

Legislative Assembly of Alberta

The 31st Legislature
Second Session

Standing Committee
on
Public Accounts

Ministry of Treasury Board and Finance

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Standing Committee on Public Accounts

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Standing Committee on Public Accounts

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- Dana Hogemann, Senior Assistant Deputy Minister, Treasury Board Secretariat
- Erin O'Neill, Assistant Deputy Minister, Financial Sector Regulation and Policy
- Chris Spencer, Acting Senior Financial Officer
- Dan Stadlwieser, Controller
- Liam Stone, Deputy Minister
- Stephen J. Thompson, Assistant Deputy Minister, Treasury and Risk Management

9 a.m. Tuesday, November 24, 2026

[Mr. Sabir in the chair]

The Chair: Good morning, everyone. I would like to call this meeting of the Public Accounts Committee to order and welcome everyone in attendance.

My name is Irfan Sabir, the MLA for Calgary-Bhullar-McCall and chair of the committee. As we begin this morning, I would like to invite members, guests, and LAO staff at the table to introduce themselves, and we will begin to my right.

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

Mr. Cyr: Scott Cyr, MLA for Bonnyville-Cold Lake-St. Paul.

Mr. Dyck: Nolan Dyck, MLA for the beautiful constituency of Grande Prairie.

Ms Lovely: Jackie Lovely, MLA for the Camrose constituency.

Mr. Bouchard: Eric Bouchard, Calgary-Lougheed.

Mr. Sinclair: Scott Sinclair, MLA for Lesser Slave Lake.

Mr. Stadlwieser: Dan Stadlwieser, controller, Treasury Board and Finance.

Ms Hogemann: Dana Hogemann, Treasury Board and Finance.

Mr. Stone: Liam Stone, deputy minister, Treasury Board and finance.

Mr. Spencer: Chris Spencer, acting senior financial officer, Treasury Board and Finance.

Ms O'Neill: Good morning. Erin O'Neill, assistant deputy minister for Treasury Board and Finance.

Mr. Peters: Phil Peters, Auditor General.

Mr. Ireland: Brad Ireland, Assistant Auditor General.

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

Ms Renaud: Marie Renaud, St. Albert.

Member Eremenko: Good morning. Janet Eremenko, Calgary-Currie.

Ms Robert: Good morning. Nancy Robert, clerk of *Journals* and committees.

Mr. Huffman: Good morning. Warren Huffman, committee clerk.

The Chair: Thank you.

Our purpose statement. The Standing Committee on Public Accounts is mandated to review the public accounts of the government of Alberta and reports of the Auditor General. The committee examines the administration of government policy, not the merits of it, with the objective of enhancing transparency and accountability in government spending of public funds. The committee operates best when it maintains a nonpartisan approach in carrying out its responsibilities on behalf of all Albertans.

A few housekeeping items to address before we turn to the business at hand. The microphones are operated by Legislative Assembly Office staff. Committee proceedings are live streamed on the Internet and broadcast on Alberta Assembly TV. The audio- and videostream and transcripts of meetings can be accessed via the Legislative Assembly website. Please set your cellphones and other devices to silent for the duration of the meeting. Comments should flow through the chair at all times.

Approval of the agenda. Hon. members, are there any changes in relation to the agenda? Seeing none, would a member like to move that the Standing Committee on Public Accounts approve the proposed agenda as distributed for its November 24, 2026, meeting?

Mr. van Dijken: So moved.

The Chair: Thank you. Any discussion on the motion? Seeing none, all in favour? Any opposed? The motion is carried.

We also have the minutes from the November 17, 2026, meeting of the committee. Do members have any errors or omissions to note? If not, would a member like to move that the Standing Committee on Public Accounts approve the minutes as distributed of its meeting held on November 17, 2026?

Mr. van Dijken: So moved.

The Chair: Thank you. Any discussion on the motion? All in favour? Any opposed? The motion is carried.

I would like to welcome our guests from the Ministry of Treasury Board and Finance and the office of the Auditor General who are here to address the ministry's annual report 2025-2026, responsibilities under their purview during that reporting period, and relevant report and outstanding recommendations of the Auditor General. I will invite officials from the ministry to provide opening remarks not exceeding 10 minutes.

The floor is yours.

Mr. Stone: Thank you, Chair. Thank you, and good morning. I appreciate this opportunity to discuss the 2025-26 annual report of Treasury Board and Finance. Joining me today are colleagues from the Public Service Commission, including the deputy minister responsible, AIMCo and ATB, along with department officials. They will be available to answer questions following my remarks.

In '25-26 Treasury Board and Finance remained focused on responsible financial management, effective oversight, and delivering services that meet the needs of Albertans. I'm pleased to say that we made progress across all three of these areas. Alberta remained the least indebted province or territory with net debt at 7 per cent of GDP, improving from 7.2 per cent the previous year. Our approach to fiscal reporting and accountability also received an A-plus from the C.D. Howe Institute. The heritage fund continued to grow, reaching a record market value of $32 billion and earning an 8 per cent net investment return.

Alberta also maintained its significant tax advantage. Albertans and Alberta businesses would have paid at least $20.1 billion more in taxes under any other provincial tax system. We continued to work on the care-first auto insurance model and confirmed that the good driver rate cap would remain in place for 2026. Alberta's captive insurance market also continued to grow, reaching 40 insurers. We continued modernizing tax administration, including expanded e-transfer payment options and default online delivery of corporate tax correspondence. Within the Alberta public service a new collective agreement was implemented and safety incident reporting was modernized.

Overall, Alberta finished 2025-26 in a stronger financial position than anticipated at budget. Revenue was $5.6 billion higher than budget while total expense was $1.8 billion lower. Together these results contributed to a $2.2 billion surplus for the year. I'll briefly

walk through what drove those results. On the revenue side stronger investment returns, tax revenue, and bitumen royalties were the major contributors. Although oil prices were approximately $3 U.S. below the budget forecast, the light-heavy differential was almost $6 narrower than expected. As a result, bitumen royalties were $1.3 billion above budget.

Other increases from budget included $2.1 billion in investment income as financial markets outperformed our budget assumptions; $1 billion in tax revenue, primarily from corporate income and other taxes; $900 million in business enterprise net income, reflecting improved results at ATB Financial and the Sturgeon refinery; and $1 billion in other revenue, mainly from reversing prior-year disaster expense accruals and higher than expected postsecondary donations. These increases were partly off-set by $700 million in lower revenue elsewhere, primarily because of lower oil and natural gas prices and lower premium fees, licences, and federal transfers.

On the expense side total expense was $77.5 billion, which was $1.8 billion below Budget ’25. The budget included a $4 billion contingency, which had been increased from $2 billion due to potential U.S. tariff impacts and pending compensation agreements. By the third quarter that contingency had been allocated primarily to $1.5 billion for wildfire and agriculture disaster costs; more than $2.4 billion for operating expense, mainly public service compensation settlements, physician compensation, and the surgical initiative; and about $100 million for in-year increases in dedicated revenue expense. While expense was below budget, it was $3.4 billion higher than in ’24-25. Health care accounted for $1.6 billion of that increase, reflecting compensation costs, higher patient volumes, and increased demand for services. Spending also increased for postsecondary programming, student loans compensation, and family support programs.

As I mentioned, the combination of stronger revenues and lower than budgeted expense resulted in a $2.2 billion surplus. It’s important to distinguish that that was an accounting surplus. There was no surplus cash available from ’25-26 to allocate to debt repayment, the heritage fund, or one-time initiatives.

The province’s balance sheet strengthened over the year. At March 31, 2026, government assets exceeded liabilities by $26.8 billion, an improvement of $2.3 billion from the previous year. Net financial debt improved by $700 million to $33.6 billion, representing 7 per cent of GDP.

The book value of the heritage fund increased by $5.2 billion to $30 billion. That increase reflected the retention of $2.4 billion in net investment income and a $2.8 billion deposit from 2024-25 surplus cash. At year-end the heritage fund’s market value stood at $32 billion.

Overall, Alberta closed the year with stronger than budgeted revenue, lower than budgeted expense, an improved balance sheet, and continued growth in the heritage fund.

9:10

I’ll now turn to the Auditor General’s outstanding recommendations. The ministry continues to work with the Auditor General on outstanding recommendations and has carefully considered the recommendations related to the ministry annual reporting.

There is one outstanding recommendation where our position differs from that of the Auditor General. That recommendation called for the department to implement processes to monitor ministry compliance with annual reporting standards. Treasury Board and Finance’s position is that the ministry annual report standards together with existing processes satisfy the intent of that recommendation. Individual ministers remain responsible for the content of their ministry annual reports while feedback provided by Treasury Board and Finance is advisory. The office of the Auditor General has also begun its own compliance monitoring process, including reviews of several ’25-26 ministry annual reports.

Separately, the Auditor General’s November 19 report included a new recommendation related to the consistent interpretation of those standards. We accepted that recommendation and will establish a benchmark to support consistent interpretation and application of the ministry annual report standards.

Before concluding I’d like to highlight some of the work undertaken by our colleagues at the Public Service Commission over the past year. A major focus was supporting and strengthening Alberta’s public service workforce. The commission negotiated and implemented the government of Alberta AUPE collective agreement following ratification on September 3, 2025. Recruitment and onboarding also remained a priority. The commission reached more than 6,200 job seekers through 18 jobs fairs across Alberta while more than 1,000 new employees participated in orientation.

Workplace safety and incident reporting were modernized, including mobile reporting capability on more than 14,000 devices. The commission also launched an important pilot with Wayfound Mental Health Group, expanding access to individual counselling for employees working in high-risk roles. It continued to support agencies, boards, and commissions with governance and recruitment while assisting 116 public-sector bodies on compensation disclosure.

Twenty-five to ’26 was a year of tremendous global uncertainty. We started the year with significant concerns about tariff impacts. We ended the year with a significant conflict in the Middle East that was disrupting global energy markets. Throughout the year Treasury Board and Finance sought to manage the province’s finances and our own operations in a manner that maintained Alberta’s commitment to fiscal responsibility, protected Alberta public services that Albertans rely on, and enabled Alberta’s economy to continue its strong growth that leads the country. These are challenging times for policy-makers and those of us that advise them.

Taken together, the results reflect the breadth of Treasury Board and Finance’s responsibilities from managing the province’s finances and overseeing public-sector reporting to supporting Alberta’s financial services sector and public-sector workforce. That work is only possible because of the public servants across the ministry and the Public Service Commission who deliver it every day. I want to thank them for their professionalism and their commitment to serving Albertans. Thank you for the opportunity to represent them and provide this overview.

My colleagues and I would be pleased to now take your questions. Thank you.

The Chair: Thank you.

I will now turn it over to the Auditor General for his comments. Mr. Peters, you have five minutes.

Mr. Peters: Thank you, Mr. Chair. Good morning, hon. members, committee members, and officials from the Department of Treasury Board and Finance. Thank you for including my office in these proceedings and giving us the opportunity to highlight aspects of our work to assist improved reporting by the department.

Before speaking to our outstanding recommendation pertaining to the department, I would advise the committee that we have completed our fiscal ’25-26 financial statement audit work for this department and its entities. As set out in the Auditor General Act, any findings will be reported to the Members of the Legislative

Assembly in the coming months as part of our annual audit of the province's consolidated financial statements and our annual summary of ministry audit work.

My comments respecting our performance audit work today are brief. There's only one recommendation to this department that remains not implemented for reports on the agenda today. In recent years we had reported that the department implement processes to monitor ministry compliance with results analysis reporting standards. We also reported improved processes relating to guidance and training. There is a good amount of information reported by ministries about their priorities and activities. What remains are the processes to improve consistency in reporting against standards, particularly in regard to reporting results against planned priorities and costs.

I will end there by expressing my thanks to the Department of Treasury Board and Finance for their co-operation and assistance throughout our audit work.

Back to you, Chair. I welcome any questions the committee may have.

The Chair: Thank you.

We will now hear questions from the members of the committee, and we will begin with the Official Opposition. You have 15 minutes.

Mr. Schmidt: Thank you, Mr. Chair. In March of 2026 the Automobile Insurance Rate Board released a report by Oliver Wyman predicting that average auto insurance premiums would decrease by $366 under the so-called care-first model. On November 4, 2026, the rate board published an article on its website which said that, based on rate board approved insurer filings, average premiums are only going to be reduced by $297, or about 20 per cent less than what was promised eight months ago. Why did the promised savings at switching to the new insurance model fail to materialize?

Mr. Stone: I'll turn it over to ADM O'Neill for a more detailed response, but I think what we saw was that we were developing the policies, regulations, and as you develop more precision in those policies and regulations, you're able to more precisely estimate what the rates are going to be. As we developed those and shared them with insurers and with our actuaries, they were able to improve the precision, and as a result the number shifted.

I'll turn it to ADM O'Neill for more.

Ms O'Neill: Sure.

Thank you for the question. The original report, as you referenced, published in April 2024 from the Automobile Insurance Rate Board and prepared by Oliver Wyman, provided a then current actuarial estimate of the potential premiums associated with adopting a privately delivered, care-based auto insurance model. That report, as you stated, estimated that average savings of about $381 could be possible. It was based on comparing the current average Alberta model compared to Manitoba.

There are two main factors that explain the difference between the original estimated cost and the more recent analysis. The April 2024 report was prepared on the assumption that the auto insurance product in Alberta would exactly replicate the product available in Manitoba, which does not permit litigation of any kind. Government then made subsequent policy decisions to enable tort access in care first, specifically to enable the ability to sue for pain and suffering or nonpecuniary damages or economic losses, pecuniary damages which exceed any of the care-first benefits. Those impacts and those policy decisions impact the cost.

Secondly, like all actuarial models, the calculation is based on then current data and then current actuarial assumptions. Over time as more data becomes available and historic trends warrant modifications in the actuarial assumptions, refinement to the model is necessary and will change the estimated premium impact.

Accordingly, in March 2026 we published a final actuarial report on care-first reform costing, again prepared by Oliver Wyman and released by the Automobile Insurance Rate Board. That report estimated updated savings for basic coverage of $366 per policy on average; for full coverage, $231 per policy on average; and then the industry average of $259 for policy. Then, as you referenced, in September 2026, most recently, the AIRB, or the Automobile Insurance Rate Board, released its care-first premium impact report. This analyzed actual cost savings of care first based on the rating program and changes filed by the insurance companies with the rate board. The industry average savings for private passenger vehicles according to that report were even higher than estimated in March, at $297 per policy on average. So, unlike prior reports, the actuarial model of care-first, the premium impact report reflects actual changes to automobile insurance rate under the care-first model based on actual rating programs submitted by the insurers and approved by the Automobile Insurance Rate Board.

9:20

Mr. Schmidt: Thank you very much for those answers.

I'm just curious if the department can quantify the – one of the things that was raised as an impact was the addition of tort litigation, which wasn't assumed in the original report, and then this more vague reference to more data and trends affecting the model. Can the department quantify the impact that enabling tort access had on premiums, and then can the department also provide us more information on what data points specifically and trends affected the rate premiums?

Ms O'Neill: Sure. Thank you. We went from the $381, as you know, to the $259. That was primarily driven by the increased access and tort. It was also driven by some other policy changes, what we refer to as loss transfer. What loss transfer means is that if I'm driving a motorcycle and I get hit by an SUV, most likely the SUV will do more damage to me on a motorcycle than it would do to the SUV. So rather than my insurance taking the majority of hit for that, the loss transfer would apply to the driver of the SUV if they were at fault because it is more likely that I will have more impact.

Policy decisions like that adjusted the original savings to make sure that we had a cost based on those policy decisions that were made. Then, further to that, we were able to refine those with the data, so receiving updated data from our general informational statistic of how many accidents were happening, what those claims costs were, and that informed providing updated data to the actuaries that they could use to give more accurate pricing. Then subsequently this July the insurers submitted their actual filings based on the benchmarks established in the March 2026 report so they could indicate what actual savings Albertans will receive. So that $297 on average is what Albertans will actually see when we go live in January.

Mr. Schmidt: Thank you very much.

Again, back to my original question because there has been a lot of debate between proponents and opponents of the so-called care-first model around how much litigation impacts the cost of insurance. My original question was quantifying the impacts of litigation. Does the department have a number? Like, is it 50 per

cent; is it 10 per cent of the cost? How does the department quantify the impact of litigation on insurance premiums?

Mr. Stone: Well, go ahead, Erin.

Ms O'Neill: Yeah.

Sorry. I'm just pulling up the right number here. I just want to make sure I get you the correct number. The cost of the pieces change the premiums. We were at just over $2,000, and those care-first premiums will reduce to $1,830. Now, this is based on the March 2026 report, and it will reduce. The third-party liability costs will go down by $420. That is the majority of the savings from the tort access. Now, there is an increase for accident benefits because care first provides additional access benefits. Those off-set the difference between the savings and that reduction between the current written product and that savings.

Mr. Schmidt: So am I correct in understanding that almost all of the reduction is driven by reduced litigation costs?

Ms O'Neill: Correct.

Mr. Schmidt: Okay. Thank you very much.

In 2026 the good driver rate cap limiting the premium increases to 7.5 per cent was in place. What percentage of the drivers eligible for the good driver rate cap benefited, or you know, to ask another way, how does the ministry monitor compliance with the rate cap?

Ms O'Neill: The proportion of Albertans that saw rate increases last year: in total 52.7 per cent of Albertans saw a rate increase; 22.7 per cent of those saw a rate increase of less than 5 per cent; 30 per cent more saw an increase of more than 5 per cent.

Now, the way the good driver rate cap works is that it is a 7.5 per cent increase for those that meet the definition of the good driver rate cap, and then no insurer can increase their book of business by more than 12.5 per cent. Those two numbers work together. Some people may see a zero per cent increase; some people may see that 12.5 per cent increase. Then, just as a reminder, the good driver rate cap does not apply to vehicles that do not meet the definition or you bought a new vehicle, you changed your address, you had a conviction, or a new at-fault accident.

Mr. Schmidt: Right. But if I have an insurance product and I meet the definition of a good driver but my insurance company raises it by 7.6 per cent, what steps does the ministry take to correct that overpayment?

Ms O'Neill: Those are monitored when the insurer submits their rate filings to the Automobile Insurance Rate Board. There is a check and balance to make sure that they are meeting the written guidelines and the benchmarks established by the Automobile Insurance Rate Board. They monitor those premium impacts, and then if in the event an Albertan has a concern about their premium, they contact the Automobile Insurance Rate Board and then we work with the insurers to make sure that any changes in their premiums were accurate or if any change is needed, so that is the monitoring and compliance.

Mr. Schmidt: Okay. How many complaints were filed with the Automobile Insurance Rate Board in 2026?

Ms O'Neill: I will get you that number.

Mr. Schmidt: Okay. Sorry; I'm running out of time, so perhaps I can direct this question to the deputy minister, then, while the assistant deputy looks at a question here. On page 15 of the annual report the new auto insurance scheme said that it "will provide better and faster services to Albertans." What measures will the ministry put in place to determine what better services to Albertans are delivered?

Mr. Stone: Well, I would say that during '25-26 we were developing the plans for those services, so obviously the actual implementation will go live on January 1, 2027, but the work that was done was a combination of working with actual service providers developing frameworks in terms of what the level of care is going to be when somebody was injured and then developing an ability for Albertans to request a review of the service that they were being provided.

Mr. Schmidt: Sure. Perhaps I can restate my question. I guess, did the ministry develop any key performance indicators for what better service or faster service means? Is it like time to settling a claim? What are those key performance indicators going to be?

Mr. Stone: Go ahead.

Ms O'Neill: Thank you for that. We have a number of key performance indicators. The first one: auto insurance premiums are becoming more affordable for Albertans. Albertans are receiving timely access to the care and treatment they need following an automobile accident. Albertans are experiencing a high-quality customer journey through the injury claim and recovery process. Government can respond to questions, complaints, and concerns in a timely manner. Ensures health care providers and brokers are operating effectively and successfully adapting to the model and health care practitioners understand and widely deliver the care-first program of care.

Specific metrics that we looked at: affordability; access to care; claims and recovery journey, including the dispute tribunal rate and disposition and referral of injured persons to an independent medical assessment; inquiry and complaint response; stakeholders are operating effectively and health care practitioners understand the program of care, so the count of health practitioners signed up on the health care registry; stakeholder feedback on education; and the volume of inquiries to regulators and monthly feedback from health care providers.

Mr. Schmidt: Okay. Thank you very much for that.

I want to move on, then. Has the ministry made a decision on the appeal fee for appeals to the automobile insurance rate tribunal?

9:30

Ms O'Neill: Thank you for the question. We are in the process. The regulations set out that rules will be determined by the tribunal. We are in the process of establishing and finalizing those rules so that they will be in effect by January 1, so we're just finalizing those details as we speak.

Mr. Schmidt: Okay. Does the ministry track the number of jobs in the automobile insurance industry?

Mr. Stone: I'm not aware of any specific tracking that we do on that.

Mr. Schmidt: Okay. No. It's just curious because the Premier has said that she wants to preserve jobs in the automobile industry, but if the government isn't tracking that, I guess maybe the Premier is making things up.

The ministry has said that 18 months after the launch of the new auto insurance scheme it will be reviewed. Will those measures that the assistant deputy minister just read out inform the review or . . .

The Chair: Thank you.

We'll hear questions from the government caucus members. You have 15 minutes, MLA van Dijken.

Mr. van Dijken: Thank you, Chair, and thank you, administration, for being here to report on the annual report '25-26 of the Treasury Board and Finance. I think one of the comments you made in your opening comments with regard to fiscal responsibility, fiscal management – responsible fiscal management – is very telling. It is a policy-driven statement that requires due diligence, both on the side of the policy-makers but also on the side of administration, to ensure that the goals are reached long-term.

One of the policies that was implemented in '25-26 was Alberta's new 8 per cent personal income tax rate that applies to the first $60,000 of income, and that became effective beginning of 2025. Can the department explain how much money the new bracket is putting back into Albertan pockets and what it means for a typical family?

Mr. Stone: Thank you very much for the question, and through the chair. The new 8 per cent personal income tax bracket represents a significant reduction in personal income taxes for Albertans. Effective January 1, 2025, the provincial tax rate on the first $60,000 of taxable income was reduced from 10 per cent to 8 per cent. Because that lower rate applies to the first portion of taxable income, the benefit is broadly available to Alberta taxpayers. For 2025 the new bracket provided individual Albertans with tax savings of up to $750 per person, while a two-income family could see combined savings of up to $1,500. Across the province we estimate that Albertans saved approximately $1.2 billion in taxes in 2025 as a result of the tax reduction.

To put that in practical terms, consider a family with total household income of about $100,000, where one spouse earns about $60,000, and the other earns about $40,000. That family would have saved approximately $960 in provincial income tax in 2025 as a result of the new bracket. Those savings are obviously meaningful because they leave more after-tax income with Alberta households. Families can decide how best to use that money, whether it's for groceries, utilities, housing costs, transportation, savings, or other household priorities.

I'll note here that as we look across the country at what other provinces have done with respect to the challenges of affordability, this would rank at the top or near the top in terms of provincial responses in terms of value and also the ongoing nature of the response. You've seen governments do one-time affordability policies. This one is obviously going to be in place for the long stretch, and it gives Albertans more money year by year to address affordability challenges.

Mr. van Dijken: Good. Thank you, Chair. One comment I will make is leaving dollars in the pockets of average, everyday Albertans helps to keep currency within an economy. That helps keep an economy strong and continuing to work to its best advantage. The corporate income tax came in at $932 million above budget this year, slightly lower than last year's revenue. Can the department explain what the government is doing to keep the business climate strong so that corporate revenue can keep pace with the economy?

Mr. Stone: Thank you very much for the question, and through the chair. I'll note that corporate income tax revenue is $932 million higher than budget for '25-26. As we look at forecasting different revenue lines, corporate income tax is one of the most challenging to forecast aside from nonrenewable natural resource revenue, and that's because, you know, corporate tax strategies can shift year by year.

What I can say is that the government with its 8 per cent corporate tax rate – that tax rate is well below our competing provinces across the country, and we've seen substantial success in terms of attracting investment that drives job creation. It drives, obviously, sort of ancillary economic investment in the province as new projects come in, and what we've seen even though we've adjusted our corporate tax rate down is that corporate tax revenue to the government has stayed strong, and that's a result of Alberta being an attractive investment climate and companies choosing to come and locate in the province.

I would also point out that Alberta is competing not only with other Canadian jurisdictions for investment, but we also are competing most closely with U.S. states. When you look at Alberta's corporate income tax rate, it's lower than the combined federal-state corporate income tax rate of 43 U.S. jurisdictions. This set of policies is clearly intended to compete strongly for investment. I think we've seen evidence that the policy is indeed attracting investment. Alberta's per capita private-sector investment is well above the national average, and we continue to see major projects come to the province.

Obviously, our province has a number of advantages, including a young, well-educated workforce. We have strong infrastructure that's available, strong engineering talent, strong construction talent, and taken together with the corporate tax rate that we've put in place, we are highly competitive with just about any jurisdiction in the world when people are coming to especially build sophisticated projects in our core industries.

Mr. van Dijken: Thank you for that answer. I'm going to turn to page 13 in the report, and one of the key highlights there.

> Alberta maintained an overall tax advantage compared to all other provinces, with low personal income taxes and no general sales tax, payroll tax or health premium. In 2025-2026, Albertans and Alberta businesses would have paid at least $20.1 billion more in taxes if Alberta had the same tax system as any other province.

I guess the question is: can the department explain how that advantage is calculated and how it helps Albertans keep more of what they earn and attract investment into the province?

Mr. Stone: Sure. The calculation looks at what individuals and businesses currently pay under Alberta's tax system and compares that with what they would pay if Alberta had the tax system of another province. It's a broad comparison and includes major taxes such as personal and corporate taxes and sales taxes as well as fuel and tobacco taxes, health premiums, payroll taxes, liquor taxes and markups, land transfer taxes, and other smaller taxes.

For '25-26 Alberta's tax advantage was estimated, as you mentioned, at $20.1 billion compared to British Columbia, which is the next lowest overall provincial tax burden under our calculation. Put another way, if Alberta had British Columbia's tax system, Albertans and Alberta businesses would collectively have paid approximately $20.1 billion more in provincial taxes during the year, and because British Columbia represents the next lowest comparison, the estimated additional tax burden would have been even greater if Alberta's system were compared to those in other provinces.

The advantage comes from a combination of features in Alberta's tax system. Obviously, Alberta does not have a provincial sales tax. We also maintain competitive personal and corporate income tax rates, including the 8 per cent general corporate income tax rate that we discussed and, beginning in 2025, the 8 per cent personal

income tax bracket on the first $60,000 of taxable income. The practical impact is that Albertans are able to retain more of their income rather than paying it in provincial taxes. As mentioned, for households that increases their disposable income to address their spending needs. For businesses a lower overall tax burden means more capital can remain within the business and potentially be used for investment, equipment, technology, expansion, and employment. I think, as mentioned, that we've seen Alberta lead the country in terms of private-sector investment under this policy.

9:40

Tax advantage is also important from an economic competitiveness perspective. Businesses considering where to establish or expand operations look at a number of factors, and the tax environment is one of them. Alberta's comparatively low taxes reduce the cost of doing business and are one component of the province's overall investment proposition. The same principle applies in attracting and retaining skilled workers. The amount of income an individual ultimately keeps after taxes can affect the attractiveness of living and working in a particular jurisdiction. I would note that I believe that for the past four years Alberta has led the country in terms of interprovincial migration, so we've seen people coming to the province, I think, as a result of the opportunity set that's available here. Obviously taxes and cost of living factor significantly as people make those choices.

Mr. van Dijken: Page 53 of the annual report shows Alberta's gross debt at $105 billion. Alberta remains the least indebted province or territory in Canada relative to GDP. Can the department explain how that is reflected in our net debt-to-GDP ratio and how Albertans benefit from a low debt-to-GDP ratio?

Mr. Stone: Well, maybe I'll speak to the last part of the question first, then I'll invite my colleagues to talk about the difference, but in terms of Alberta's low net debt-to-GDP ratio, I think it helps us in a number of respects. One is that our cost of borrowing remains competitive. When we have the ability to repay our debt, we see lower rates, and that translates year by year into lower borrowing costs as part of the provincial budget. It also gives the government flexibility in terms of being able to go to markets when necessary to fund government operations.

I think the second part of this is that when investors, and we've talked about Alberta as a destination for investment, see a government that's taking prudent financial steps to retain a low debt-to-GDP ratio, that gives them long-term confidence that if they make an investment in the province, they're unlikely to see dramatic tax increases to deal with, you know, higher debt levels that governments may be facing. That's critical when you're making investments, especially those that are multi-decade in nature. Companies are looking at the province's finances.

I think, from an Alberta perspective again, this is another one of our advantages as we seek to grow our economy: to be seen as a jurisdiction that's responsibly managed from a fiscal perspective and a jurisdiction that intends to continue to both be responsibly managed but also grow the government assets so that over the long term we're able to meet our debt obligations while protecting the government services that Albertans rely on.

So I'll let my colleagues, if they want to speak to the first part of that question.

Mr. Stadlwieser: I mean, I guess in terms of the difference between debt and net debt, I think that's kind of what I'll get into. Net debt represents total financial assets of the government minus liabilities, when you come to that figure. Whereas debt is what you're borrowing from the banks, net debt would not include, you know, assets such as tangible capital assets and prepaid expenses. Certainly, when you're looking at those two metrics, they're quite different in a way because the government is in a very strong fiscal position, as the deputy minister mentioned, so the heritage fund would be included in our financial assets for that net debt calculation. It's quite a different figure than the debt figure.

Mr. van Dijken: Thank you. I'll cede the rest of my time over to MLA Dyck.

Mr. Dyck: Thank you for the long opportunity. I've got a question on tourism. I believe the tourism levy came in a little bit higher, $41 million above budget, which is fantastic. Really interested in this industry. I think Alberta is doing a great job in this, and I believe the visitor economy grew by about 6 per cent. In the next 30 seconds can you explain what is driving this growth and how this levy can support revenue for public services?

Mr. Stone: I would sort of actually ascribe the success to the folks that are working in the Alberta tourism sector. So what we saw was a strong visitation, even you know – while Canada, I think, overall had more modest results, Alberta was able to attract a lot of visitors, and as a result we're able to see significant revenue, you know, to both the government and also to support the sector.

The Chair: Thank you. We will now hear a question from the Official Opposition and MLA Eremenko.

Member Eremenko: Thank you very much, and thank you, everyone, for being here. We've got a full house in the gallery today. My first question is in regard to page 26 of the annual report, where the ministry addresses delays in making progress concerning a decision on creating an Alberta pension plan. It blames an unwillingness from the federal government to co-operate. What's the rationale from the federal government that you've been offered around the unwillingness?

Mr. Stone: Yeah. A couple of notes here. I think the minister has spoken in the Legislature about Alberta's position on creating an Alberta pension plan, which is that we're not proceeding with that policy at that time. As you're aware, the government was seeking information from the federal government with respect to Alberta's share of the current assets of the Canada pension plan. I think, you know, the federal government sort of continued to indicate that that was a challenging calculation to provide, but what I would say on the topic is that over '25-26 we didn't really pursue that vigorously in terms of getting that information. There weren't a lot of exchanges with the federal government.

Member Eremenko: So not a lot of exchanges. Is that the fundamental reason why the ministry is not making progress?

Mr. Stone: No. I would point back to the overall policy direction, which is that we're not proceeding with the development of an Alberta pension plan at this time.

Member Eremenko: At this time. Is there indication to the department that it would be revisited?

Mr. Stone: No.

Member Eremenko: Not at this time. Does the department stand by the LifeWorks report concerning its assessment of the 53 per cent of the CPP contribution that would come to Alberta?

Mr. Stone: I mean, I think that, you know, that report was independently conducted, and obviously it remains some of the best

information available to Albertans on this topic. So I think we haven't sought to revisit it in any way, but again that's in the context of the overall policy direction.

Member Eremenko: In '25-26 did the department pursue any additional or a different assessment internally of its own number?

Mr. Stone: No.

Member Eremenko: So . . .

Mr. Schmidt: Point of order, Mr. Chair. I'm not sure what standing order it is. It might be 23(j), "language of a nature likely to create disorder." Somebody's phone keeps buzzing on the table. I don't know who it is, but it's extremely irritating, and I hope that we can find the perpetrator and punish that person appropriately.

The Chair: I think we should keep the phones silent and make sure that they don't vibrate and cause disturbance. Thank you.

Member Eremenko: Okay. Thank you. It is quite distracting.

Okay. As far as the department is concerned, Albertans can trust that an Alberta pension plan is not going to be advanced.

Mr. Stone: I can confirm that our direction is that we're not doing any work to advance the Alberta pension plan, and I've had no indication that that's going to change.

9:50

Member Eremenko: Okay. I think that's good to hear. Albertans have spoken up pretty loud and clear in terms of how they feel about pursuing an Alberta pension plan.

The language in the annual report is interesting. You were saying that progress was not accomplished because of the federal government's unwillingness to participate. If they were willing to participate, would progress be made?

Mr. Stone: What I would say is that if the federal government was willing to participate – and I think we need to step back. It should be of concern that the federal government did not answer that question in a timely fashion just as a matter of communication with Albertans. What I would say is that the overall policy direction is what I stated. We're not advancing this. You know, the language that's reflected in the annual report is, I think, frustration that, despite what I think was quite a reasonable request of the federal government, that information was not provided.

Member Eremenko: Had there been negotiations with the federal government concerning what the roadblocks were that was creating their unwillingness?

Mr. Stone: I think there was a question that was posed to them. I'm not sure it was a negotiation so much as sort of continuing to touch base and asking when we could expect a response.

Member Eremenko: Was there a disagreement in the terms of what you were asking them to do and what they were willing to provide?

Mr. Stone: No, I wouldn't chalk it up to that. I would say that I think we were quite clear in terms of what we were trying to ask for. Again, that analysis wasn't provided to us.

Member Eremenko: Okay. I'm going to move on to some of the questions around performance measure – I'm sorry, I haven't got it here, the per capita expenses item that you've got in the annual report. I'm struck by the average comparator provinces. You've lumped together B.C., Quebec, and Ontario with the aim, under measure 1(b), to be below the average comparator provinces. Do you have a breakdown of what the individual provinces' per capita expenses are between B.C., Ontario, and Quebec?

Mr. Stone: I'll have my colleague check on the breakdown, but we can continue if you have further questions on that.

Member Eremenko: Yeah, I do, certainly. I know, in a kind of quick back-of-napkin calculation, Quebec is substantially higher per capita expense than B.C. and Ontario. So the claim – I believe it's 8.7 per cent – that you are below the average comparator provinces: I reckon that gap is going to be significantly lower if we actually look at them individually.

Now, one of the line items that I was struck by in the StatsCan report that is referenced in the annual report is the use of goods and services. What is use of goods and services in government accounting speak?

Mr. Stadlwieser: Goods and services would be like contracted services procurement. It wouldn't include grants or payroll.

Member Eremenko: Okay. That number is substantially higher per capita than the other comparator provinces. Why?

Mr. Stadlwieser: Certainly, there might be some difference in terms of differentiating between conditional grants and contracts. Like, in some jurisdictions there's – myself I'm not involved with the comparison between different provinces. But we could be contracting out potentially slightly more in certain areas in terms of private-sector delivery, like, for capital construction. Those are just assumptions there. I haven't seen their numbers and how they compare.

Member Eremenko: The number is substantially higher since 2021. It's gone up by almost $5 billion. What is the reason for such a significant uptick over the years of the use of goods and services expense?

Mr. Stadlwieser: It could be, certainly, certain services if we contract out for the provision of child care, certain services that are contracted out maybe more so than other jurisdictions. But I don't know the other jurisdictions, so I wouldn't be able to explain why ours have gone up so much more than others.

Member Eremenko: Okay. Well, even just relative to historical. From 2021 to 2025 we're looking at a $5 billion increase in the use of goods and services as an expense line.

Mr. Stadlwieser: I would say: my colleagues do most of the announcement space. It's less of an accounting question. But certainly no capital has gone up. There are, you know, cost drivers related to that, so capital grants would certainly have gone up. There's been a significant increase in capital construction, so capital grant costs went up. But I'll leave that maybe to my colleagues in Treasury Board Secretariat.

Mr. Stone: I'll just maybe, in the interest of time, say that we can take that question away. It'll be an interplay between StatsCan methodology and our accounting systems and then the other accounting systems of the other provinces. So we can take that question away.

Member Eremenko: Okay. Yeah. I mean, the per capita calculation is based on the StatsCan . . .

Mr. Stone: I understand.

Member Eremenko: . . . so I would expect that if we are kind of using this as a key measure around our performance, there is some alignment there. If there isn't alignment, would the department reconsider its performance measure 1(b) if we're actually counting these in different ways?

Mr. Stone: Well, I think what we're looking at is sort of the overall spend, and what you're talking about is a subcategory. You know, what we would take a look at is the overall spend. Then we can take a look at the subcategory and come back to you in terms of what the implications are, but I would suggest that if it didn't change the overall numerator across these provinces substantially when we look at it, then it likely will remain, I think, a reasonable performance indicator.

Just in the interest of time, you had asked a question about the number of inquiries to the rate board. Would you like me to address that? Can we do that?

Member Eremenko: Yeah. Please.

Mr. Stone: Okay. We received 170 inquiries to the Automobile Insurance Rate Board between April '25 and March '26 where concerns were raised about rates. You'd also asked, I think, a very important question at the end about the review, and I can confirm, you know, that the first priority of that review will be to assess whether Albertans are receiving lower auto insurance rates.

We've set it purposefully, actually, relatively closely to when the transition occurs. Normally for a major government transition like this we would give ourselves a few years, but we do want to confirm that both the rates are seeing savings as well as achieving the performance standards that you had raised earlier.

The Chair: Thank you.

We will now hear questions from the government caucus members. MLA Dyck.

Mr. Dyck: Thank you very much, Chair. Insurance is always an interesting question, so I do have a further insurance question here. From my reading here, I've seen that Alberta's captive insurance sector has started to grow, also bringing new business, new jobs here to Alberta. What I would like to know is: what is driving the growth here across the province, and then also how many captive insurers are now licensed in Alberta, and also how is the province keeping this sector on the rails and keeping them well regulated?

Mr. Stone: I have great news this morning. I brought one of the most enthusiastic people I know about captive insurance along with us, so I'll turn it to ADM O'Neill to talk to that question.

Ms O'Neill: My line is that we're making insurance cool again.

Captive insurance has seen significant growth in Alberta's financial sectors since the province's framework came into effect in July 2022. Just to set the stage here, everybody, a captive is a licensed insurance company that is owned and controlled by the organization or organizations it insures. It gives businesses another way to manage their own risks, particularly where coverage in traditional insurance markets may be costly, limited, or unavailable.

That was one of the reasons Alberta established the captive framework. The objective was to increase insurance capacity and give businesses additional risk financing options while also creating opportunities to bring insurance activity, investment, and specialized financial services expertise into Alberta.

Interest has exceeded our expectations. We are seeing captives used across a range of important sectors, including energy, construction, agriculture, manufacturing, hospitality, and real estate development. Alberta also provides a domestic alternative for Canadian businesses that have historically established captives in other jurisdictions.

There are approximately 175 Canadian-owned captives operating outside Alberta, so there is an opportunity to bring some of that activity back into the country, specifically into Alberta. We've already seen movement in that direction. One captive has returned to Alberta, and six organizations have moved Canadian businesses from offshore captives into Alberta captives.

The growth in the overall market has been significant. By the end of '25-26 Alberta had licensed 40 captive insurers, including 10 that were licensed during the fiscal year alone. For comparison, British Columbia has had captive legislation since 1988, and at last report they had approximately 20 licensed captives. This sector is also generating economic activity and provincial revenue. In '25-26 Alberta captives wrote approximately $107 million in premiums, including approximately $27 million in premiums on Alberta risk, that generated approximately $1.1 million in insurance premium tax revenue for the province. The roughly $200 million in premiums identified in the annual report is the cumulative amount in Alberta captives since the beginning of the program in July 2020 rather than the premiums written in '25-26 alone.

10:00

An important part of Alberta's competitiveness has also been providing businesses with an efficient licensing process. In '25-26 the superintendent's office issued 100 per cent of captive licences within six weeks of receiving a completed application, exceeding its 90 per cent performance target. At the same time, our focus is not simply on growing the amount of captive insurance. Growth has to be accommodated by effective regulatory oversight. Captives are licensed insurance companies and are subject to ongoing supervision by the Superintendent of Insurance. The superintendent uses a risk-based approach both in reviewing applications and in supervising companies once they are established. During '25-26 Treasury Board and Finance completed supervisory examinations of three captive insurance companies. Those examinations found the captives reviewed to be stable and appropriately governed.

The superintendent's office has also built its internal expertise as the sector has grown, allowing staff to undertake more application review and supervisory work directly and reducing reliance on external actuarial support. We also recognize that rapid growth creates additional demands on the regulator. As the number of captive insurers increased, the superintendent's office identified pressures on its supervisory capacity. In response the department has recruited an additional manager for '26-27 to help ensure our regulatory capacity continues to keep pace with the sector.

I would characterize this as a strong result for Alberta. In just over 3 years the province has developed a market of 40 licensed captive insurance. That growth is being driven by demand for additional insurance and risk-management options, Alberta's competitive market, and an efficient licensing process. At the same time, we are maintaining risk-based supervision and increasing regulatory capacity as the market grows. Ultimately, the objective is to build a sustainable captive insurance sector that gives businesses more options, brings insurance activity and investment into Alberta, strengthens our financial services sector, and maintains appropriate safeguards and regulatory oversight as the industry continues to mature.

Thank you.

Mr. Dyck: Excellent. Well, thanks for making insurance cool again for me. I appreciate that.

I am going to cede the rest of my time to MLA Bouchard.

Mr. Bouchard: Thanks, MLA Dyck. The minister's statement on page 5 showed a total surplus of about $2.2 billion. Can the department explain what drove this strong performance and how the surplus will benefit Albertans?

Mr. Stone: Yeah, and I'll turn it over to our senior assistant deputy minister for Treasury Board Secretariat in a moment here.

In terms of the question about how Albertans benefit, I would say that there's the long-term benefit, which is that we don't require as much debt to deliver government services. That's both an immediate benefit in terms of debt-service costs, you know, year by year in the near term but obviously longer term for future generations of Albertans that's going to be less debt that they need to carry as we go forward.

Then also I would say that we set out when Budget '25 was put into the Legislature expecting a deficit, and what we saw was a combination of revenue increases, and my colleague will get into where those came from. Also, I think to the point earlier, we also saw that expense was managed within budget, and that's the result of work across the government from our colleagues across all the departments, and that's obviously critical for Albertans as well, to know that departments are managing prudently and staying within their targets.

I'll let Dana give you more detail there.

Ms Hogemann: Thank you for the question. As the deputy minister indicated, that $2.2 billion surplus reflects a combination of stronger-than-expected revenue and lower than budgeted expense over the course of 2025-26. When Budget '25 was prepared, Alberta was facing considerable economic and fiscal uncertainty, and budget was based on prudent assumptions. Government doubled the contingency from $2 billion to $4 billion to ensure there was sufficient capacity to respond if those pressures materialized. As the year progressed, some of those risks had a different or smaller fiscal impact than had been anticipated, particularly the effect of U.S. tariffs on Alberta. At the same time, several important sources of provincial revenue performed better than the assumptions that were built into budget.

Overall, provincial revenue is $5.6 billion higher than budget, and one of the largest contributors was investment income, which is approximately $2.1 billion above budget as financial markets performed better than originally forecast in budget. Tax revenue was also stronger, including corporate income tax. Light-heavy oil price differential was considerably narrower than forecast, and although oil prices themselves were lower than budget assumption, the narrower differential contributed to bitumen royalties being approximately $1.3 billion higher than budget. At the same time, total expense was $1.8 billion below budget, and together those results produced a significant improvement from the fiscal position anticipated at budget. It represents an improvement of about – $5.2 billion was the deficit forecast in Budget '25, and of course we finished with a $2.2 billion surplus, which is approximately a $7.4 billion improvement.

It's important to be clear about what the surplus represents. It's an accounting result for the fiscal year. It does not mean that there's $2.2 billion in surplus cash sitting available to allocate, but as the deputy minister indicated, it's important benefits to Albertans.

The Chair: Thank you.

We will now hear questions from the Official Opposition for 10 minutes. MLA Renaud.

Ms Renaud: Thank you, Mr. Chair. Before I get to my questions on the Heritage Fund Opportunity Corporation, I have just a quick question. In this fiscal reporting period government made a change as to how the federal grants were distributed. For example, let's say that St. Albert gets approval for a federal housing grant but it's being held up at the provincial level because there's this new step where the province has to approve those new federal grants. Does the TBF have any involvement there at all?

Mr. Stone: Well, with respect to sort of municipal infrastructure grants, I think your questions are best referred to our . . .

Ms Renaud: Actually, no. Because it's a federal program, the grant funded . . .

Mr. Stone: This is what I'm – sorry.

Ms Renaud: So Treasury Board and Finance has no role in this in examining the federal grants?

Mr. Stone: The normal course of business is that when the federal government announces a major program, or even a minor program, essentially what we would see is that an Alberta department – generally it's one; sometimes it's a couple – will then engage in negotiations with the federal government. Treasury Board and Finance normally does not participate in those negotiations because they tend to be, you know, subject specific. With respect to the question . . .

Ms Renaud: Sorry to interrupt. I don't have much time. That's sort of counter to the argument that government is putting forward that, you know, they really wanted to, sort of, even the playing field and get a good look at all these grants that are coming. If Treasury Board and Finance has no role whatsoever, I'm a bit confused as to why we added a step, but let me move on.

Mr. Stone: Can I just respond?

Ms Renaud: Actually, no. I'm going to move on.

Mr. Stone: Okay.

Ms Renaud: The UCP created another public-sector organization called Heritage Fund Opportunities Corporation – my colleagues from the Alberta heritage savings committee affectionately call it HFOC – to oversee how money is invested.

At the January 28, '26 meeting of the all-party heritage savings committee, an official said that historical oversight remained with the department with full investment discretion dedicated to AIMCo, yet the new structure establishes HFOC as the body to oversee the fund and set investment strategy. HFOC now has an oversight of all heritage savings assets. Can you explain the difference or the division of authority between the two bodies?

Mr. Stone: Between AIMCo and HFOC?

Ms Renaud: Yes.

10:10

Mr. Stone: Okay. Yeah. Essentially, when the government chose to set the goal for heritage fund growth and, you know, that goal embeds certain investment returns in order to reach the goal. AIMCo is an investment manager, has managed those funds, but the creation of the HFOC board was designed to get a sort of highly qualified board focused on delivering the returns that are required to hit the government's overall goal with respect to the heritage fund.

What we anticipate is that the board will not only sort of provide an oversight function with respect to AIMCo's investment management, but also be able to examine, you know, additional investment strategies as they may be pertinent to the goal.

Ms Renaud: If you had to, like, elevator pitch kind of thing, what is the basic difference between the two bodies? One was overseen by an all-party committee and the other one is a board, so what's the difference?

Mr. Stone: The elevator pitch would be that the difference is between you and the person that invests your money for you, if I can put it that way. Normally you would sit down and you would create an investment mandate for your investment manager that sort of gives them a sense of the level of risk and returns that you're looking to take on and your long-term goals. That's the role of the HFOC board. Then AIMCo is the investment manager that's, you know, in charge of making those investment decisions within that framework.

Ms Renaud: Are you able to give us an estimate in this fiscal how much was spent on creating this new body and the transition? I know there were some savings because staff positions weren't filled at AIMCo, or at least that's what it said in the report, but I'm wondering if you can expand on that.

Mr. Stone: The spend at the HFOC corporation, which would include services for the board, was $1.75 million in the first 17 months.

Ms Renaud: Wow. Okay. You mentioned earlier that there has been a new benchmark set. I think it's, like, $250 billion by 2050. That seems ambitious given that it would require a minimum $4 billion to $6 billion dollars a year investment. Whose goal is this? Who created this goal? Is it just the minister in his office? Is it AIMCo? Is it the department? Is it HFOC? Who is it that set that goal?

Mr. Stone: Yeah. I mean, it is a government goal. I think the goal is associated with a desire to see Alberta become more fiscally resilient over time.

Ms Renaud: Okay. So wouldn't you want to show Albertans how you're going to get there? Because there's nothing. There's zippo, nada. There's, like, nothing in these reports that tell us or Albertans who don't have a background, perhaps, in accounting or whatever that are looking at this and saying: okay, $250 billion sounds like a good number, but how do we get there? How do we measure any progress?

Mr. Stone: Yeah. I think that's a good question. I'll maybe invite Stephen Thompson if he'd like to elaborate in terms of the interim path, but I think that whenever government establishes a long-term goal of this nature, essentially reaching that goal is going to be a combination of both the government's ability to be fiscally prudent and put cash surpluses into the heritage fund as well as the investment returns that we're going to deliver. I think that you see sort of a two-pronged strategy against that goal. One is the prudent management of our year-to-year budgets in order to generate cash surpluses that we can allocate into the heritage fund . . .

Ms Renaud: Sorry. I'm going to interrupt you again. All due respect, but I think if the average Albertan looks at this goal and thinks, "Yeah, that is great," and there's no information of how to get there, you're just pulling a number out of the air and really eroding the confidence that Albertans have in Alberta's fiscal framework or Treasury Board and Finance.

Mr. Stone: Yeah. I guess, you know, I'll turn it to Stephen on performance, but I think that in the fiscal year that we're discussing, you actually saw a very strong investment performance out of the heritage fund, and you also saw . . .

Ms Renaud: Sure. I'm talking about the plan to get to $250 billion.

Mr. Stone: I appreciate the question, but I think the way that Albertans can measure the government's ability to reach that target is to watch year by year as that investment performance takes place as well as what the government is able to allocate.

Ms Renaud: Well, I think that's certainly important, but it's also important to know how much of Alberta resources – money that belongs to Albertans as well – goes in annually. So if they look at the $250 billion, what they know is that $4 billion to $6 billion has to go in annually, average. And they know: okay; we had an extraordinary year where there was a large amount to be invested in Albert heritage savings. I'm certainly hoping that geopolitics aren't the same, you know, the next year that we go to make an investment. I guess I'm just looking for anything. Is it every five years we're going to do this, or is it – how do you get to the $250 billion and ensure Albertans have trust in what you're saying?

Mr. Stone: Sure.

Stephen, do you want to talk about sort of the interim?

Mr. Thompson: Stephen Thompson, assistant deputy minister for treasury and risk management. The goal of $250 billion by 2050 was meant to be a target achievable by retaining all of the income within the heritage fund, as recent changes to the heritage fund act have established. By retaining income, we have seen significant growth in the heritage fund outside of the contributions from surplus cash under the fiscal framework. Robust investment performance alone should make $250 billion by 2050 achievable, and that's simply compounding all of the investment returns that are earned by the fund rather than drawing them out, as had been done previously. That envisions a return somewhere in the area of 9 per cent to get to $250 billion by 2050, which is an aggressive but achievable investment return over the long run. That, supplemented with the benefits of cash surpluses being deposited into the heritage fund under the fiscal framework, certainly makes the goal achievable.

Ms Renaud: Okay. Thank you. Do you have anything to add? You've got about 15 seconds.

Thank you.

Mr. Thompson: Thank you.

Mr. Stone: Maybe I'll just add to your previous question in terms of sort of overall oversight on intergovernmental agreements. That's the purview of Executive Council through inter-governmental relations.

The Chair: Thank you.

We will now move back to the government members for 10 minutes. MLA Jackie Lovely.

Ms Lovely: Thank you so much. I'm going to take this opportunity to share with you that one of the priorities that's been expressed to me from Camrose constituents is the importance of having a balanced budget. I know that's not always an easy thing to do, and

oftentimes I hear the minister say to other ministers: "You need to cut back by 10 per cent. We need to tighten our belts. We need to deliver a balanced budget to Albertans." So I just wanted to take this moment to express that gratitude to you because it's not easy to do that, I'm sure.

Getting down to my questions, strong tax administration and compliance are delivering value for Albertans. Can the department describe how much was recovered through audit and collection in 2025-26 and how those recoveries protect the revenue that funds public services? Also, can the department explain which programs recover the most and how that work returns money to the province?

Mr. Stone: Thanks for the question. I'll turn it to Dana to provide a quick response here.

Ms Hogemann: Okay. Thank you, Deputy.

Strong tax administration helps ensure that taxes owed to the province are collected and remain available to support public service. In '25-26 tax revenue administration generated $291.7 million in audit recoveries and recovered more than $259 million in outstanding debt on behalf of the province. The Department of Energy and Minerals uses Treasury Board and Finance to conduct royalty audits, which generated the largest share of audit recoveries. TRA, or tax revenue administration, also recovers revenue through corporate income tax and commodity tax compliance. Overall, TRA generated $13.90 in net revenue for every dollar spent on administration, exceeding its target and demonstrating the value of effective tax administration.

Ms Lovely: All right. Thank you.

Can the department describe the new self-service and electronic payment options for certain tax programs, as seen on page 22, and how they make it easier and faster for Albertans to meet tax obligations?

Ms Hogemann: Thank you for the question. TRA is modernizing tax administration by giving Albertans and businesses more convenient ways to access information, submit returns, and make payments. Through TRACS, TRA's client self-service portal, clients can access their account information and correspondence online, including waiver requests and dispute responses. In 2025-26 the number of accounts enrolled in TRACS increased by 63 per cent, largely because of the transition from paper to online statements of account. This represents a significant shift toward digital self-service and gives clients more timely and convenient access to their tax information.

10:20

TRA has also introduced Interac e-transfer payments for the tourism levy and international fuel tax agreement programs. It plans to expand e-transfer payments to additional tax programs in 2026-27, including corporate income tax, its largest tax program. These improvements reduce paper and manual transactions, supporting faster processing, improved accuracy, and allow TRA employees to focus on higher value client service and compliance work. Electronic filing has reached 100 per cent for several tax programs while nearly all corporate income tax and tourism levy returns are now filed electronically. The estimated savings from reducing paper mail-outs and moving to electronic services are approximately 200,000 annually.

Ms Lovely: All right. On page 22 the ministry mentions electronic correspondence and dispute resolutions as part of the new self-service function. Can the ministry provide information on how much paper this saves?

Mr. Stone: I think we'll have to come back to you on that question.

Ms Lovely: I'll get on to the next one. On page 21 it's noted that TBF processed more than 356,000 corporate and commodity returns. Can the department explain how it keeps processing times faster for businesses and what service standards it has met?

Mr. Stone: Okay. The key reason TRA can manage this volume efficiently is the continued shift to electronic filing and technology-enabled processing, which reduces manual handling, improves accuracy, and supports faster processing. Corporate income tax, TRA's largest tax program, reached an electronic filing rate of 98 per cent, up from 94 per cent five years ago. Insurance tax increased from 67 to 100 per cent while several other programs, including the international fuel tax agreement and health cost recovery, have also reached 100 per cent electronic filing.

In '25-26 91 per cent of corporate income tax returns filed by taxpayers or their representatives were assessed within 30 days of receipt. For businesses faster processing provides greater certainty about their tax position, reduces delays, and provides quicker access to refunds when they're owed. TRA continues to modernize its tax administration systems and expand digital services. Together these improvements allow it to process a significant volume of returns efficiently while reducing the administrative burden and providing timely, accurate, and responsive services to businesses.

Ms Lovely: All right.

On page 21 the annual report notes that TBF met four times with Alberta tobacco collectors in '25-26 to strengthen the administration of the Tobacco Tax Act. Can the department describe TBF's contribution to the government's contraband tobacco strategy and any results it has delivered for legitimate retailers?

Mr. Stone: I think I may turn that question to Joel if I have that correct.

Mr. Gorlick: Thanks very much for the question. Just give me one second.

The Chair: Please introduce yourself.

Mr. Stone: You need to introduce yourself.

Mr. Gorlick: I'm Joel Gorlick, assistant deputy minister of economics and fiscal policy.

With regard to the contraband tobacco strategy, as noted in the annual report, TBF did meet four times with Alberta tobacco collectors in '25-26. Of the four meetings one related to contraband tobacco while the other three concerned administrative requirements for tobacco tax collectors. Treasury Board and Finance's role in the contraband tobacco strategy is to strengthen tax administration and to increase the consequences for contraband activity. In '25-26 new administrative penalties were introduced under the Tobacco Tax Act, and they include penalties equal to three times the tax otherwise payable. Mandatory reporting of contraband seizures was also introduced to improve information sharing and enforcement, and these measures help protect legitimate retailers by supporting a fair and well-regulated tobacco market.

Treasury Board and Finance's tax and revenue administration also works in partnership with the Alberta Gaming, Liquor and Cannabis Commission and with law enforcement agencies to enforce the act. The AGLC conducts enforcement activities on TRA's behalf and investigates contraband tobacco activity and

works with other enforcement agencies. Budget 2025 actually doubled AGLC's tobacco enforcement unit while an online reporting process further strengthened information sharing among enforcement partners.

Ms Lovely: Okay. Thank you.

I'm going to cede the rest of my time to Member Sinclair.

Mr. Sinclair: Thank you, Mr. Chair. Thank you for the time, MLA for Camrose, and thank you to the entire team at Treasury Board. I appreciate everything you do. I quickly echo that the balanced budget is definitely a high priority in Lesser Slave Lake as well.

I'm just going to stay on the tobacco subject briefly. I know we don't have a lot of time here, but can the department walk the committee through how Treasury Board and Finance partners with AGLC and law enforcement to enforce the Tobacco Tax Act?

Mr. Gorlick: Thank you very much for the follow-up. As mentioned, Treasury Board and Finance . . .

The Chair: Please introduce yourself.

Mr. Gorlick: Oh, I have to do it again. Joel Gorlick, assistant deputy minister of economics and fiscal policy. Thank you.

As mentioned, Treasury Board and Finance partners with AGLC and with law enforcement agencies when it comes to the enforcement of the contraband tobacco strategy. As I said, the number of enforcement officers has doubled. It was previously 10 and is now 20. Treasury Board and Finance has met with a number of tobacco companies, as I mentioned, in order to be able to determine the level of contraband that's happening in the market. As a result, it's having an impact. We realize that there's more to be done. It's been ongoing work that's been happening between Treasury Board and Finance at the AGLC, as I said, as well as the law enforcement agencies.

Mr. Sinclair: Okay. Thank you, Mr. Chair. I'm just going to switch gears – sorry; I waited till you sat down before I asked another tobacco question there, Assistant Deputy Minister – to employment pension plans. On page 24 of the report it describes how the government amended the Employment Pension Plans Act to modernize pensions in Alberta. Can the department explain how these changes make pensions easier to administer for employers and better protected for plan members?

Mr. Stone: Can we get back to you?

The Chair: Now we're back to the Official Opposition for 10 minutes.

Ms Renaud: Thank you, Mr. Chair. Before I move on to the next topic, we're still not clear on what the difference is between HFOC and AIMCo, and what value does it bring to Albertans? There's a lot more expense, obviously, with the creation of this body, but what value does it bring to Albertans? Like, does it provide any more transparency, any more anything?

Mr. Stone: The HFOC board is a board of sort of highly qualified professionals that we've given a mandate to to essentially – I think your earlier question sort of speaks to the rationale for creating the board. We want a board who has a task of reaching that long-term goal. The board is going to oversee AIMCo initially as sort of the investment manager, but it is really focused on ensuring that the correct balance of risk, you know, and types of investments is enabled through AIMCo.

Ms Renaud: Is the goal to eliminate AIMCo?

Mr. Stone: No. Absolutely not.

Ms Renaud: No? Okay. Just checking. Still not clear, but let's move on. Just a point of advice: even the committee members aren't sure about the two bodies. You know, maybe some clarity for Albertans, I think, would be helpful.

The AG's office, as we heard earlier, recommended to the department a process to monitor ministry compliance with results analysis reporting standards. In plain language, if I'm understanding correctly, this essentially means: make sure the people in charge set goals so that we can monitor the progress. Would you say that's accurate? Plain language.

Mr. Stone: In terms of reporting? Yeah.

Ms Renaud: Okay.

Without oversight we know that annual reporting will continue to lack integration, and we've seen this sort of decline over the years. We can get, you know, one line in a ministry that is $1.6 billion, and we get no target other than: we'll hit 80 per cent on a satisfaction survey. My thinking is that the recommendation made by the Auditor General numerous times and which was outright rejected by Treasury Board and Finance: wouldn't that provide assistance to the ministries that actually maybe have weaknesses in the area of performance reporting?

10:30

Mr. Stone: Well, I'll start by saying – I may turn over to Dan on this question – that I think we are strongly aligned with the intent of what the Auditor General is talking about. As Treasury Board Secretariat especially that component . . .

Ms Renaud: The big difference between intent – like, you know, yes or no?

Mr. Stone: Yeah. I think to your point, you know, especially Treasury Board Secretariat is very interested when we allocate funding to departments that they were reporting not only on the inputs and activities but also the outcomes, and I think that's the point you're making here. We do desire to see reporting standards, ensure that they're met. I just recently had a meeting with my counterparts from across the country, and this is not a unique issue in Alberta. I think Auditors General across the country have been flagging this.

When we look at what the recommendation was, the concern that we have is that we do not have authority to direct the content of annual reports.

Ms Renaud: Okay. Could you describe what authority you would need and what the Alberta Legislature could help the department with?

Mr. Stone: Well, I think what I'd say is that, you know, in our Westminster system you need to ensure an appropriate balance in terms of ministerial accountability.

Ms Renaud: So who decides that?

Mr. Stone: Who decides the balance?

Ms Renaud: The balance. Yeah.

Mr. Stone: Yeah. I mean, I think it is sort of embedded within our legislation and processes.

Ms Renaud: What would need to happen for Treasury Board and Finance officials – I'm not sure which ones; there are a lot – that would give them the authority to look at all the ministries and reassure Albertans that, you know, this is the best performance reporting and financial reporting that we can get for you?

Mr. Stone: Well, I think that's where we're coming at it, just from a different direction. Right now, instead of seeking authority, what we're doing – and we're in consistent dialogue with the office of the Auditor General – is trying to set a more clear and effective benchmark for reporting.

Ms Renaud: Any benchmark would be good.

Mr. Stone: Well, I mean, we do have standards, and we work closely with our colleagues across the government in terms of efforts to improve. That benchmark is really designed to meet the most recent guidance from the Auditor General. Again, I think with respect to intent we are aligned in terms of wanting to improve reporting.

Ms Renaud: Okay. In the fiscal year that we're looking at, '25-26, we saw the new federal Canada disability benefit for eligible disabled Albertans. We saw it roll out in July of 2025. The Ministry of Assisted Living and Social Services moved forward by classifying the Canada disability benefit as nonexempt income and subsequently reduced the benefit accordingly. How much of that new federal benefit or transfer was used to claw back provincial disability benefits like AISH, ADAP now, income support, those things in this fiscal reporting period? Basically, it would be the number that was a savings for government of Alberta.

Mr. Stone: Yeah. I appreciate the question. I think that would likely be better asked to our colleagues at ALSS.

Ms Renaud: So Treasury Board and Finance has – okay. Never mind. Wow.

On February 12, 2020, a meeting of this committee, actually, Public Accounts, met with the Ministry of Treasury Board and Finance. At the time Athana Mentzelopoulos was the Deputy Minister of Treasury Board and Finance and was asked about the changes the UCP made to payment dates for hundreds of thousands of disabled Albertans. I don't know if you remember this, but basically government said: "We're going to change the dates. You will get your money right on the 1st instead of a few days ahead of time." I asked then the DM, Mentzelopoulos – sorry about your name – if a risk assessment should have been done before implementation, and she answered honestly and said yes. As a result of more questioning, the ministry had to go back and reclassify a whole month's AISH payments or other disability benefits.

My question is: has Assisted Living and Social Services had any contact, question, exchange of information with Treasury Board and Finance about the changes from AISH to ADAP and, really, the blowing up of a system we've had for 50 years that's going on?

Mr. Stone: Well, again, I mean, I think that that interaction with our department would have been in relation to the overall fiscal envelope required underneath that new set of policy parameters.

Ms Renaud: Can you tell me about that envelope?

Mr. Stone: It would be the ALSS budget, essentially.

Ms Renaud: Okay, so at no point Treasury Board and Finance would have any role or oversight in those financial changes?

Mr. Stone: Again, I think the department itself is responsible for developing those policies, and then our team would receive . . .

Ms Renaud: So if they don't report in the annual report all the things you described, which they don't, then how are Albertans to be reassured that things are happening the way they should? You know, I think we could all agree that trust is being eroded in different systems, and it's really important to be transparent and accurate.

Mr. Stone: I think, if I understand your question, you're looking for information with respect to the transition from AISH to ADAP. Is that . . .

Ms Renaud: Mm-hmm. Well, it's changing the way income is classified, basically. That creates a savings for government of Alberta.

Mr. Stone: Yeah. You know, again, I think that those questions are best asked of our colleagues at ALSS.

Ms Renaud: Well, unfortunately, they don't answer, and their annual reports are incredibly lacking. It makes it extremely difficult to provide any oversight to these important programs, and it's difficult to do our jobs when there is less information in an annual report. I think the fact that this ministry just out of hand is not accepting this recommendation that I think would be important to Albertans is unfortunate, that we just spend a lot of time explaining why we don't do something.

Let me ask again. I think it's a financial question. It seems to me if a ministry is going to save or have less spending in terms of, like, a couple hundred million dollars, Treasury Board and Finance would be involved in some way, and there was no involvement whatsoever from ALSS with Treasury Board and Finance about these massive structural changes.

Mr. Stone: Well, again, I think through the normal course of the budget process and the Treasury Board process what happens is that the departments develop policies. They would develop associated spending along with those policies, and they bring them forward through the normal budget process and through the Treasury Board processes for review and approval of those policies. I think if you're asking whether Treasury Board sets the AISH and ADAP policies, that is our colleagues at ALSS. But, certainly, we have a role as we do with respect to any government policy in terms of reviewing as Treasury Board and through the budget process.

The Chair: Thank you.

We will now move back to the government members for 10 minutes. MLA Sinclair.

Mr. Sinclair: Thank you, Mr. Chair. I'm just going to go over the question again from page 24, if you don't mind, just ask: can the department explain how these changes make pensions easier to administer for employers and better protect the plan members?

Mr. Stone: You know who loves pensions? ADM Erin O'Neill.

Go ahead.

Ms O'Neill: The government amended the Employment Pension Plans Act, or EPPA, through Bill 17, the Financial Measures Statutes Amendment Act, 2026. Taken together, the amendments modernize Alberta's workplace pension legislation, reduce red

tape, make it easier for employers to administer pension plans, and support secure retirement options for Albertans.

[Mr. van Dijken in the chair]

The amendments make four main changes. They allow pension plans to reduce the risk profile by discharging liabilities associated with eligible annuities purchased from insurance companies. This removes the liability from the employer's balance sheet while ensuring plan members continue receiving their pensions, including in cases of employer insolvency. They update funding rules for collectively bargained multi-employer plans, giving these plans a secure funding mechanism rather than requiring reliance on exemptions from solvency funding rules. They also allow accrued defined benefits to be converted to target benefits. The third is that they expand eligibility rules for collectively bargained multi-employer plans by permitting hours-based participation thresholds where provided for in the plan text. And, finally, they extend the maximum period of temporary absence from employment for pension purposes from 52 to 78 consecutive weeks.

The amendments also improve alignment with pension legislation in other provinces. This makes pension plans easier to administer, particularly for employers operating across provincial boundaries, while helping ensure Alberta retirees have access to benefits comparable to those living elsewhere in Canada.

For employers the amendments reduce red tape, improve intergovernmental alignment, and permit liabilities for eligible annuity purchases to be removed from their balance sheets. For plan members they support continued pension payments in cases of employer insolvency and provide more secure and flexible retirement options.

10:40

Mr. Sinclair: Thank you. I appreciate the answer.

I'm just going to switch gears back to the heritage savings trust fund. This past year reached a record $32 billion in net financial assets, and the department reports a return of 8 per cent for the year. You can reference that in, I think, pages 18 to 19. Would the department be able to explain what drove this growth and how we're building the fund for future generations?

Mr. Stone: Thanks for the question. The heritage fund reached a record $32 billion, as you mentioned, in market value at the end of '25-26 and earned a net investment return of 8 per cent for the year. That growth reflects an important shift in how Alberta is building the heritage fund for the long term. The fund is no longer relying on investment performance alone to grow. Alberta is also retaining investment income in the fund and adding new capital when fiscal circumstances allow.

In '25-26 the heritage fund retained approximately $2.4 billion in net investment income rather than transferring those earnings out of the fund for general government purposes. That's critical, I think, to the question earlier about sort of that long-term growth trajectory, that retained income. That matters because, as I mentioned, it becomes part of the fund's investment base, which enables the compounding. The larger the base, the greater the investment income over future years. The objective is to build a larger and more enduring financial asset for Albertans.

Alberta's natural resource revenues can vary considerably from one year to the next, and the resources themselves are finite. Building the heritage fund provides a way to convert a portion of today's fiscal and resource strength into financial assets that can continue generating investment income well into the future. The long-term approach is straightforward: grow the fund's capital, retain its investment earnings, and allow those returns to compound over time. That gives future generations of Albertans a larger financial asset and helps ensure that the benefits of Alberta's prosperity extend beyond the period in which the underlying resource revenues are earned.

[Mr. Sabir in the chair]

The $2.8 billion transfer made in July 2025 is an important example of that long-term approach. Those dollars came from the 2024-25 surplus cash. Rather than using that money to support additional spending in '25-26, the government deposited it in the heritage fund. That converted a one-time fiscal resource into a long-term financial asset. Only that $2.8 billion was added to the heritage fund. It became part of the fund's investment base and therefore the opportunity to generate investment returns year after year. When those earnings are retained and reinvested, that can generate further returns themselves.

That compounding effect becomes increasingly significant as the fund grows. In '25-26 the combination of a $2.8 billion deposit and the retention of approximately $2.4 billion in net investment income increased the fund's book value by approximately $5.2 billion to $30 billion, and its market value at year-end stood at a record $32 billion. That illustrates why contributing contributions such as the $2.8 billion transfer matters.

The benefit is not limited to adding $2.8 billion to the fund in a single year. That capital now has the opportunity to remain invested and generate returns for decades. Ultimately, the goal is to build the heritage fund into an increasingly significant long-term asset for Alberta by combining new contributions when fiscal conditions permit. With retention and reinvestment and investment earnings Alberta can turn today's fiscal strength into enduring financial wealth for future generations.

The heritage fund is growing because Alberta is no longer relying on investment returns alone. The province is now reinvesting investment income and adding new capital when fiscal conditions allow. This creates a larger fund that can generate more investment income, which can compound to generate future returns. This is how Alberta can turn today's resources and fiscal strength into larger benefits for future generations.

Mr. Sinclair: I appreciate that answer. Thank you very much.

The ATB's financial net income rose to $542.9 million from $347.6 million. The ATB paid $100 million in dividends and accrued $162.2 million in payments in lieu of taxes. This will be on pages 310 to 312 and page 357. Can the department explain how the performance returns value to Albertans and what drove the improvements?

Mr. Stone: Sure. Thanks for the question. ATB did have a very strong year in '25-26, a net income increase to $542.9 million from $347.6 million the previous year, an increase of approximately 56 per cent and the second-highest net income in ATB's history. That improvement was driven primarily by growth in ATB's loan portfolio and lower provisions for loan losses while revenues continue to grow faster than expenses.

The results also reflect continued demand for ATB services across its lines of business. In the retail banking operations everyday financial services saw approximately $2.6 billion in loan growth and a $1.25 billion increase in deposits. Residential mortgages were an important contributor to that growth, and net income from that part of the business increased by approximately $46 million.

ATB business also had a strong year. Loans increased by approximately $3.8 billion across a broad range of sectors,

including energy and agriculture. Net income from ATB business increased by approximately $77 million. ATB Wealth also continued to grow. It ended the fiscal year with a record $40.2 billion in assets under administration, an increase of 8.2 per cent from the previous year, while ATB's strategic supports business generated an additional $32.1 million in income. Taken together, these results show broad-based growth across ATB's operations and reflect the continued demand for financial services from Alberta households and businesses.

That strong performance returns value to Albertans in several ways. First, there's a direct financial return to the province. ATB is a provincial corporation wholly owned by the government of Alberta. In '25-26 ATB paid a $100 million dividend to the government and accrued approximately $162.2 million in payments in lieu of tax. ATB also contributes through deposit guarantee fees, and its overall net income forms part of the province's business enterprise income. Those financial contributions strengthen the province's overall fiscal position and ultimately help support the programs and services government provides to Albertans.

But the benefit goes beyond direct financial returns. Strong financial performance also helps ATB maintain the capital necessary to continue to lend to Alberta households and businesses. That means supporting Albertans looking to purchase homes, entrepreneurs looking to start or expand businesses, and established companies looking to invest, purchase equipment, expand their operations, or create jobs. The $2.6 billion increase in retail loans and $3.8 billion increase in business lending demonstrate the scale of that activity over the past year. ATB's financial strength is also important from a stability perspective. Independent credit rating agencies, including Moody's and S&P, continue to recognize ATB as stable and well capitalized.

So there is a direct return to the province, including a $100 million dividend, $162.2 . . . [Mr. Stone's speaking time expired]

Mr. Sinclair: Thank you.

The Chair: Thank you, Deputy Minister.

For the final round members can read their remaining burning questions into the record for a written response. You have three minutes.

Mr. Schmidt: Thank you very much, Mr. Chair. Page 52 of the annual report states that a $12 million loan was made to the Alberta iGaming Corporation. What was the purpose of that loan, and what are the repayment terms?

The same page of the annual report indicates that there is still $118 million outstanding in loans to the Orphan Well Association. How much was the original loan? How much has been paid back? Given that since 2021 the outstanding orphan well liability has tripled to nearly $1.7 billion, what steps has the ministry taken to protect taxpayers from the Orphan Well Association defaulting on that loan?

According to media reports the ministry was owed $145 million in unpaid oil and gas leases at the end of 2024. What was the number at the end of fiscal '25-26? How much in unpaid oil and gas leases has the ministry collected, and what additional steps has the ministry taken to collect the amount owing?

The ministry's fiscal plan projected $102 million of revenue for the AI data centre levy in fiscal '28-29. Can the ministry explain how it developed that number and what projections it has for revenue further out from '28-29? Then, the AI data centre levy is used to off-set corporate taxes. What is the net revenue to government projected by data centre development in '28-29?

Ms Renaud: Okay. When did Treasury Board and Finance receive the special report called Effectiveness of Ministry Annual Reporting dated November 2026? When did Treasury Board and Finance receive the first draft of the report? Next, why was the special audit only released yesterday? Any hold up from going through the chair of the Standing Committee on Legislative Offices, and is that normal procedure as far as Treasury Board and Finance knows?

Thank you.

The Chair: Any other questions?

Seeing none, we will move to the government members for three minutes. MLA Cyr.

10:50

Mr. Cyr: Thank you, Mr. Chair. Thank you for your attendance today. I do appreciate that. I know that it's been very informative and the good work that you're doing in finance.

We'll start with: can the department describe what the caregiver credit on page 20 delivers for Albertans who care for their loved ones, how many claimants benefit, and what support it has provided over this year?

On page 21 we see TBF settled 685 personal injury claims worth $46.4 million where the at-fault driver was uninsured or unknown. Recoveries were approximately $4.5 million. Can the department please explain the recovery process and how this program protects Albertans who are injured by uninsured drivers?

Thank you, Mr. Chair.

The Chair: Anyone else?

So that's it. I would like to thank the officials from the Ministry of Treasury Board and Finance and the office of the Auditor General for your presence and for responding to members' questions. We ask that any outstanding questions be responded to in writing within 30 days and forwarded to the committee clerk. You're welcome to stay for the remainder of the meeting, which doesn't have much. Thank you again.

In other business. The deputy chair and I will be holding a subcommittee meeting on committee business once we adjourn this morning to discuss a meeting schedule for spring 2027, and we will report back to the committee at the next meeting.

Are there any other items for discussion under other business? Seeing none.

On December 3 we will be meeting with the Ministry of Primary and Preventative Health Services.

At this point I will call for a motion to adjourn. Would a member like to move that the November 24, 2026, meeting of the Standing Committee on Public Accounts be adjourned?

Ms Lovely: So moved.

The Chair: Thank you.

All in favour? Any opposed? Thank you. The meeting is adjourned.

[The committee adjourned at 10:52 a.m.]

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