alberta Innovates with the mandate to focus on applied research. Now, with sort of some history and hindsight I want to ask the minister whether this approach still . . .

The Chair: Thank you, Member.

We'll now go back to the minister for his response.

Mr. Glubish: Yeah. Thank you. Some good questions in here, and I'm seeing a few themes emerge. I'm going to try and tackle a few of them, like, altogether. You've asked: you know, what's the vision for Innovates? What are some of the objectives we have more broadly speaking? Let's start, maybe, by tackling that because I think that will help to tie into a lot of the other parts of the discussion.

One of the things that I'm directing my department and my innovation agencies to focus on is intellectual property. One of the reasons for this is, you know, we've been hearing loud and clear the calls from the Canadian Council of Innovators and key thought leaders across Canada, including Jim Balsillie, Jim Hinton, Natalie Raffoul, many others, who've been working a long time to help sort of raise the alarm to say: in Canada we've been really good for the last 30 years at attracting, training, and retaining the smartest people in the world. Now, we've been really good at equipping them to go and develop brilliant ideas, but where we have failed as a country – not just Alberta; every province and the feds – is that those ideas get commercialized in the U.S., and those ideas create wealth for Americans. We do all the work to get the smartest brains and the best ideas, but all of the fruit of that labour accrues to the benefit of the U.S. or other countries. That's a massive policy failure. Great. What are we going to do about it?

The best time to plant a tree is 20 years ago; the next best time is today. What they've been calling on us is to say that we've got to be more deliberate in saying: how do we change the culture of innovation to say, "I want to be focused on owning my ideas; I want to be focused on protecting those ideas; I want to be focused on actually commercializing those and creating wealth for me and for my family and for my colleagues and for my co-investors so that that wealth can then lead to a better future for this entire province and for this country"? Part of that is in the education system, you know, in the postsecondary system so that folks who are working on their degrees and their training know, like: hey, owning your ideas is important. It's not just about learning how science works. It's not just about going and doing research and publishing papers. It's about creating something and then not being afraid to own it and to turn it into a company and a product and attract investment.

We need to also, then, teach them? well, how does IP protection work? You know, when does a patent make sense? When does a trade secret make sense? When does a trademark make more sense? How do you build a moat around your ideas? Then it also comes down to: how do you make sure that folks know how to protect those ideas? Maybe you've built something really great and proprietary and novel that's going to change the world, but some big player in the U.S. is going to go and try and steal it from you. Do you know how to fight that out in court and make sure that you can win and defend your IP and make sure that you're going to get a licensed deal from that company and keep them out of your backyard and make sure that you're the one who built it and you're the one who benefits from what you built?

Ultimately, how do we make sure that all of our innovation programming across the board, whether it be Alberta Innovates or anything else, is focused on saying: for those brilliant brains, those world-class thinkers who are creating world-class ideas, how do we make sure that the capital flows to those best ideas and the best, smartest people so that they can turn it into a product, turn it into a business, turn it into something real? We need to tie it all together with the ultimate goal being that it's not just about: do the research so we can say we did it. It's not just about, you know: issue a grant so we can say that we funded someone to go explore something. It's about: what are we actually building at the end? Are we creating proprietary, novel intellectual property that's protectable and that's becoming commercialized?

One measure that we're looking at is that the OECD average is about 6 per cent of companies own at least one patent. In Canada the number is 1.9 per cent. We want to make sure that Alberta is pushing at least to the OECD average of 6 per cent as a starting point and then let's see if we can push beyond that. That's one example of things that – you know, everything we're looking at right now is: how do we make sure that what we're doing is going to lead to the creation of and the protection of and the commercialization of intellectual property? You're going to see more from Alberta Innovates on that. You're going to see more from all of my own tech and innovation programs. You're going see more from what we do with AMII. We're all going to be focused on more IP.

7:50

The last thing I want is to say that the next idea that creates Google DeepMind or that creates ChatGPT – you know, the foundations of that technology all were born in Canada, between Geoffrey Hinton from Toronto, right? And Yoshua Bengio from Montreal and Richard Sutton from Edmonton, the godfathers of AI. All the wealth that came from their ideas was commercialized in the U.S. I don't want the next version of that. I believe that in Alberta we can create the next version of that with Quantum AI and so many other things. I want to make sure that those home runs build wealth for the future of Alberta, not for the U.S. That kind of ties into what the vision for Alberta Innovates is. As we look at the programs and as we look at what's going to come next, it's always going to be coming back to intellectual property.

Coming back to a specific question of yours, you'd opened with a question about the $76.9 million in tech support and operations, which I guess is on page 219, I think. That's tied to – you were saying page 219. This is the capital grants line item for program 3, I believe, so that's $76.8 million. It comes from two things. First, there was a $101.9 million increase in the Alberta broadband strategy, which is really just reprofiling. As has been the case over the four years, sometimes we have an allocation but it doesn't get fully deployed because the projects weren't ready or maybe the equipment hadn't been purchased. We only flow the money when the project is being built. There were some projects that started in the previous year but won't finish until this current year, so we moved the funding to follow the project.

That's part of what the increase was, and then that was off-set by a $25 million savings that we identified this year in the broadband file. Because we've been making such great progress on getting to universal connectivity, we're confident we're actually ahead of schedule and under budget. We're going to be able to deliver universal connectivity for about $25 million less than what we originally intended and needed. The $101.9 million dollar increase of reprofiling minus the $25 million in savings because we've managed this program well: that leads to the $76.9 million that you were referring to. I hope that helps with that one.

In terms of cybersecurity you're correct in pointing out that there is about a $2.3 million increase. I mean, that's primarily due to just us acknowledging that this is a growing concern. There are growing threats. We need to become more sophisticated. We need to evolve and adapt and incorporate modern AI technologies so that we can protect the systems that Albertans rely upon and keep this province safe. We've approved an increase of 13 full-time equivalents specifically for cybersecurity services to support the managed security services transformation. This also helps to shift some of our cybersecurity operations like monitoring incident response, threat intelligence from some outsourced vendors to our in-house management.

This is important to us because these are functions we're going to have to do forever. I want to have continuity. I want to have in-house experts that, you know, spend their careers developing expertise and that can stay in-house, and we can keep our systems safe and secure. Those are a few of the changes that are happening as a part of the cybersecurity side.

Of course, cybersecurity continues to support CyberAlberta, which is our public-facing arm where we invite businesses of all sizes, not-for-profits, and even private citizens to participate in monthly meetings where we share threat reports and our intelligence that we gather as well as best practices. We identify ongoing known vulnerabilities and the best ways to address them. That's our way of giving back, to say that we're doing all of this work for ourselves anyways to protect Alberta's critical public services. Let's also help some of the other businesses out there who maybe don't have the same bandwidth and resources as we do to still benefit from those investments that we make.

You asked: am I confident in Alberta Innovates's ability to fulfill its mandate? Yes, I am. Again, I think we're retooling a little bit, but we're also focusing it on the things that matter the most. At the end of the day, if we're not creating intellectual property and we're not creating new technologies and new companies that are then creating wealth for Albertans, then what was the point in the first place? Even though it may be a smaller dollar number, I believe the impact that Alberta Innovates is going to have is going to be greater than what we've had in the past. Again, it comes back to the theme of doing more with less. Whenever we can do more with less, we're doing something that is good for Alberta taxpayers and for Alberta citizens, and I think this is a good case study for that.

I've talked about the role of Alberta Innovates evolving, again, focused on IP. I think we're starting to make some progress here through some of your questions.

In terms of federal government funding, I mean, yes, we always want to keep an eye on: how do we make sure that we're getting matching funding from the feds? But as a general rule our focus is to say: I don't want to just chase matching funding for matching funding; I want to make sure that matching funding goes to something we care about.

The Chair: Thank you, Minister.

We'll go back to the member of the opposition for his final 10 minutes in this segment.

Mr. Ip: Thank you, Mr. Chair, and through you to the minister, my appreciation for, again, that thorough answer.

You know, I'm going to jump around a little bit because I feel like you've answered some of my questions, and I'm going to allow the, I guess, conversation to flow a little bit more naturally. A couple of things. One is with respect to matching federal dollars. My understanding is that when it comes to, I guess, what's considered pure research and sort of back to that approach again, currently if a researcher qualifies for NSERC, for example, Alberta Innovates does not fund them, right? Correct me if I have an incorrect understanding, but there is that sort of delineation. Therefore, it makes it more challenging, particularly for those that do more basic or pure research and not translational research, to be able to sort of stack that funding. That's a very specific kind of policy decision, and I'd like to understand that rationale if I may.

Minister, you did talk about the importance of IP, so I'll actually jump into, I guess, my set of questions around IP. Of course, there's no question that everyone in this room would want Alberta to be the best place in Canada for innovators. Certainly, we've heard from the minister that, you know, he has committed to a robust IP strategy. I'm going to be referring to outcome 3 in the business plan, that Alberta is the most attractive jurisdiction for innovators and investors in Canada, as well as key objectives 3.2 and 3.5.

When it comes to innovative research and development, we see enthusiasm from the Ministry of Advanced Education. They made an investment of $148 million over three years to create 4,000 new seats in undergraduate engineering, health care, education programs with a further $96 million for apprenticeships. The U of C is also receiving $83 million to double enrolment in its Faculty of Veterinary Medicine. There's certainly no shortage of talent in our postsecondary system. Certainly, all would agree that an effective IP commercialization framework is critical for Alberta.

The minister did mention the Canadian Council of Innovators. I should point out that their 2026 prebudget submission called for Alberta to develop and implement a provincial intellectual property framework. There was an equivalent item included in the minister's most recent mandate letter, the need to keep more taxpayer-funded IP and data here in Alberta, particularly as AI has become more and more dominant. It's really good to see the government recognizing that.

Among the CCI recommendations was a proposal to establish a patent box. This tax mechanism was made to reduce provincial taxes by letting companies pay reduced rates on income from patents while incentivizing domestic IP development and retention. The chair of the Canadian Council of Innovators and former co-CEO – you've mentioned, Minister, through the chair, of course, the co-CEO of Research in Motion, Jim Balsillie. When he did speak with the minister at Inventures 2025, he did mention that none of the patents filed by researchers at Alberta's world-class, publicly

funded AMII are actually owned by Canadian companies. I don't know if that is still true. But even though Albertan taxpayers fund the research, foreign companies own the resulting IP. Of course, there needs to be a strategy to fight against that.

8:00

The question to the minister, and some of it you have answered but let's dive a little deeper, is: what is the specific timeline for the intellectual property framework mentioned in your mandate letter? Why does Budget 2026 not include an IP framework or that there's funding for one perhaps? What percentage of IP developed in Alberta is currently held in Alberta? Can you give us a ballpark of what value is being produced based on this IP if that's possible? How does the ministry measure how much economic value their public investment generates within the province? Are you pursuing the patent box recommendation? If so, what are the timelines on this product, and how will it be funded?

Additionally, I want to, sort of, go back to that specific conversation the Premier had with Jim Balsillie. The Premier did signal at the time last year an intention to develop a centralized IP office like Quebec and Manitoba. So to the minister, I know that an IP strategy hasn't been released yet. I imagine one will be forthcoming, but can the minister share with us whether such an approach – again, a centralized IP office like Quebec and Manitoba – will move forward and whether there are risks with such a centralized approach?

You know, speaking to some community members, I'm sure there are a multitude of different opinions, but some will say that it takes the tech transfer process away from those with expertise close to the technology creation, such as universities and polytechnics, and that actually could result in potentially putting us in a less competitive position. The University of Waterloo, for example, is renowned around the world in terms of having an IP model that actually makes sense. Again, can the minister share when the IP strategy will become available? What might be contained within it? What are, sort of, the directions right now that he sees this going? Will some of the pronouncements, perhaps by the Premier, actually be the direction of a future IP policy?

That's, sort of, a set of questions. I don't want to lose my time, so I'll continue, perhaps, with another set, if I may.

Next, I'd like to talk about the AI economy. Of course, it's already a ubiquitous part of our lives and will be transformational to our economy in the future. While the government has a very pronounced strategy on data centres, its approach to the AI economy is less clear. Data centres is only one component of the AI economy. In my view, Minister, we are lacking a coherent strategy, or at least it's not communicated in a in a way that is coherent, that will help our province harness its full potential. Canada currently has one of the lowest AI literacy rates amongst the public within OECD countries. I understand that there is, sort of, an AI Academy, et cetera, but that's geared towards training public servants.

What are we doing to build research potential, global competitiveness, and AI readiness? How are we supporting the workforce and businesses and not just government employees? Even though that is incredibly important, modernizing the workforce, I think it's also very important that there is wide adoption amongst the public and that there is a level of literacy that allows our workforce, which is the youngest and most educated in the world, to actually compete globally. What is the government doing to harness that potential within our workforce?

I also want to actually talk broadly about some of the gaps. I might run out of time, but I will continue, if I may, right after. I'll maybe start a little bit. In your own government document, in both the 2025 and 2026 budget documents, the ministry has identified a persistent problem that Alberta still has gaps in venture capital access and that some entrepreneurs struggle to navigate the system and still report gaps in the supports. That's why I spent quite a bit of time today to hone in on Alberta Innovates because, frankly, that is where a lot of the direct supports particularly to early-stage founders are currently being housed.

I have several questions on this matter, but I'll leave it at that for now.

The Chair: Thank you, Member.

We'll now go back to the minister for his answers.

Mr. Glubish: Thank you for teasing what the next block is likely to contain. I'll look forward to that conversation.

You know, I'm glad that we're getting a good, robust discussion about IP because that is super important. I want the tens of thousands of people at home watching today to take that away as being a priority of this government. I'm encouraged to know that thinking about the role of IP is also something that's important to the opposition. Every once in a while we find some common ground, and I think it's worth pointing that out.

As you mentioned, there are a few line items in my mandate letter from the Premier that focus around some development of some strategic initiatives around intellectual property. I don't need to itemize those. Those are all publicly available. I want to assure you that work is under way. I mean, I'm hoping what you're hearing from how I talk about IP is that this is a significant priority for me and for my department as we go into the upcoming year.

Now, while we do that work, you know, everything's not finalized yet, so as you pointed out there's not a specific line item in the budget that addresses this, but my commitment is that as we develop that plan, we're going to make sure that we can follow through on that plan. It's a priority for the Premier. It's a priority for me. We're doing the heavy lifting right now, and as soon as we have a little bit more that we can share with the public and with you, the opposition, we will be very excited to do so.

The question about the patent box program, for example: I mean, you're right to say that, you know, Jim Balsillie has mused about that and talked about how that can be valuable. We've been doing some homework on that. We see some merits to something like that among many other things. I talked a bit about changing the culture and changing education and preparing innovators to know: what does it mean to register a patent or to do a trade secret or to do any of the other IP protection functions? We want to make sure that all of these things fit together into a cohesive strategy, and we'll have a lot more to say on that certainly this year. You're not going to be waiting for 12 months to find out the answer to these questions.

In terms of a centralized IP office, I mean, I think it's worth thinking through, but I don't want to just do something because somebody else does it. If I do something, I want to do it because it makes sense for Alberta and it aligns with our goals and our objectives. Again, what are our goals and objectives? We want more IP generated, more IP protected, more IP commercialized in Alberta, by Albertans, owned by Albertans, creating wealth and prosperity for Albertans. That's the home run, so always coming back to that.

Does a centralized IP office generate those outcomes? Well, we need to do some work to think that through. Having some standardization can help, but you also raised that, you know, if done wrong, it could potentially stifle some of the innovation that we want to see.

Some of the things that I'm thinking through also are with my old former venture capital investor hat on. I want to make sure that whatever we do, we don't do something that will encumber

intellectual property in such a way that it will become uninvestable to the private sector. If you put too many controls over it – you know, it might have been well meaning to say that we want to make sure that our objectives are achieved, but if you do it the wrong way, you'll make it so that no venture capital fund will ever invest.

I can give you a perfect example. In the year before I ran for office back in 2018 – I wasn't an MLA yet; I was still a VC investor – there was a company called DrugBank. It's a spinoff from the University of Alberta. Great success story, but at the time they were raising money. I was leading our fund's efforts to make an investment into them, and we desperately wanted to cut them a cheque, but there was one hang-up in the due diligence, and that was the tech transfer policies at the University of Alberta at the time. It literally rendered it uninvestable. We spun our wheels for 12 months trying to close a deal. We wanted to cut them, I think it was, a million-dollar cheque. You can imagine how much that million dollars would mean to a company at that stage of their development, and having that a year sooner would have been exceptional. But, alas, that was not meant to be.

8:10

While I was not able to see that through while a VC, I was able to celebrate the successful closing of that finance after I became an MLA and a minister in the Alberta government. It was either in 2019 or early in 2020. At least they got to where they needed to go, but I always took away from that that we've got to do it the right way so that we do not hamper the next DrugBank and make it harder for them to raise money or slow them down in terms of their commercialization trajectory. While I don't have an answer for you just yet on if a centralized IP office is perfect for Alberta, I can tell you that these are the things we're thinking about to say: whichever direction we go, we will have considered those second-order effects. I think that also sort of touches on your question about risks to a centralized approach.

You asked about patents, what share of AMII patents, for example, are owned within Canada or elsewhere. I believe from my notes here it looks like we've got 43 per cent of AMII patents owned within Canada. What I want to see is that a much larger number of that is in Canada going forward, and I want to see that a good portion of that is owned inside of Alberta. The federal government funds AMII. Great. Canada-wide success is good, but we also fund AMII, so there needs to be also Alberta-wide success. That's going be the goal there: how do we make sure that we're maximizing outcomes for Albertans as we work with our partners at AMII?

Speaking of partnering with AMII, this dovetails into another one of your questions about, you know, just preparing folks for the economy of the future and AI being a big part of that. AMII is partnering with us on contributions to the K to 12 education sector. They're working on an AI literacy program for K to 12. They did launch a free K to 12 AI literacy program just a couple of years ago. It's designed to assist teachers in integrating AI concepts into the classroom. I mean, I think this is super important because these tools aren't going away. They're just going to become more and more sophisticated, so we need to be bringing supports through AMII and other means to ensure that our teachers are equipped with the tools of the future and they learn about the best practices on how to use those in a safe and secure way to help meet their kids where they're at and deliver the best possible education experience. We also want to think about: how do we empower the kids with AI tools that are going to help them to learn more and learn better and learn in the way that works for them? We can deliver a much more tailored, customized education experience that's personal with AI in a way that we can't otherwise.

Always a human in the loop: I'm not saying that there are any massive changes to the education system coming, but I want to make sure that – like, I look at how much AI has helped me in my personal life and in my professional life to become more productive, to learn faster, to get things done faster so I can do more with less. I keep saying this because it's an important theme of what we're trying to do. I want every teacher in Alberta to feel that boost in their productivity and to be like: hey, I can do 10 times as much stuff in half the time, and that means I have more time for myself and for my family and for, you know, doing the things that I care about personally. I would love for nothing more than to be able to deliver those kinds of tools and technologies and support to our educators and then to do the same for our kids and our parents, who all have a role to play in the education system.

Then the workforce development side: there's also a critical bridge between K to 12 and postsecondary and the professional workforce. Right now AMII has exceeded its talent training targets by 50 per cent in 2025-26. They've reached a cumulative total of over 1,500 MSc and PhD students, and they've been recognized as one of Canada's three national AI institutes of excellence, which continues to maintain Alberta's status as a global hub.

I know you know this; for our viewers at home. Another big one is that they also have partnered with Google's AI opportunity fund. Google brought $5 million to AMII to develop customized postsecondary training for folks who aren't computer scientists. If you're a teacher, how do you learn how to use AI in your profession? I mean, we're running out of time, but you get the gist of it. You get the idea.

The Chair: Thank you, Minister.

That concludes the first portion of the questions for the Official Opposition. We will now move to the government side for 20 minutes with the minister. Member Stephan is up. Would you like block time with the minister or shared time?

Mr. Stephan: Block is best.

The Chair: Block time it is.

Mr. Stephan: Block is definitely the best.

The Chair: Minister, that works for you?

Mr. Glubish: It's very good.

The Chair: Okay.

Mr. Stephan: I think the millions of Albertans watching this also feel the same way. I just want to say that.

The Chair: You may go ahead.

Mr. Stephan: Thank you, Mr. Chair. I want to talk a little bit about cybersecurity. Page 156 of the Technology and Innovation business plan highlights a $17.6 million investment into CyberAlberta. This is the province's co-ordinated cybersecurity program. A couple of questions in relation to this investment: could the minister explain what CyberAlberta is to him and why it is so important to Alberta's cybersecurity posture? What type of work does the program do, and does the minister have any data to share showing measurable improvements in provincial cyberresilience? Why is it important to continue supporting and investing in CyberAlberta as technology and cyberthreats evolve?

That would include in respect of AI-supported cyberthreats, which are actually quite concerning. You know, AI could develop, perhaps, some viruses that evolve and adapt to attempts to confront

and contain them. As well, AI is used for deepfakes. These are some concerning things, so I'd love to hear about the importance. It is very important. I'd love to hear about what your vision is and the important work that CyberAlberta does in respect to that.

I'd also like to ask a question about something that I know you have personal, first-hand competence in; that is, in terms of venture capital. Page 157 of the Tech and Innovation business plan highlights, in key objective 3.6, increasing venture capital investment in Alberta technology companies. I'd like to understand, in your view, what Alberta's competitive advantages are in terms of attracting more venture capital investment into Alberta vis-à-vis other jurisdictions, because other jurisdictions, of course, are competing with Alberta to be attractive venture capital investments. What are our competitive advantages here in Alberta?

The last question that I'd like to ask about is in respect of – page 153 of this business plan talks about the Alberta Wallet and mobile health card. I'd like to ask what the Alberta Wallet is, how it will enhance service delivery for Albertans. How does the Alberta Wallet elevate Alberta's position vis-à-vis other jurisdictions in Canada, and how will expanded digital credentials improve security, privacy, and user experience across government services? A few questions there. Very excited to hear about the answer, as are the millions of Albertans watching. Love to hear from the minister on that.

The Chair: Thank you, Member.

Minister, go ahead with your answer.

8:20

Mr. Glubish: Sure. Great. Thank you. Let's start with the wallet. This is something I'm excited about. I'm sure you know, but maybe for our viewers, in Alberta we have more Alberta health numbers issued and active than we have people in the province. That's a problem. Part of that is because we just have this old paper-based card that we've been used to for so long, and there was no expiry date on it, so it's not like you needed to go and renew it like you do your driver's licence. At least with your driver's licence you got to renew it every five years and prove that you still live here. There was no way to, you know, clean up old records. As we begin to modernize here, one of the ways in which we do that is by developing a mobile wallet that folks can use on their mobile phone, and they can get a digital version of that health card added to their wallet.

Now, a couple of key points here that were really important to me were, first and foremost, to say that this is always optional, never mandatory. We know there are some folks that this is not for them. We respect that, and we respect the right to choose what is going to be the best way for you to interact with your government and with the services that the government offers to you, including health care. For those folks, good news. They don't need to keep the paper card because there's a high-quality plastic card coming that will look very much like a driver's licence. Then, of course, eventually you have a combining of the driver's licence and the health card, but that's service Alberta business. I'm not going to get into their stuff.

When it comes to the mobile wallet, we wanted to develop a safe, secure system that folks could use to house their mobile health card, and then they could use that and present that any time they're going to their doctor's office or to an AHS facility or an emergency room and present that as proof of insurance so that they are eligible for health coverage.

Where I want to see this go – and this is where I get excited – is to say: okay. Again, always optional; never mandatory. Okay, so think about: you go to your doctor's office, and what do you do? You go. You talk to your doctor. You explain what's going on. They give you a diagnosis. And they give you what? A prescription or maybe a requisition for an X-ray. They give you something to say: here's your next step on what you need to do. Well, it's always paper, and you know, then you either go to the pharmacy, you drop off your prescription, or maybe it gets faxed to the pharmacy, for example.

Wouldn't it be great if that information could just be sent securely to you and you're in control of it in your wallet? Then you say, "Show me the nearest pharmacy nearby," and then you could pick that pharmacy, and you could say, "Securely send this. I've given you my authorization. This is at my direction and only my direction. Send this to the pharmacy so that by the time I get there, it's ready and waiting for me," and you can just go to the pharmacy and you just show your mobile wallet; you show your health card. "Hello, Mr. Glubish. Nice to see you. Your prescription's ready. You're good to go," or some kind of a similar experience when you're booking an X-ray or you're booking a blood test.

There are so many opportunities to streamline and improve the way in which Albertans interact with the health care system, and it starts with being able to prove that you are who you are and prove that you're eligible for coverage, and then, you know, build from there. What we want to do is to give more power and agency and control into the hands of the individual Albertan, if they choose to use this tool, so that they're in charge of their destiny as they navigate through the health care system.

Another reason why the mobile wallet is so important is: think about another time when you have to prove who you are to somebody else. You've got kids. Let's say that you had a daughter who just turned 18. She's going out to the bar. Well, maybe not your daughter.

Mr. Stephan: No. She would not do that.

Mr. Glubish: Let's say a friend of yours had a daughter who just turned 18 and – just humour me – she decides she's going to go to the bar for the first time. Well, she goes, and what does she have to do? She has to show a bouncer, who she knows nothing about, doesn't know who they are – did that bouncer have to go through security clearance? No. They have to show their driver's licence with a picture, with the full name, with the home address, with weight, height, everything.

Did they need to know all of that to let her in? They didn't. All they needed to know is: does the face match what's on the ID? In other words, is this who they say they are, and does the government certify that they're old enough to transact here? That's all they really need. Imagine if there was a better way, where the only thing you had to show them was something on your phone that said: "This is my face, and there's a green check mark that I'm old enough to transact here." What does that do for that 18-year-old young woman? It gives her more power and control over what information she just shared. She's not being forced to disclose information that's unnecessary. This is about privacy. This is about agency. This is about autonomy. This is about digital sovereignty for the person, for the individual. We can keep people safer by giving them an option to use a modern tool and technology to prove who they are when they're interacting with the world around them. Again, always optional; never mandatory. For the folks who this isn't a priority for: we respect that.

But think about it. You get into an accident, a car accident. What's the first thing you do? Well, hopefully you're not hurt enough so that the first thing you do is that you're not getting into an ambulance. Hopefully, what you're doing is you're getting out saying: ah, crap; we have a fender-bender here. You take out your

driver's licence, and you take a picture of each other's driver's licences. You've never met this person in your life. You don't know anything about them, but you certainly have a point of tension immediately because there was an accident. All of a sudden, they know exactly where you live. They know everything about you. They know how old you are. They know your birthdate. They know your full name. Do they need to know that? No. What they need to know is that your information is going into a police report and their information is going into a police report and that it's accurate, and then the police can do with it what they need to, and then the insurance companies can do with it what they need to.

Imagine if through the mobile wallet there was an I've-been-in-an-accident button. The two parties hit the same thing on their phone. All of a sudden it autopopulates a report, and you see only what you need, and then you see a green check mark saying that the other party has filled out their information. They see only what they need, and they see a green check mark that you filled out your information. All of a sudden, you can more confidently deal with that situation without worrying that your private information has been compromised. We have been accepting compromised privacy as our daily life because we are so addicted to these physical cards. The fact is that there is an opportunity to use modern technology to do this in a way that respects the agency of the individual and the privacy of the individual and sovereignty over their own information.

That's why I'm so passionate about the Alberta Wallet. Is it ready for all that functionality today? Not yet, but this is what I see as being an opportunity in the future to make lives better for Albertans.

Let's talk a bit about CyberAlberta. I know I alluded to it a little bit earlier. CyberAlberta has over 1,100 members today, and these are people in the general public, businesses, not-for-profits, and private individuals who have all said: hey, I want to be better equipped to deal with the rising cyberthreats, and I don't have millions of dollars to go and invest in building something. Guess what. The Alberta government has already invested millions of dollars into building a cybersecurity division, and we're really good at it. We're proud of that, so we can share that with them.

We know, just from our own research and our own experience, that the average cost of a major cybersecurity incident is between 2 and a half million dollars and 4 and a half million dollars. Through CyberAlberta we've been able to help handle an average of two or more major incidents a year for our CyberAlberta partners, for our members. Many more of those incidents have been prevented because of the threat intelligence that we share, the best practices that we share, the vulnerabilities that we identify that have come up due to an update or due to an out-of-date version of some software that many people use.

Think about the millions of dollars of costs and burden that we've been able to avoid by being proactive through CyberAlberta. This is a program I'm really proud of and proud of our chief information security officer, Martin Dinel, for his leadership in this and the team that he's built. This is something that's really – you know, you don't know you need it until you need it. So my invitation to all Albertans and Alberta businesses and Alberta not-for-profits is: "Hey, sign up for CyberAlberta today. It costs you nothing, and it will elevate your cybersecurity defence immediately by orders of magnitude."

I know you also talked about venture capital and some of the advantages we have. I mean, one of the things I'm just really proud of is the momentum we've built in our tech sector. You know, coming to some of what my critic from the opposition raised, too, is: well, how do you measure success? Well, one of the ways we measure success is how much money is being invested into Alberta tech companies. Then if you just look over time what has been the trend, well, in 2017 it was $30 million a year. The last three years, on average, it's been about $700 million a year. That is exponential growth, and that is evidence that the work we've been doing is working, that there have been appropriate supports for early-stage companies. Good companies are getting funded. They're growing. We have more companies than ever before. They're growing faster than ever before. We have more companies that are now worth a billion dollars or more than we've ever seen. And I think we're really just getting started. I think we're just scratching the surface of the potential, and I'm looking forward to seeing what a fast-growing tech sector is going to be able to deliver for Albertans.

The Chair: Thank you, Minister.

I'll now go to Member van Dijken for the next few questions.

8:30

Mr. van Dijken: Thank you, Chair. We've got limited time, so I'm going to ask just one question, Minister through the chair. I see that Budget 2026 reflects a measured balance between stable operating expenses, targeted capital investment, and disciplined reallocations. Technology and Innovation plays a major role in strengthening Alberta's economic foundation by supporting growth through innovation, modernization, and digital transformation. Page 153 of the business plan shows government's intent to build resilient digital infrastructure, expand innovation supports, and maintain fiscal discipline. This balanced approach aims to ensure long-term sustainability while enabling Alberta's tech sector to thrive and remain competitive amid global economic shifts. Minister, how does Budget 2026 demonstrate your commitment to both innovation and fiscal responsibility within Alberta's tech ecosystem? What assurance can you provide that core supports for the innovation space will remain stable while the ministry modernizes and evolves? And why is this balanced approach of investing in the right areas important for Albertans?

Mr. Glubish: Well, thank you. That's another great question. I always like to give real-world examples to make things relatable as opposed to just talking and, you know, abstract concepts. Let me start by giving you an example and then tie it into your question. I mean, as you know, one of our roles as Tech and Innovation is that we are the tech support to all of government. So if a different department has a need for a modernized technology tool of some kind, they come to us and they say: this is the problem we're trying to solve, and we need your help.

The Department of Infrastructure came to us and said: "Hey, you know what? We need a better system for tracking the real property, the physical property that we are stewards of, that we own, like the buildings and the land and the facilities. We're using Excel spreadsheets and paper-based processes today. We need something better, something modern that will help to make us more productive and to make better informed decisions across the board." The old way was: "Well, let's write an RFP. Let's just throw it out there and see what sticks." So, you know, an RFP goes out, it's really vague, and we end up with I think just two bids, both of which are household names, big five consulting companies. The leading bid says: hey, give us $57 million in three years, and we'll fix your problem. Here's the problem with that. Infrastructure didn't have $57 million. I didn't have $57 million.

You know, we thought: Well, first of all, what's the probability that it's going to land that way? I know from my experience that's actually going to turn into $100 million over six years, and then what you get at the end of the six years is going to be obsolete. Then you've got to start this whole thing over again. We said: there's got to be a better way.

He said: Well, you know, we've – and this was shortly after my deputy had joined us as my new deputy minister. We're lucky to have him. He's got a lot of AI expertise and background. We started saying, Well, could we use AI to do this differently? What we did is that we said: "Okay, let's sit down with everybody who's using Excel today. Let's set up some cameras and train an AI engine to monitor that and to learn what their workflow is. We call this computer vision; it's an AI technology. What are they doing in an Excel spreadsheet, and why does it matter? What works well; what doesn't work well?" We did that for a while to gather enough data to really understand the workflow. Then we created a custom AI agent to interview them and say: tell us about what you do and what your workflow is and explain to us what works well, what doesn't work well, and what does an ideal future state look like for you? Then we took those two products and we put it into another AI engine to essentially build a product road map. Then we turned that and used AI coding tools to build 80 per cent of the solution. Now our own software engineers and our own internal staff are doing the remaining 20 per cent.

The end result is that we will be able to deliver monthly improvements in their workflow for the next 18 months and be finished in 18 months for $5 million. Even better, while we didn't have $57 million or $100 million, for that matter, we did have $2.5 million at Tech and Innovation and $2.5 million at Alberta infrastructure, so we could do this immediately today. All of a sudden we were able to do more with less. You keep hearing me say it because it matters. This is a home run for Alberta taxpayers, and it's a home run for the Alberta government. Everybody wins. Imagine now how many examples there are across all of government where we could do the same thing. I can tell you it's a lot.

This is one of the themes that you're going to see coming out of Tech and Innovation. A year ago, two years ago, we couldn't do this because AI technologies had not reached the level of capabilities that they are today. But what really excites me is that as strong as those tools are today, today is the worst they're ever going to be. They're only going to get better and more powerful and more strong. That is why we're so invested in upskilling our public service, upskilling our team, and using the most modern tools, always with the human in the loop, always by design, always focused on privacy by design and good data ethics. But this gives you a real example of how we can save, I believe, hundreds of millions of dollars over the next several years without having to do less; we're going to do more with less.

The Chair: Thank you, Minister. That concludes the government members' first block of questions.

Now we will move 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 by the minister who may speak for up to five minutes.

After both individuals have had an opportunity to speak once, we will then move over to the government caucus. If the member and the minister agree to share time, we will proceed with a 10-minute segment during which neither member nor the minister may speak for more than five minutes. Members are reminded that they may not share any unused portion of their five minutes with another member.

Member Ip, would you like to share your time with the minister? Yes or no?

Mr. Ip: I'll continue with block time. Thank you, Mr. Chair.

The Chair: Block time it is.

Just a reminder that after this 10-minute segment, we will take a five-minute break.

Mr. Ip: Thank you, Mr. Chair. Through you to the minister, let's talk about Alberta's AI data centre strategy. Specifically, I have a number of questions, but the first block will be focused on environmental concerns.

Alberta's AI data centre strategy leans on natural gas to provide the 24/7 power that AI requires. But here's the thing. The University of Calgary economist Blake Shaffer has warned that the proposed 6.5 gigawatt of data centre load could double Alberta's electricity-related greenhouse gas emissions, potentially returning us to coal-era levels. While the data centre strategy mentions carbon capture as a solution to this, several news outlets have reported, including the National Observer, that the carbon capture complex planned for northern Alberta could use most of the surplus water in the giant Cold Lake Beaver River basin, potentially forcing water rationing in the province.

In addition, hyperscale AI chips generate intense heat. Liquid or evaporative cooling is often still used. Alberta is a semi-arid province currently facing multi-year droughts and a water main crisis in major centres like Calgary, as reported by all the news outlets. In 2025 local councils such as Rocky View county began rejecting data centre proposals because of water use concerns. Just as a reminder this is relevant to the business plan outcome 3, objective 3.3.

Through you, Mr. Chair, has the government conducted any independent modelling on the emissions impact of 6.5 gigawatt of data centre load? If yes, will it be released to the public? For those watching at home, 6.5 gigawatt of data centre load is equivalent to 1 billion cubic feet per day of natural gas. In context that's 15 per cent of the entire provincial consumption per day, which is approximately about 7 billion cubic feet per day. This is truly significant.

Will the minister incentivize or require data centres to use less water-intensive cooling solutions such as air cooling? Municipal engagement is a highlight in the strategy. Will the minister commit to fulsome engagement with communities on these issues?Has the province explored alternatives like renewables that could reduce both emissions and water use? Does the province have a threshold for acceptable cumulative water use for data centres and CCUS? Is this adjusted based on geographical regions?

8:40

I also then want to mention some of the health outcomes. Dr. Julia Sawatzky shares her concerns that the rush to build gas-powered AI data centres across Alberta is a growing threat to health. She says that nitrogen gases from gas turbines worsen respiratory diseases like asthma and chronic obstructive pulmonary disease, and there's fine particulate matter similar to wild smoke that can contribute to heart attacks and strokes.

Questions for the minister, through you, Mr. Chair: your government's data centre strategy relies heavily on natural gas turbines. Emissions worsen asthma and COPD, already sending thousands to Alberta ERs annually. What air quality modelling has been done before approving these facilities? Will the government publish the water use, emissions, and energy demand profiles of all approved data centre projects so Albertans can see the cumulative

impact? What cumulative environmental impact assessments are planned as Alberta scales up its data centre projects?

What specific PFAS, also known as forever chemicals, regulations apply to data centres right now in Alberta? If there are none, why not, and when will there be? Who is liable if PFAS contamination from an Alberta data centre reaches a community's water supply?

I'll yield to the minister.

The Chair: Thank you, Member.

Minister, you may speak.

Mr. Glubish: Sure. Thank you.

First, let me just say that I think it's important that we have this conversation about: what does responsible AI data centre development look like? If I were to paraphrase, that's the root of most of the questions you've just that the members just brought up, and it's a good question. What does responsible AI data centre development look like? That's really been at the core of the Alberta's AI data centre attraction strategy.

You know, there have been some jurisdictions in the U.S. who jumped in and said, "Oh, pick me. Pick me." They say, "You won't pay any tax. We'll waive all your taxes," and "Oh, you won't have to pay for transmission infrastructure; we'll pay for it, or our ratepayers will pay for it," and "Oh, we'll do this. You don't have to do this." They're all thinking: we just want the big sexy investment. But you know what? Every single jurisdiction that did that is starting to regret it. I know of one example of a 1.8 gigawatt facility in Louisiana that went ahead, and they negotiated away all their tax revenues and said: "Well, just give us $750,000 a year. That's all we need." We're talking tens of billions if not like a $50 billion project, and there's not even a million dollars in revenue for our people. Oh, and by the way, we're going to subsidize, and our ratepayers will pay $400 million for the transmission infrastructure." Do you think any of the residents who live there are excited that they did that deal? Absolutely not.

Folks are right to be skeptical and concerned and to say: well, I wouldn't want Alberta to do that here. The good news is Alberta is never going to do that here because we have learned from the mistakes of the folks south of the border. That's why we've been very clear about saying that we're going to get our policy environment clear. We're going to make sure our policies are clear, they're fair, they're reasonable, and they're easy to understand. Everybody is going to have to follow the rules and everyone plays by the same rules.

In Alberta we're going to make sure, for example, cost causation is a core principle. If you are going to cause a cost by building a data centre, whether that's transmission infrastructure or, you know, any other related infrastructure in the electricity side of things, you're going to pay for it. Albertans aren't going to pay for it. Affordability and reliability of the grid is paramount for us.

Another thing is, you know, water use. In the U.S. a lot of them have to use a lot of water for cooling this infrastructure, but the technology exists today, the technology has evolved so much today you can actually cool a data centre with zero water. It looks a little different. You got to design it a little bit different, but guess what? None of these have been built in Alberta yet, so you can design it from the beginning to be zero water. There's a company in Calgary called Denvr Dataworks, and I've toured their site. They have a 100 megawatt facility that they've been running for 3 years, and they use what's called liquid immersion cooling. The chips are submerged in a mineral oil. They've run that 100-megawatt facility for three years, 24/7, without a single chip failure. That's unheard of. So the technology exists today to do this with almost no water. What we've been saying is that we want to encourage the projects that make sense for Albertans. Minimize water use, no cost on ratepayers for electricity: these are core principles for us. That's why we also introduced the data centre levies, to make sure that if you're going to use the grid, you're going to pay your fair share. If you're going to bring your own power, great. We want to see that because there's no risk to the grid.

Now, to your point, yes, a lot of these projects are going to be using natural gas, because that's the only current technology that can support the 99.999 per cent reliability that these facilities require. Renewables just don't cut it. You cannot do wind and solar, even with battery technology, to run a proper AI data centre that needs 1,000 megawatts or 2,000 megawatts. It's just not possible with today's technology. You know, long term, there's a lot of talk about nuclear. I know that Minister Neudorf is doing a lot of work right now on a nuclear regulatory framework that would pave the way for a future that might include nuclear, but until then natural gas is the only option. The good news is that natural gas with carbon capture can be cheaper to get net zero than nuclear, and we have a lot of carbon capture expertise in infrastructure and technology in Alberta.

I think the other principle, I would say, is that as AI technologies become more advanced, every other technology advances with it at a pace we've never seen in humankind's history. I am confident that technology is going to evolve in terms of cleaner power generation even with natural gas, lower water usage for all of these technologies. All of the concerns you've raised: I believe that as the technology evolves, we're going be able to address that with technology.

The Chair: Thank you, Minister.

We will now take our five-minute break, and then we'll come back with the government caucus.

[The committee adjourned from 8:47 p.m. to 8:52 p.m.]

The Chair: Thank you, members. We will now go to the government caucus, and Member van Dijken will start.

Mr. van Dijken: Okay. Thank you, Chair, and thank you, Minister, again. I want to talk about high-speed Internet to every corner of Alberta, and it's been a project that's been ongoing for many years and I believe a very important project because reliable high-speed Internet is essential now for our modern lives and enabling economic development, education, health care, and access to government services. Page 155 of the business plan highlights $183 million in Budget 2026 to advance the Alberta broadband strategy and bring reliable connectivity to underserved regions. Tracking progress is crucial for transparency and ensuring that communities see real results, and the strategy's focus on rural and remote access, including Indigenous communities, helps close the digital divide and supports growth across Alberta's diverse regions.

Chair, before getting into the details, can the minister explain how broadband coverage data is recorded, tracked, and compiled? Can the minister share the latest available statistics on broadband progress and where Alberta stands today? What reassurance can the minister provide to rural and remote communities that funding is being allocated fairly and effectively?

Alberta is increasingly competing in a global digital economy where compute capacity, secure data processing, and advanced AI will shape productivity for decades. Page 155 of the business plan sets out the ministry's commitment to developing "a roadmap of AI-driven productivity initiatives to help transform the Alberta Public Service." These initiatives are not stand-alone projects but foundational infrastructure supporting competitiveness, research,

and service delivery. Strong investment now ensures Alberta maintains leadership while safeguarding security, data sovereignty, and long-term public interest outcomes.

Chair, to the minister: why does government view AI and sovereign compute as foundational economic infrastructure requiring prioritization rather than isolated technology projects? How do these investments support Alberta businesses, researchers, and public-sector modernization over the medium to long term? How does this approach position Alberta to compete globally while maintaining control over data security and public interest outcomes?

As digital services expand, robust privacy laws are critical to maintaining public trust and protecting sensitive information. Minister, you talked a little bit about the vulnerabilities with regard to technology in your opening comments. Page 156 of the business plan outlines key objectives to introduce new privacy legislation and explore additional policy options to strengthen cybersecurity protections across Alberta. Clear modern rules help create a stable environment for citizens, businesses, and investors. Why is it important to take the time to thoroughly explore legislation and policy options to ensure Albertans receive the strongest privacy protection in Canada?

And speaking to key objective 2.1, what type of new privacy legislation is being considered, and why is it important? What future measures are the ministry exploring to maintain Alberta's leadership in both privacy and cybersecurity?

The Chair: Thank you, Member.

We'll now go to the minister for his response.

Mr. Glubish: Sure. Well, maybe a good place to start is the broadband topics. That's something I think everybody is maybe curious for a bit of an update on. If you remember when we got started, there were about 201,000 households identified back in 2022 as being underserved. That was our goal, 201,000 households: if we can get them reliable high-speed Internet, we have arrived. Success. Universal connectivity. Since then more people have moved to Alberta, the province has grown, some of those people have moved into regions that didn't yet have good Internet, so the target has actually moved. There's a much larger number that we need to get to.

But I'm pleased to give you some updates here. The overall total number of households that we need to reach now is 239,512. How are we doing? Well, completed projects we have 111,394. That's 46.5 per cent. In progress are another 107,098. These are funded projects. They're real. The engineering is done. The funding is in place, a partnership between the universal broadband fund and Alberta's broadband fund. That's another 44.7 per cent. Then the balance, that have not yet started, I can tell you that there are projects that are identified that have not yet started and maybe have not yet been announced, so I can't give you specifics. But I can tell you that there is a plan for the remaining 21,020.

We are well on our way to 100 per cent coverage of 239,512 households, which, again, I think speaks to why – what we talked about earlier. Yes, we reprofiled some of the money from last year into this year because some of the projects weren't going to get done until this year. That's normal. But we were also able to give back $25 million from our original broadband funding target because we are essentially ahead of schedule. We are under budget. This is good news for Albertans. The path is there. We're on track for universal connectivity. And, for once, we're doing something under budget.

In terms of privacy, I mean, as you know, we passed some legislation last year on improving privacy protections through our public body privacy legislation, positioning Alberta to have the strongest privacy protections in the country and the strictest penalties for abuses. We're working towards modernizations for the private-sector privacy legislation for this fall. That's PIPA. So stay tuned for that. We'll have a lot more to say about that as we approach the fall session. You know, our goal is that we want the strongest privacy protections, the strictest penalties. That's, I think, what Albertans expect, so we're working towards that. That's something we're confident we can deliver within the budget as has been presented.

9:00

Coming to, you know, AI and sovereign computing: why is this important and why is this a priority? Well, I mean, we touched on it a little bit before. At the end of the day, we want to make sure that whether you are an individual, whether you are a business, whether you're an academic, a researcher, or whether you're, you know, a government, municipal, provincial, federal, doesn't matter: we want to make sure that you have access to reliable, safe, secure, sovereign digital infrastructure. We want to make sure the hardware is here in Canada. We want to make sure that the software is from Canada. We want to make sure that, you know, the entire supply chain of how that system operates is controlled in Canada, so that your data never leaves Canada, and your intellectual property never leaves Canada.

Whatever you're looking to do with it, whether it's to deliver a government service, or whether it's to deliver a multibillion-dollar new technology: you are protected. You are covered by Canadian laws and Alberta laws, and you're not at risk of corporate espionage or misappropriation of data or of intellectual property under the rules of another jurisdiction where you simply just do not have control. That's why this is so important to me.

I mean, like, when I talk about data centres, it's not just about saying: oh, I want to attract one of the hyperscalers here. If they come here, I'll celebrate that. That's great. That's jobs for Albertans. It's investment that will lead to tax revenues for Albertans, but the home run is digital sovereignty. That's what really moves the needle, and what will make lives better for Albertans at an even higher level.

The Chair: Thank you, Minister.

We'll now go back to the Official Opposition. Mr. Ip, go ahead.

Mr. Ip: Thank you, Mr. Chair and through you to the minister. Again, pertaining to outcome 3 of the business plan, page 157, key objective 3.3, back to the data centre strategy. Certainly, while I appreciate the sentiment from the minister that clear regulations and easy-to-follow regulations perhaps are the answer, I do struggle to understand how you can manage cost causation with natural gas consumption of that magnitude. One billion cubic feet per day is a lot of natural gas. In fact, the government's own budget says that it will increase heating bills on page 29.

The question to the minister, then, is: what assurance can you give Albertans that household and small-business ratepayers will not indirectly bear those costs? Is there a long-term plan to manage growing electricity demand and necessary transmission upgrades without raising utility costs?

There isn't consensus, I might add, on Alberta's current approach of bring your own power. In fact, some experts, such as Melanie Bayley, CEO and managing partner at Energex Partners, writes that bringing your own power may not be the best strategy, and that it's perhaps better – I'm paraphrasing here – to build a new grid, a new framework for a shared purpose, one that doesn't put the existing grid at risk. A parallel grid, in other words, to support data centres may be a more conducive, longer term strategy. The question to the

minister is: do we have the right strategy to manage power capacity and stability to realize this ambitious data centre strategy? Have we considered approaches such as the idea of building a new parallel grid, and how much this might cost?

There are other, of course, infrastructure challenges if we are to be globally competitive, including, for example, the fact that the east-west fibre optic highway may soon reach capacity, and may soon require upgrades. Of course, that's interprovincial. Those are some of the challenges that Alberta will have to contend with. Certainly, from an infrastructure perspective: is Alberta ready for an ambitious plan to attract over $100 billion in data centre investment, which is the stated goal, and what other investments might be needed? Strategic investments. Of course, the minister will know that I have talked about this, certainly, publicly.

The predication on natural gas has some challenges as well. It's well-documented that U.S. data centre utilization has led to a global shortage in the components needed to build natural gas power plants, gas turbines in particular, but that's not the only component, of course. There are reported shortages in electrical transformer shortages, you know, shortages in semiconductors, and the crunch will continue, certainly, potentially for the next five to seven years. How do we mitigate against the supply challenges when the entire strategy is really predicated on natural gas?

Speaking of clear regulations, there are many examples. I'll bring the most recent one, where clearly it wasn't clear. It was not straightforward. The Synapse project in Olds recently had its application rejected. It was planned directly beside homes, farmland, wetlands, and the local college. The Alberta Utilities Commission rejected the application, citing issue with inadequate, basic, reliable information. Many residents opposed the data centre, including one that told CBC that she only received a one-day notice for a public hearing. What steps will the minister take to guarantee meaningful community consultation? Do we know, or does his ministry know the projected environmental and greenhouse gas emission impacts of this project? Has there been an independent environmental assessment conducted by the province independent of the organization?

Similarly, the minister talks about the concierge team. What role did the concierge team play in this application?

The Chair: Thank you.

Minister, over to you.

Mr. Glubish: Great. I keep forgetting to come back to something, so before I forget, I just want to mention that on the topic of AI literacy there was one other thing I wanted to share, not just for us, not just for our public service, but albertaaiacademy.com: free for everyone. I love this: built in Alberta for the world. Always free. Everyone around this table bookmark that site. Practise. Spread the word. Anybody in Alberta, anybody in Canada: we have people from all over Canada using it today. That's our gift from Alberta to the rest of the country and the world. It's also fully bilingual. Alors, pour mes amis francophone, nous sommes içi pour vous.

You raised some fair comments about supply chain constraints in the power generation side. If we were wanting to say, "Hey, within 12 months we want to build 10,000 megawatts of power generation," I mean, of course that's going to be a problem. Nobody's suggesting that. I know you'd mentioned the number six gigawatts earlier. Nobody's building six gigawatts all at once. They're building 100, 200, 300 at a time in modules, and then they add another module, and then they add another, so they're going to build a big campus over time, but nobody's building six gigawatts all at once. That's not realistic. Let's just be clear about what is and what isn't happening here.

The other thing, too, is just in terms of the approval side of things – look, if you've got specific questions about what constitutes acceptable when it comes to emissions or when it comes to water use or all that, those are great questions, great practical questions for the department of environment. That's their job, but in the context of a budget hearing right now, like, I'm not going to go into too much of the weeds on what passes the bar and what doesn't. What I will say is that we have the highest standards for these types of things.

The example you raised about Synapse in Olds is proof of that. You had a project that was inadequate in its initial application; it was rejected. That's the system working. That is the regulator, equipped with clear instructions from the government about what is acceptable and what is not, doing its job to say: "Guess what? This project: they were really bullish, but you know what? It didn't quite meet the threshold of what's acceptable." That doesn't mean it's dead in the water. It means that they've got to go and sharpen their pencils and say: what would it take in order to satisfy the environmental regulators, in this case with the AUC, the electricity regulator? They've got a lot of work to do.

Just because someone has issued a press release doesn't mean it's a done deal. That's another thing that I just don't get. A lot of folks are like: oh, well, did you see this press release and this press release? Look, I love all the excitement. I love all of the interest. I love everybody saying: hey, don't forget that I'm going to build one too. We want everybody to come and build here. That's great, but a press release does not mean a project is being built. It doesn't mean shovels in the ground. They've still got to do the work. They've still got to comply with the rules. They've got to follow the rules. Everyone follows the same rules. Nobody gets to cut any corners.

9:10

Now, one of the things I think that Synapse learned is that they probably should have involved our data centre concierge team earlier. They learned a lot from that application. They continue to work with the AUC, with the regulator, to explore whether there's still a path forward. They are now including our concierge in the process so that we can assist them, and we'll see what happens. If they can't meet the standards that are required, then it won't go ahead, but if they do meet the standards, then it should go ahead. Our job is to make sure that the standards are the right standards, and we've got some very strict standards. We think we are competitive. We think we're reasonable and we are fair.

In terms of the role that the concierge actually plays, again, the concierge doesn't help you to work around the rules. The concierge helps you to understand the rules, understand which regulator or which ministry, which department, which function in government, whether it be our function, whether it be the federal government, whether it be municipal government, whatever it is, our job at the concierge is to help make sure that you know exactly what is expected of you and that we convene the right people around the table whenever you need to get through the next phase of your project so that you don't spend weeks wondering: did I talk to the right person or did I forget somebody in the process? We've got all that knowledge. We're the experts in that, so we work with folks to say: help us understand your vision, the scale, the scope, the engineering, what's the plan, and then we help you connect the dots and navigate the system. But make no mistake. Everybody plays by the same rules. Everybody follows the rules and nobody gets to cut any corners.

Time will tell on whether Synapse goes ahead. I'm confident in the regulator to do the right thing.

The Chair: Thank you, Minister.

We'll now go to Member de Jonge on the government caucus for her questions.

Ms de Jonge: Thank you so much, Chair.

Minister, shall we continue on with block time?

Mr. Glubish: Sure.

Ms de Jonge: Sounds good.

As AI adoption accelerates – and we've heard a lot about this tonight – it's really important for Albertans that they have a government that's modernizing how data and information are created, managed, and governed. Page 155 of your business plan describes different efforts that your ministry is taking to streamline classification, organization, access, and disposition of government-held information through new technologies and best practices. By reading your business plan it seems that these changes are aimed at improving service delivery, reducing administrative burden, and very importantly to my constituents and people across Alberta, protecting sensitive information. Ethical AI adoption further strengthens the ability of government to deliver smarter and more accessible services while maintaining the transparency and accountability that Albertans expect.

My question, through the chair, is: Minister, how will the government investment in AI usage ensure that Alberta is well positioned to capitalize on AI and maintain leadership in this emerging field? In addition, what AI use cases are currently being implemented across government and how will they improve the way that Albertans access services? Then finally, how will AI support government's goal of delivering better, faster, and smarter services for Albertans while critically, as I mentioned earlier, protecting their sensitive information? You talked a bit about this already, but expansion on this would be great.

Minister, I also want to talk a bit about legacy applications. When we talk about emerging technologies and AI, it's also important to consider the role that legacy applications still play in government operations. You know, outdated systems can create vulnerabilities. They can impede modernization. This is talked about on page 156 of the TI business plan. It mentions that $40 million is allocated in '26-27 to mitigate, patch, and upgrade 66 legacy applications across the GOA. It talks about how this work is important to reduce cybersecurity threats or risks, improve reliability, and support digital transformation initiatives.

Before maybe discussing those updates, through the chair, can you explain what exactly a legacy application is and why it's important that we keep these systems updated? Then can you give some examples of the 66 applications that are requiring modernization to prevent cybersecurity compromise? How will this investment ensure for Albertans long-term security and operational efficiency across government systems?

In addition, a major part of your ministry's mandate is advancing the Alberta technology and innovation strategy that's outlined on page 154. That strategy defines a long-term vision for a dynamic and globally competitive innovation ecosystem. The plan emphasizes intellectual property generation, which you talked about tonight already, commercialization, which is a key piece as well, and the growth of high-skilled jobs. Budget '26 allocates $25 million to advancing key initiatives that accelerate research, expand digital capacity, and ensure Alberta-created technologies generate economic benefits right here at home, and these investments are important to strengthen Alberta's competitiveness and our long-term economic diversification.

Through the chair, Minister, can you highlight some of the key initiatives included for years '26 and '27 under that strategy? You know, why is continued funding for these initiatives essential for Alberta's long-term innovation growth? Then, finally, how will these investments position Alberta to compete in emerging technology markets over the next decade? Through the chair, those three questions with their multiple parts. If you're able to address that, that would be excellent.

Thank you for your time, Minister and to your department officials as well for being here at 9 p.m. Appreciate that.

Mr. Glubish: Thank you for the questions. I mean, there's a lot to cover there. Hard to do in five minutes, so I'll do my best. I gave one example on how we're using AI to modernize and streamline, and that was the infrastructure example, one I'm really proud of. I think that kind of gives you some insights.

I want to give you another example that ties into some of your legacy application risk and cybersecurity risk points that you talked about. You know, a lot of these things kind of blend into each other. This is just something – I'm quite proud of the team that Janak and Martin have built on the cyber side. We were following what some of the world's best practices are, and we were looking at what Anthropic, who's the maker of Claude, which is a commonly well-known AI application – what they were doing in partnership with Mozilla, which makes Firefox, which is one of the most successful and secure open-source web browsers in the world. They were working on applying some modern AI tools to automatically scan for vulnerabilities, automatically look for things that could go wrong and could become a back door, and then automatically develop threat testing to say, "Could we actually penetrate that vulnerability, and then how do we automatically then build a patch to that vulnerability?" and just doing this in a continuous improvement loop automatically with these AI agents.

We learned from that experience, and we said: well, you know, there's no reason why we can't do this, too. So we are now essentially deploying AI-powered security testing across Alberta's legacy software environment. It's the same fundamental approach of what worked for Firefox, and it's the same type of systematic vulnerability scanning, and it's adapted for the specific systems that we manage. We're stewards of hundreds of software systems. Some of them are modern; some of them are not. Every one of those was built to solve a real problem. Whether that be registry systems that handle vital records or applications that manage procurement, infrastructure that delivers health care services, for each of these systems we need to make sure that we are monitoring for vulnerabilities.

Now we are able to replicate the success that Anthropic and Mozilla had in their example by building a red team AI agentic platform and a blue team. The red team is going and finding threats, and then the blue team is building defences. By pitting these things against each other, all within our proprietary and safe and secure environment under our control and guidance, we're able to identify things at a scale – we can do this 24/7, not from 9 to 5. We can do this, you know, at a scale that the number of FTEs our cyber division has could never have done on their own. We are using modern tools. We are delivering more streamlined services, but we're also using it to better identify and monitor for vulnerabilities and patch them and address them in real time. That's going to help to deal with the legacy system challenge that you've highlighted as a very real strategic focus for us.

9:20

In terms of the Alberta technology and innovation strategy, the other point I know you'd mentioned, I think our main goal

continues to be the case, which is 20,000 jobs by 2030; $5 billion of revenue for Alberta tech companies by 2030. I think we're well on our way. You know, we're evolving that now to include a very heavy IP focus. We talked about that in the earlier parts of this evening's discussion. I think that's what you're going to see, and I'm confident that the budget as presented gives us the tools we need in order to drive forward on that agenda and to deliver results for individual Albertans as well as for leaders inside of the tech sector to ensure that we can build on the momentum we're seeing.

Again, to tie back to some of the points I made about, "What's the evidence of success?" we do have more tech companies than ever before. They are growing faster than ever before. We have more billion-dollar tech companies now than we've had before, and now we're just turning our attention. What have we got to do to say: instead of a billion-dollar company being our target, what about a $50 billion company or a $100 billion company? Why can't we have the next Shopify be an Alberta-based company? I think their market cap is over $150 billion today. That's the goal. We've done great work at elevating from a very early-stage, young tech sector to a maturing tech sector. I want to get to now where we can go toe to toe with the big guys.

The Chair: Thank you.

We will now go back to the Official Opposition and Member Ip. Your block of questions is next.

Mr. Ip: Thank you, Mr. Chair. My next block will pertain to cybersecurity and specifically the Premier's remarks this afternoon. Just to be clear on how this connects to the budget, this ministry has a stated objective on page 156 of the business plan to "collaborate with Alberta public and private organizations to strengthen cybersecurity in Alberta." Additionally, line 5 on page 219 of the government estimates is on cybersecurity, and as we talked about earlier tonight, this line got a $2.3 million dollar increase, which is an increase of 15 per cent, and the minister mentioned that this added 13 FTEs.

At the Premier's estimates earlier today the Premier made some comments about the role that the Ministry of Technology and Innovation plays in dealing with cybersecurity and the monitoring of potential foreign interference in the upcoming referendum scheduled for fall 2026. The Premier said the following.

> 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 a former police chief of the Edmonton Police Service. We also have a cybersecurity team in Tech and Innovation that does incredible work in monitoring.

Through you, Mr. Chair, to the minister: what specific role does his department play in protecting Alberta from foreign interference? What is the cost associated with this? Based on the Premier's remarks would it be safe to assume that the cybersecurity team in Tech and Innovation might have a busier fall than normal? Was the upcoming referendum a factor in the 15 per cent increase to the cybersecurity budget? How many FTEs will be working directly on this issue? How seriously is the department or the minister taking the threat of foreign interference in the upcoming referendum? In the minister's opening remarks he mentioned that his cybersecurity team was deploying AI tools to detect threats, so could he clarify if AI tools are being used to protect Albertan elections or referendums from foreign interference?

I would like to move on, actually, to the second part of my block and talk about the privacy of Albertans' personal information. This is particularly germane, especially with the rise of AI. There are a number of different implications for the data privacy of Albertans as information can be stored in multiple locations, multiple servers across various jurisdictions. This pertains to estimates page 219, line 2.1, and business plan, outcome 2, key objectives 2.1 and 2.2.

One of the implications and risks is the U.S. CLOUD Act. The U.S. CLOUD Act, specifically, is a piece of legislation. It's known as the Clarifying Lawful Overseas Use of Data Act. The CLOUD Act allows U.S. law enforcement to access data held by American companies on foreign soil, including Canada. Although the law was passed in 2018, its wider international implications came to light only recently. This has implications on all data that the government stores in the cloud with U.S.-based companies. In the French Senate, for example, Microsoft was recently asked whether it can guarantee that French citizens' data wouldn't be shared with U.S. authorities without first obtaining explicit French permission, and the answer was no.

Therefore, I want to ask about the Alberta context. Considering how many groups use U.S.-based companies for data storage, including, presumably, the Alberta government, I'd like to get that confirmation from the minister. Can the ministry confirm what government information is stored on the servers of U.S.-based companies, and within that is the ministry able to confirm what information is stored with what company? Does the ministry have information about the U.S. government accessing the personal data of Albertans or the proprietary data of Alberta businesses through the CLOUD Act? What can they share? If they are in a position to share, how many Albertans have had their personal information accessed by the U.S. government under the CLOUD Act, and how many Alberta businesses had their proprietary information accessed under this law?

The Chair: Thank you.

Back to you, Minister.

Mr. Glubish: Okay. Real quick, just something I forgot to answer in the last block. Is bring your own power the right approach? I'm confident that it is, and I'll tell you why. One of the things that bring your own power can allow for is that you can self-supply, but you could also export into the grid when there's a period of high demand. You could turn every single data centre facility into a peaker plant for the grid in periods of high demand. This has got an opportunity to significantly strengthen and build a more resilient grid so that whenever Albertans are needing more power, that self-supply network from the data centre industry can be the support there. We've seen this work with digital asset mining infrastructure in Texas, where they've been able to behave like peaker plants, and they've got agreements with the grid operator. There's no reason why that can't happen here, too. I'm confident that, yes, the approach we're taking will lead to a stronger, more stable grid that will protect the interests of ratepayers.

Back to our regularly scheduled programming, in terms of foreign interference, look, our role is that we work with the federal government to track interference when it's happening. You know this is – I mean, ultimately, foreign interference in elections in Canada is the federal government's clear jurisdiction, but we do work with them because we want to have line of sight on what's going on. We identify threats, we report on those threats, and we educate via CyberAlberta. That's the role that we play.

You know, the increase in our budget had nothing to do with a referendum or foreign interference. It had to do with the fact that AI threats are evolving and accelerating, and we need to respond in kind and be prepared to rise to meet that challenge. For all the reasons I mentioned about doing more with less and by using more AI tools across everything we do in government, the fact that we are increasing our FTEs by 13 people and we're also making sure

that every person can do two or three times more with their time, because they're augmented with AI tools, than they used to be able to do, the actual amount by which we are scaling our cybersecurity division is significant. I'm confident that they have the tools they need to protect Albertans' interests.

In terms of the CLOUD Act, I mean, I'm glad that you're raising this. It's an important issue. That's why I've been talking about digital sovereignty so much, you know, today. That's why I talk about it online all of the time. Anyone who follows my LinkedIn channel: first of all, you know how big a nerd I am. Secondly, you know: what are the things I care about? I care about digital sovereignty for Canada and for Alberta. We've talked about all the reasons why that's important. The fact is that everyone in the world today is using an American company for the majority of their digital infrastructure. In Canada we're all using the Canadian subsidiaries of those companies, and that's part of the workaround. We've got enterprise-level agreements that, you know, specify that it's physically in Canada, it's controlled and operated by the Canadian subsidiary.

9:30

But I still have concerns about the CLOUD Act. I have concerns that, you know, at the end of the day, whoever it may be at any point in time, the President of the United States has a lot of control over what they can go to those American companies and tell them to do. I'm just afraid that with the current President, if he were to go to one of the big companies that are the household names that we all rely on for all of these functions and he were to say, "Give me that data," I don't think they'd be able to say no to him, no matter what our agreements say, and I believe that that is a risk.

That is why we are trying to mitigate that risk by focusing on digital sovereignty and saying this is why the development of data centre infrastructure in Alberta for the benefit of all of Canada is so important. If we really want to mitigate the risk of what the CLOUD Act could do to compromise our data and our intellectual property, we need domestic sovereign data centre infrastructure. We are trying to create the conditions for that to happen at scale. The fact is that in order to do that for the needs of the entire country, there are very few places that can supply enough electricity to do that. Alberta is the place that can do that at scale, so we believe that we can solve a serious security risk for the entire country.

This is something that we're trying to lead by example, and I'm working closely with my counterparts in the federal government as they explore: what does digital sovereignty for Canada look like? They're very aware of what role we intend to play and are prepared to play, and I think they're grateful for the leadership we've shown on this issue. You know, this is an area of common ground between us and the federal government, that we believe that digital sovereignty is an important issue going forward, and we're looking forward to working with them on that.

The Chair: Thank you, Minister.

We'll now go over to the government caucus with Member Bouchard for your block of questions.

Mr. Bouchard: Block time, Chair. Thank you, Mr. Chair. Alberta Innovates is one of the province's most important engines for research, technology development, and commercialization. Page 157 of the business plan allocates $141 million to support programs that strengthen competitiveness, accelerate innovation, and help small and medium-sized businesses bring new technologies to market. Alberta Innovates plays a key bridging role, connecting industry, academia, and government to ensure ideas developed here benefit all Albertans. This funding supports economic diversification, job creation, and Alberta's long-term position as a leader in high-tech innovation.

I have a few questions, Minister, through the chair. Can the minister explain what Alberta Innovates does and how it collaborates with government to ensure innovation and commercialization benefit the province? What success stories can the minister share that demonstrate Alberta Innovates's impact on improving services and outcomes for Albertans? How will this year's investment strengthen Alberta's competitiveness in emerging and established technology sectors?

As AI becomes more prevalent in everyday workplaces, Budget 2026 allocates $5.5 million to advance responsible AI adoption across government. Page 155 of the Technology and Innovation business plan highlights efforts to align AI use with security, ethics, and privacy standards while equipping the Alberta public service with new skills. The Alberta AI Academy will play a crucial role in offering training and collaborative learning opportunities. These investments aim to modernize service delivery, improve efficiency, and ensure Alberta remains competitive in a rapidly advancing digital world.

Can the minister, through the chair, explain how AI adoption within government will make services better, smarter, and faster for Albertans? What is the Alberta AI Academy, and what outcomes or goals is the ministry hoping to achieve with it? Why is accelerating responsible AI use within the public service an important priority for this government?

Switching gears a little bit here. Across Alberta communities are seeing new interest from private-sector investors seeking to build next-generation digital infrastructure. Page 157 of the TI business plan highlights objective 3.3, which focuses on finalizing Alberta's AI data centre attraction strategy. These facilities support the growth of AI-enabled industries, high-performance computing, and large-scale digital services. Ensuring proper co-ordination across ministries, regulators, utilities, and local partners is essential to align development with provincial priorities while maintaining system reliability, affordable electricity, and long-term sustainability.

Can the minister explain what an AI data centre is and why these facilities are central to Technology and Innovation's priorities? Can the minister outline the crossministry co-ordination mechanisms in place to ensure development aligns with wider government priorities? How does this co-ordinated approach support infrastructure readiness, system reliability, and responsible long-term development?

The Alberta Enterprise Corporation, AEC, plays a central role in growing Alberta's venture capital ecosystem. Once again, page 153 of the business plan outlines AEC's mandate, using fund-of-funds investments and co-investments to ensure that innovative early-stage companies have access to the capital they need to scale. This work helps anchor talent, create high-value jobs, and attracts global partners. Stable funding in Budget 2026 ensures that the AEC can continue supporting emerging sectors, building momentum, and reinforcing Alberta's position as a national leader in tech and investment competitiveness.

How does Budget 2026 ensure that AEC can continue supporting emerging sectors and maintain momentum in Alberta's tech ecosystem? Can the minister, through the chair, share how much AEC has contributed to Alberta's venture capital landscape over the last five to 10 years? Why is continued innovation funding through the AEC critical to Alberta's long-term leadership in venture capital and technology investment?

Thank you.

Mr. Glubish: Thank you for the question. Let's start with Alberta Innovates. You know, Alberta Innovates is where we have our grant programs for early-stage companies to assist them. Maybe it's a voucher program; maybe it's something that helps to off-set the cost of a new staff member to help them with getting their business off the ground; maybe it's a little bit of a research program to help test something in the field that is a concept. There's a whole wide variety of things that they work on. They also have a couple of subsidiaries, agencies. There's C-FER Technologies and InnoTech Alberta, and they directly supported over 2,450 clients last year alone, doing a lot of testing.

I had a chance to do a tour recently at InnoTech of some of the work where I got to see some of the actual equipment that they're using. This is equipment that in some cases there's only a few places in the world that has equipment of this scale. A lot of this was built back in the days of, you know, launching the oil sands. The oil sands was a big technological problem back in the day. How do we do things that no one in the world has ever done before? Sometimes that means trying new things and testing heavy-duty equipment. They do testing for pipeline companies, for oil sands, and for many other industrial applications. So there's a lot of work that covers a bunch of different angles.

In terms of some of the things that we're expecting to see going forward, as we are putting taxpayer resources into something, we want to make sure that it's leaning more towards creating some kind of novel proprietary intellectual property that's going to benefit Albertans, and if we put taxpayer resources into that and it delivers some kind of novel technology that becomes worth something someday, we think that taxpayers should have some kind of an economic stake in that. So we're working on developing what exactly that type of a framework would look like.

I'll give you an example. Back in the day, you know, the provincial government gave – I can't remember if it was through Alberta Innovates or through another program – about half a million dollars to what is now CNRL to develop some proprietary technology within their various business units, and then they eventually sold the resulting technology for a billion dollars. Now, that was over a few years; there was some time that went by. But our half a million helped deliver a billion dollars of value. Did Albertans see a dime? No. So that's what's really informing that question of: okay; if we're going to be putting resources into something on behalf of the taxpayers, we want to make sure the outcomes are going to benefit all Albertans. That's what you'll see from us on Alberta Innovates as we continue to work on some next steps there.

In terms of the AI Academy: great question. We've got over 2,000 participants in the AI Academy today from across Alberta, internal to the government of Alberta but also private sector and private citizens as well as folks from governments in many different provinces and from the federal government. There are over 140 different learning modules that range from beginner and foundational skill development all the way to very advanced. If I'm reading this right, it's cost us less than $5,000 to launch AI Academy. Like, think of all the other training programs that governments have been involved in, spending millions of dollars to get something off the ground.

When did you start it, Janak?

9:40

Mr. Alford: It started in August, and we launched it in September.

Mr. Glubish: Started in August, launched in September, and here we are now in March. We spent less than $5,000 to get this off the ground; over 2,000 people using it today. We've avoided millions of dollars in costs, and we believe we've been able to avoid about $70 million of unnecessary costs using AI. The folks that have learned AI through Alberta AI Academy now are using what they've learned to help do more with less. How many times can I say it? We think we've saved over $70 million so far, and we're just getting started.

Next up, the AI data centre questions you had. What is an AI data centre? Well, I mean, at the end of the day it's the same as any other data centre. It's a big warehouse with a bunch of supercomputers running really, really fast. You know, we used to have just a storage data centre where you'd upload your photos or your music and store it, and you could access it from anywhere. That was kind of the first generation. Well, maybe not the first, but it was like the first generation of data centres that everyday people would interact with on a regular basis. Then you had cloud data centres, where you would actually run workloads. You would actually run software in the data centre instead of on your device, and that's what allowed you to have really powerful tools running on an iPhone or an iPad or a laptop. It's all the workloads running behind the scenes. Similarly, AI data centres are just more electricity, more complicated compute loads, and it's processing the training of AI engines and the use of AI engines.

The Chair: Thank you, Minister.

We'll now go over to the Official Opposition. Member Ip with your final block of questions.

Mr. Ip: Thank you, Mr. Chair. With my final block I'm going to try to fit as much in as possible. I would like to continue the conversation about AI use in government, and this of course pertains to business plan key objective 2.2 and outcome 2. Particularly, under the current Protection of Privacy Act, or POPA, the Information and Privacy Commissioner recently stated that there are a number of gaps that remain under the privacy law, and that pertains to AI specifically. In a response dated November 20, 2024, Alberta Privacy Commissioner Diane McLeod signalled significant concerns regarding Albertans' personal information being potentially used to train AI by the government. It's on page 12 of her response.

I want to ask the minister whether this is actually happening. To the ministry's knowledge, is Albertans' personal information being used to train AI in government and public agencies right now? If so, can they provide details and the rationale? For example, what information is being used, and what AI programs are being trained for it? If this happens, will the Albertan be notified? What evaluations has the ministry done to protect Albertans' privacy for this? What privacy safeguards currently exist and pathways for recourse?

In the Privacy Commissioner's response she recommends that the government give Albertans the legal right to opt out of having their personal information used to train AI. I know that the minister has on many occasions talked about modernizing the public service and AI being a tool, so it would be great if the minister can address that. Does the legislation POPA in fact allow Albertans to opt out of using their personal information to train AI? If so, how? If there is inadequate legislation right now, will the government be introducing legislation to address this gap? If the government declines an opt-out request, is there a way to appeal?

I also want to quickly draw your attention to rural broadband. Specifically – the minister has mentioned this – as of January 2026, 95.3 per cent of Alberta households have access to high-speed Internet, which is obviously great news. But it is defined, I might add, by the CRTC as 50 megabits per second download and 10 megabits per second upload. Why this is significant is because in

2024 in the United States the Federal Communications Commission raised its benchmark for high-speed fixed broadband, and they have set their standard to download speeds of 100 megabits per second and upload speeds of 20 bits per second. That's actually double the Canadian standard and thus the Alberta standard.

For reference, what 100-megabits-per-second download allows households to do, let's say for a family of three, is to do things that you expect high-speed Internet to do, to stream on-demand video, including HD video, to do videoconferencing on multiple devices at the same time. Anything less than that risks certainly inadequate performance or performance that wouldn't align with Albertans' expectations of what high-speed Internet is.

Does the government currently have a plan to bring rural Internet up to the speed of 100 megabits per second? If so, what is the minister's plan to accomplish this? I believe that the minister has spoken to 100 megabits per second as an aspirational goal and would like to understand what his plans are.

According to the CRTC the benchmark of Albertans meeting the 100-megabit standard is actually less rosy. Only 21.8 per cent of rural Albertans had access to at least 100-megabits-per-second download in 2024, and this is behind British Columbia at 72.3 per cent for rural areas and behind Manitoba at 46.8 per cent. Does the minister know how many Albertans in rural Alberta currently lack access to 100-megabit speeds right now? Under the ministry's current planning how many years will it take for all of rural Alberta to get Internet at 100 bits per second? Does the minister recognize – I'm sure he does – that connectivity and speed is an issue for the economies of rural communities?

Mr. Glubish: Yes, we recognize that. That's why after four years of NDP government, where they never said a word about connectivity and never invested a dime in connectivity and never had a plan to address connectivity and abandoned rural Albertans, we came in. In my first term I secured $380 million of federal money and I secured $380 million of Alberta government money to build a partnership with the private sector to lead to over a billion dollars being invested into connectivity infrastructure for rural Internet so that every Albertan, no matter where they live, whether it is rural, remote, or Indigenous communities, would have access to reliable high-speed Internet. I stand behind that plan. We are delivering on that plan. We are well on our way, as I've already explained, to every single Albertan having reliable Internet.

In terms of whether it's 50 megabits a second or 100 megabits a second, the fact is that that depends on the region. Some are going to be better than others, but the fact is that every Albertan will have at least 50. We weren't the ones who set that as the aspirational target; the federal government was. Remember, the federal government has the exclusive jurisdiction constitutionally over telecommunications. This is the federal government's responsibility. We are simply partnering with them because we believe it's important. The NDP didn't believe it was important, but we sure do. I am proud of our track record on broadband. I am proud of the fact that we will have 100 per cent universal connectivity in this term under my watch as minister. That's all I think we need to say on broadband.

On privacy I can confidently tell you that there has been no training on Albertans' data. I can tell you that we're also working on expanding the privacy protections that were delivered under the modernizations to the Protection of Privacy Act to ensure that the PIPA, Personal Information Protection Act – we are targeting to open it up in the fall to bring modernizations to that so that we can take legislation that predates the Internet, that predates mobile phones, predates social media, predates all of the tools and technologies that we take for granted today and make sure it reflects those changes. Our commitment to Albertans is: strongest protections in the country, strictest penalties for abuses in this country.

We are also working on launching a privacy portal that Albertans could log in to, and they could see what is all the information that public bodies have that they have collected in the ordinary course of delivering public services to that Albertan. They could monitor it, they could identify – if something has happened that they disagree with, they could file a complaint to the Privacy Commissioner. No other jurisdiction in Canada is doing this, I don't believe. I have not found one anywhere in the world that is doing this. We are working on that because we prioritize privacy, and that's something that's very important to us.

9:50

In terms of AI use in government, again, like, our goal is to be very transparent. We know that these tools are very powerful, we know that these tools are going to help us to radically improve the services that we deliver to Albertans, and we're going to be able to do so in a way that saves enormous amounts of money. I've given a few examples today of how we are doing exactly that. I believe that Albertans, as they learn more and more about these case studies, are going to say: "Hey, great. We want to see more of this." This is something that's a priority for us. We want to be the most innovative jurisdiction in Canada. I can tell you right now that my peers, when they come to an FPT, are all looking to what Alberta is doing, and they're saying: "Hey, can we have some of that? Can we borrow that? Can we jump on that bandwagon with you? Thank you for leading by example. Thank you for showing us what's possible, and can we get on that train?"

I'm proud of the fact that when we stand up with the rest of the country and show them what we're made of and what we're doing, they are seeing Alberta is not a one-trick pony. Alberta is not just about oil and gas. Alberta is a leader in applying technology inside of the government. We are a leader in growing and accelerating our private-sector research and innovation and technological commercialization. I think very soon we are going to be seen as a leader when it comes to how we approach intellectual property generation, protection, and commercialization. These are things that I'm proud of. These are things that are happening under our leadership because of our vision.

We have worked with industry. We have listened to industry. We have taken their feedback. We have developed a plan. We have made sure that a budget is in place that allows us to deliver on that plan, and we're looking forward to making sure that Albertans can be very proud in saying that the rest of the country looks to us as an example on cybersecurity; the rest of the country looks at us as an example on AI adoption and AI technological development. And guess what? The rest of the country is going to depend on us for AI compute to infrastructure because we will be the compute capital of Canada. That's what Alberta is capable of under clear, decisive leadership, and I'm looking forward to delivering more of that in the upcoming year.

The Chair: Thank you, Minister.

We'll now go back to the government caucus for the final segment with Member Wright. Member Wright, would you like to share your time with the minister or block time?

Mr. Wright: Well, I'm wondering if the minister will do the last seven minutes in shared time and we can have a conversation about technology.

Mr. Glubish: I would like to be consistent throughout the night as a gesture of respect to all the folks that we stuck with block time for.

Mr. Wright: Fair enough. Fair enough.

Minister, I've got a couple of questions. You've been hammered on broadband pretty consistently, so I'll maybe skip my broadband questions because I think some of them have been answered on both sides of the room here.

You know, something that I hear a lot of concerns from my constituents on in our new and emerging technologies really come around intellectual property and the creation of new stories and music and programs. There's an increased concern that these types of intellectual properties are going to start very heavily being affected by AI, and the invention and competitiveness of AI will soon invade these spaces.

On page 157 of the Technology and Innovation business plan, it highlights key objective 3.5, which focuses on implementing a modernized IP framework that ensures Alberta taxpayers benefit from publicly funded research and innovations in AI. Now, this framework will help retain more value for Alberta-developed technologies from an intellectual properties perspective and empower innovators to commercialize locally and provide long-term economic returns. I've got kind of a multipart question here. While strengthening IP policies will help Alberta compete globally and position the province as a leader of high-value innovation, you know, why is Alberta developing this modernized IP framework to compete with global markets like the U.S.? Why is it critical for Alberta to keep IP within the province rather than allowing it to migrate elsewhere? What types of economic returns could Alberta expect under a strengthened IP framework?

Then the other side to that coin is: what kind of protections are we looking at to protect intellectual property that is being created or potentially could be taken advantage of with the use of AI and overlapping on things such as – you now, deepfakes are another example of impacts from AI as to how it could impact people's lives. There's the point of deepfakes on that. There's the point of AI using other people's intellectual property. Those would be kind of the bucket that I would leave you with in the last two minutes.

Mr. Glubish: You still have two; I've got . . .

Mr. Wright: Oh, we've still got four minutes.

Then maybe I'll jump in a bit further on deepfakes. You know, they present a real risk to personal security, reputation, and public trust. Page 156 of the business plan highlights that your ministry is committed to strengthening privacy protections by introducing new privacy legislation. As digitalization accelerates, government must act to ensure Albertans have the strongest protection against misuse of personal information or likeness. How is the government currently ensuring Albertans have the strongest privacy protection in Canada? What feedback has the minister heard from industry regarding protecting Albertans from AI-generated harm such as deepfakes? How will this information be put into action? How will strengthened legislation help safeguard Albertans as these technologies become more and more sophisticated?

With the last three and a half minutes I'll turn it over to you.

Mr. Glubish: Thank you. Some good questions. I mean, we've talked a lot about IP, so I won't take the whole three minutes on that. Then we'll kind of maybe finish on the deepfake side of things.

I mean, basically, you've just reiterated and confirmed, you know, what we've been talking about a lot lately, which is that we have to be smart about – if we're going to fund research, if we're going to fund R and D, it has to turn into something that is novel, proprietary, protectable, and commercializable, and we need to make sure that we secure that for the benefit of Albertans. We don't want to just do the work and then have no plan and then all of a sudden, well, maybe they sell it in a fire sale to an American company because they didn't know any better, or maybe they don't protect it and then eventually it ends up – maybe their whole business gets acquired. We need people to have a deliberate strategy to say: "My idea is worth something. I'm going to protect it. I am going to build a business around it. I'm going to build additional intellectual property around it." You know what? We've got the intellect here. We've got the expertise here. We've got the entrepreneurial spirit and drive here. We've just got to be smart about protecting what we have and turning it into something that nobody else can compete with. That's why you're going to see a lot of effort from us focused on intellectual property across all of our innovation programming over the next year.

Turning to deepfakes, I mean, this is a very real concern. AI, like anything, is a tool. A tool can be used for great things, and a tool can be used for terrible things. Doesn't make the tool itself bad. It means that we need to think through: how do we protect Albertans from misuse of the tool? So what are some of the misuses? Well, the most egregious would be, you know, the creation of intimate content that is fake without permission and consent of the target individual. That is one that is of grave concern to me. It's something that I'm working on with the Minister of Justice to say: how could we come up with some protections so that if that ever happens, there's recourse? We can get it taken down. There could be potential civil – like, through tort law there could be an ability to recover damages for what has been done. I know that the federal government is also looking at deepfakes more generally and potentially looking at whether there's some appropriate criminal penalties for various uses of deepfakes.

What are some of the other uses of deepfakes? Fraudulent misrepresentation of a political leader to try and interfere in an election, right? That topic came up earlier. It could be fraudulent misrepresentation of a business leader or just of an individual. What we need to focus on is: how do we have the right protections? We don't control the criminal law system, but we can control protections to say: if you have been aggrieved by this technology, how can you have recourse at least in tort law? We're going to work closely with our federal partners to make sure that, you know, as they develop something on the criminal side, we're very aware of what's happening there.

Then the rest is about education. Just because you saw it online doesn't make it true anymore. Just keep that in mind. We're going to be teaching Albertans about that.

The Chair: Well, thank you.

I apologize for the interruption, but I must advise the committee that the time allotted for consideration of the ministry's estimates has concluded.

I would like to remind the committee that we are scheduled to meet tomorrow at 7 p.m. to consider the estimates of the Ministry of Jobs, Economy, Trade and Immigration. That would be our final meeting for the estimates this year.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 10 p.m.]

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