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PRINCE EDWARD ISLAND

CAPITAL BUDGET ADDRESS



Presented by:
Honourable Jill Burridge
Minister of Finance and
Chair of Treasury Board

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Budget Address



Delivered by
The Honourable Jill Burridge
Minister of Finance
and Chair of Treasury Board

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Prince Edward Island Legislature

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Good Afternoon. Bonjour. Kwe.

Madam Speaker, Members of the Legislative Assembly, and Guests.

Mister Speaker, I rise today on behalf of Premier Lantz and our government to present the 2026-2027 Capital Budget — a plan that reflects where Prince Edward Island stands today and where we are headed in the years to come.

Our province is changing. Over the past decade, growth that once seemed out of reach has become part of everyday life. There are more people, more families, and more activity in every corner of the Island. Our communities have grown stronger, and our economy has proven its resilience through some challenging years. Islanders have built this momentum through hard work, optimism, and a deep belief in this province.

But with that success comes responsibility. Islanders feel it on the roads that are busier than ever, in classrooms that are full, and in hospitals working to meet rising demand. Growth is a good thing — but it also reminds us what we have built needs to keep up with who we have become.

Mister Speaker, this capital budget is about *meeting that moment*.

It's about taking the next step, not standing still — making sure the services and infrastructure Islanders rely on every day will be ready for the future. It's a plan that matches growth with action and ambition with accountability.

Meeting the moment means recognizing that government can't afford to wait for perfect conditions. It means understanding that the costs of inaction are always higher than the costs of progress. And it means choosing to invest now — because the needs are real and the moment demands it.

Over the past six years, our government has made steady progress toward that goal. We see it in healthcare professionals choosing to build their

careers here, in the homes being built across the province, and in the projects already moving from plans to reality. We are making up for lost time and delivering the infrastructure and services Islanders have waited too long for. This budget keeps that work moving forward — focused, practical, and grounded in what Islanders need most.

But we also know we're catching up. In 2014, the Capital Budget had just \$63 million invested in major projects. This five-year capital plan will see an investment of \$857 million in major projects. None of these projects are unnecessary — they're overdue. We need to do this work now because for too long, the investments simply weren't made. Waiting will only make it harder.

Previous governments once considered closing schools. Today, we're building more to meet capacity. We fought to prevent those closures then, and now we're delivering the classrooms, healthcare facilities, and community infrastructure Islanders need. This government is focused on delivering today for what we will need tomorrow.

These pressures are not unique to Prince Edward Island. They're being felt in schools, in hospitals, and on roads across our region and across our country. But Islanders have never shied away from hard work. We've faced big challenges before — and every time, we've risen to meet them.

As we take on this work, we also recognize the scale of the commitment ahead. These investments are absolutely necessary to ensure our province can maintain what we have, keep up with growth, and prepare for the future.

Provinces cannot meet today's infrastructure challenges on their own. Maintaining bridges, highways, and major transportation links requires sustained federal participation. We have been consistent advocates to our federal counterparts for a renewed national infrastructure program — one that recognizes the realities of smaller provinces, reflects the urgency of our needs, and supports the systems that connect Canadians from coast to coast.

Mister Speaker, this budget continues the work that began under *Building for Our Future* and moves that vision forward. It also marks a new chapter under Premier Lantz's leadership — one focused on delivery, accountability, and sustainability.

Prince Edward Island is a province on the rise. Islanders are ambitious, capable, and proud of the progress we've made together. This budget keeps that progress going, balancing today's realities with tomorrow's opportunities. It reflects a government that plans carefully, acts responsibly, and keeps its focus firmly on the future.

This is how we meet the moment — by acting boldly, planning wisely, and building the future we want for this province.

Meeting the Moment in Healthcare

For too long, investment in our healthcare infrastructure has lagged behind the needs of Islanders. Buildings have aged, equipment has worn out, and the pressure on our system has grown.

Mister Speaker, healthcare touches every Island family. It's where the next generation is born, where our parents are cared for, and where every one of us turns to in times of need. That's why this budget makes the investments we need — not someday, but now.

These are practical, long-overdue investments that strengthen the foundation of our healthcare system and help ensure Islanders can count on dependable, modern care close to home.

Meeting the moment in healthcare means being honest about what it takes to maintain a system we can depend on. Costs are rising — for materials, for equipment, for everything that keeps our hospitals running — and waiting only makes it harder.

We are choosing to act: to maintain what we have, to prepare for what's coming, and to build a healthcare system that meets the needs of Islanders today and for years to come.

Over the next five years, we will invest \$538 million in healthcare infrastructure across the province — with more than \$332 million dedicated to our hospitals. Meeting the moment means maintaining what we have while preparing for what's next.

In Kings County, work is underway to create a modern healthcare campus — a long-term investment in the future of care in eastern PEI. This campus will include a new hospital and a Community Health Centre, designed to bring services together in one location and strengthen the delivery of care — a total investment of over \$132 million in this five-year plan.

We will also invest \$3.7 million in the existing Kings County Memorial Hospital so it can continue to meet the needs of Islanders. These

investments ensure our facilities remain strong, safe, and ready to provide essential care while work is underway on the new hospital.

In the capital region, \$40 million will be used to develop a new building that will house medical clinics — freeing up critical space to increase acute care capacity at the Queen Elizabeth Hospital. This new facility will also include resident accommodations and childcare care spaces — because when we support our healthcare professionals, we strengthen the entire system.

At the Queen Elizabeth Hospital, we will continue to invest \$43 million to keep the facility operating safely and efficiently through heating, cooling, and electrical upgrades. These investments are absolutely essential. The strength of a system depends on the reliability of its infrastructure.

Across the province, projects are moving ahead. This includes \$131 million to complete the Mental Health Campus in 2027–2028. There will also be an investment of \$16 million to complete the Community Health Centre on the Campus, \$300,000 to complete the new Community Health Centre in Summerside, \$1.5 million to expand the Patient Medical Home in Central Queens, and \$3 million for renovations at the Kensington Primary Care Access Clinic in 2029–2030.

We are also continuing our investments in long-term care and home supports — with \$10 million to build long-term care capacity in Souris and Tyne Valley, and \$4 million to support provincial home care and adult day programs.

To strengthen diagnostic services, our government will invest \$12 million for new CT scanners at Kings County Memorial Hospital and Western Hospital. The CT scanner at Kings County Memorial Hospital will be installed in the first year of this plan, with the Western Hospital scanner to follow in 2027-2028 once electrical upgrades are complete.

CT scanners are now standard practice in emergency care and having them available at both facilities will improve access for Islanders as well

as support recruitment and retention of physicians. These investments will also relieve pressure at the Queen Elizabeth Hospital — improving patient flow and reducing wait times for diagnostic testing.

Meeting the moment in healthcare also means modernizing how Islanders and providers connect. Through investments of \$14 million in Connected Care, e-Referrals, and MyHealthPEI, Islanders will have easier access to their health information, the ability to securely share records with their care teams, and faster, more efficient appointment scheduling. Enhanced MyHealthPEI features will offer multilingual support, guided navigation, and new digital tools to help Islanders manage their own healthcare information.

These improvements will mean fewer gaps, less duplication, and a smoother, more personal experience for Islanders when they access care. Providers will benefit from more complete patient information, secure connections, and improved coordination of care.

These are practical and forward-looking investments — necessary if we're going to meet this moment in healthcare and prepare for what comes next.

Meeting the Moment in Education

For too long, our education infrastructure was defined by underinvestment. School repairs did not keep up with the wear and tear that was happening. Enrolment declined, and some communities were even threatened with losing their local schools.

That era is behind us.

Today, classrooms across our province are full of energy again. Families are choosing Prince Edward Island as their home, and our education system must keep pace with that growth.

Meeting the moment in education means investing with purpose—building for the needs we see today and the ones we know are coming.

This budget includes more than \$437 million over the next five years to renew and expand our school system. These are investments in both our children’s education and the strength of our communities.

Construction is already underway on a new elementary school in East Royalty — a \$49 million investment that will provide modern learning spaces and new opportunities for students in a rapidly growing area of Charlottetown. Work on the new West Royalty elementary school will start with an initial investment of \$7 million for planning and site development, giving families across the capital region the classroom capacity that has long been needed.

Next year, work will begin on a new Intermediate school in Stratford—a \$109 million investment to serve one of the fastest-growing communities in the province. Planning also continues for a new school in Georgetown, with \$8.7 million set aside in this 5-year plan to move that work forward. The new Georgetown School will be more than a classroom building. It will be a place where students gather, families connect, and the community comes together — a true anchor for the capital of Kings County.

In partnership with the federal government, we are investing \$64 million to replace École Évangéline in western PEI and \$28 million to expand École François Buote in Charlottetown—supporting French language education and opportunities in the province.

In Summerside, design work will begin in 2028-29 for a new school scheduled for construction in 2030-31 with an investment of \$14.5 million. While that planning moves ahead, we are setting aside \$2 million in funding for Parkside to ensure students and staff have a safe, dependable place to learn until the new school is complete.

Across the province, we are making the investments needed to maintain and adapt our infrastructure — with \$24 million for an expansion at Queen Charlotte, and \$19 million for major repairs at Westisle.

We are continuing investments through the School Infrastructure Revitalization Fund, with \$10 million to ensure that aging schools receive the repairs and upgrades they need. This is in addition to \$20 million set aside for regular capital repairs at Island schools. We're also providing \$4 million for mobile classrooms that offer immediate relief for schools at or over capacity — because every child should have a seat in a safe, supportive classroom.

And through an additional \$500,000, for a total of \$1.5 million over five years in the Childhood Recreation Fund, we're helping communities create safe, active spaces at schools where Island children can play, move, and belong.

These are practical, forward-looking investments — made to meet today's needs and prepare for tomorrow — so that every Island child can learn in a safe, modern environment close to home.

Just as we are strengthening our healthcare system, we are strengthening the foundation for learning — building the schools, spaces, and opportunities that will carry our province forward.

Meeting the Moment for our Communities

Strong communities are built on connection — the roads and bridges that link us, the homes that welcome new families, and the infrastructure that supports daily life across our province.

Meeting the moment in our communities means ensuring those foundations remain strong.

More than \$296 million will be invested over the next five years in paving and building bridges to improve the routes Islanders rely on every day as well as supporting the flow of goods and services across the province. These investments are essential to keeping our province connected and our economy moving.

But maintaining and modernizing this network cannot be done by the province alone. Our transportation system is part of the national network that connects Canadians, and it requires a strong federal partner. We continue to call on the Government of Canada to come to the table — to renew its commitment to small provinces like ours and to help deliver the infrastructure that keeps our communities safe, accessible, and growing.

Our government will continue our investment in shoreline protection projects to help safeguard our coasts and the communities that depend on them through \$10 million in funding over the next five years.

Housing continues to be a critical part of this work. After years of historic investment, we are now building up the supply of housing across the province and beginning to meet the needs of Islanders on the social housing registry.

Affordable housing projects are moving forward in Summerside, Montague, Tyne Valley, and the Morell–St. Theresa area — \$23 million in total investment across these communities, which will add 88 units to the social housing inventory for the province. Our partnerships with the Construction Association and Holland College will also continue to

support new tiny and small home projects, with \$5.6 million dedicated to that initiative.

Across the housing market, 2024 saw record housing starts—nearly 1,700 units—and more than 1,400 new starts were recorded in the first three quarters of 2025. Through the Affordable Housing Development Program, 140 affordable units have been built, along with more than 253 market units. And by the end of this fiscal year, we expect at least 59 more affordable units to be completed. Together, public and private investment in housing has also been significant, helping to build the supply our province needs and giving more Islanders a place to call home.

We're also building the tools that make development easier and smarter. Investments of \$765 thousand for artificial-intelligence permitting software and \$1 million for the new Corporate Land Use Registry will modernize how land is planned and managed — ensuring development decisions today stand up for generations to come.

In 2030–31, we will be adding a new Access PEI site in Stratford, with \$700,000 set aside to complete this work.

Island communities are built on the strength of our land and those who work it. That is why we are investing \$13.9 million in the Potato Wart Land Buyback Program—supporting farmers as they manage impacted land and safeguard the long-term sustainability of our potato industry.

But as our communities grow, and as the demand on our infrastructure continues to rise, we need to have the energy system in place to support it. That's why this plan includes \$600,000 over the next two years for early planning toward a new subsea power cable — a project that will represent a major investment of over \$400 million and one that will require a strong partnership with the federal government.

Right now, access to power is one of the biggest challenges facing our province. It limits our ability to build new housing, attract investment, and grow our industries. Reliable and affordable energy is essential to our

future — it's the foundation of growth, competitiveness, and opportunity for every region of Prince Edward Island.

Premier Lantz has been working with his Atlantic counterparts and Prime Minister Carney to ensure a Nation Building project comes to the region. A subsea cable project will benefit the entirety of our region with additional energy generation, because we all know that energy costs escalate the further it must travel to get to a consumer.

Meeting the moment means acting now to expand our energy capacity, strengthen our grid, and secure the power that will drive our economy forward. This project will be one of the most important infrastructure undertakings in our province's future — and one that we cannot do alone.

These are the investments that strengthen communities, support growth, and prepare Prince Edward Island for what's ahead.

Conclusion

Mister Speaker, this capital budget is about preparing Prince Edward Island for the future. It's not only about maintaining what we have, but building what we need next.

Our economy is changing, and so are the demands on our infrastructure. Our primary industries — agriculture, fisheries, and tourism — remain the backbone of rural communities. They, along with our aerospace and bioscience are the foundation of our economy. New opportunities are emerging in aerospace, bioscience, and clean technology. These sectors help to further diversify our economy, create good jobs for Islanders, and make our economy more resilient.

Prince Edward Island doesn't have oil or gas. What we have is ingenuity — the ability to take what we know, add value, and turn it into opportunity. We see that every day as Island industries move up the value chain, from raw materials to high-value, export-ready products that carry the Island's reputation for quality around the world.

The capital investments in this budget help make that possible. They provide the roads, industrial sites, and energy infrastructure that allow businesses to expand and communities to thrive. This budget focuses on strengthening our schools and health care facilities so that families can build their lives here with confidence in the services around them. And they ensure that as our population grows, our province can grow with it.

These are the kinds of investments that pay off — in opportunity, stability, and in the quality of life Islanders enjoy every day.

We've built a strong foundation. Now it's time to keep building — to plan with purpose, act with confidence, and invest with a clear vision for the future.

Every investment in this plan reflects our values: responsibility, vision and a commitment to the people we serve.

Meeting the moment means tackling issues head-on. We're not governing for headlines — we're governing for the long-term, for the families and communities who depend on us.

Mister Speaker, the story of this province has always been about progress. Islanders have never shied away from hard work or hard choices.

This budget continues that story. It meets the moment we're in — with practical investments, forward-thinking planning, and a steady focus on what matters most: healthcare, education, and opportunities for Islanders.

Because meeting the moment isn't just about responding to today's challenges — it's about shaping tomorrow's success.

That's what this capital budget sets out to do — for Islanders today, and for many generations to come.

Thank you. Merci. Wela'lin.



For more information visit
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