

Major Projects, Defence and Aligning Health Infrastructure Capacity

As the federal government fast-tracks approval of major projects and ramps up defence spending, it should treat health infrastructure as enabling infrastructure. Projects that increase workforce mobility and industrial activity, especially in rural, remote and Northern regions, will increase demand for emergency, trauma, diagnostic, and primary care, as well as patient transportation services.

Many community hospitals and health facilities outside major centres were built decades ago. Aging buildings, outdated layouts and limited diagnostic capacity already affect patient care. A sudden influx of workers and new residents could push these sites beyond safe operating levels; leading to longer waits, more transfers, added pressure on local clinicians, and more staff burnout.

Regional support can help. Virtual consults, remote monitoring and shared diagnostic reading can extend specialist reach. However, many rural and remote sites still lack the digital infrastructure, connectivity and equipment to make this work reliably.

Defence readiness adds another lens. The Canadian Armed Forces have been running tabletop exercises to test how Canada's health system would respond to a conflict abroad that could send patients to Canada for treatment. These exercises aim to identify gaps in civilian surge capacity, coordination and continuity of care. They also reinforce a basic point: hospitals are critical infrastructure, but they do not always receive the same level of planning and protection as other essential systems.

Why this matters now

Canada has seen what happens when local services cannot keep pace with rapid growth. During the peak of the oilsands boom in Fort McMurray, the population in the city and surrounding areas grew by about 80 per cent over a decade. Demand rose sharply for emergency and other services, and the regional health centre faced overcrowding, long waits and ongoing workforce recruitment and retention challenges; for example, such projects sometimes result in poaching of local healthcare workers to on-site industrial health facilities, furthering shortages in nearby rural, remote and northern communities.

Health capacity should be built into major project planning. There is a precedent to do this. [The Ksi Lismis LNG Project in Northern B.C.](#), approved in fall 2025, includes legally binding conditions that require a health and medical services plan to reduce pressures caused by outside workers on local health services used by Indigenous Peoples.

What the federal government can do

1. **Prioritize health infrastructure when considering major projects.** Make health capacity a component of the impact assessment and a standard major project readiness requirement. For projects that materially increase local workforce, traffic and industrial risk, require a credible health and medical services plan developed in partnership with provincial and territorial governments, Indigenous partners and local health services providers.
2. **Fund digital infrastructure that links rural sites to regional centres.** Expand connectivity and virtual care capability so smaller facilities can manage more cases locally, reduce avoidable transfers and support on-call clinicians.
3. **Treat hospital cyber resilience as a defence-adjacent investment.** Support baseline cyber controls, incident response capacity and continuity planning for hospitals and health authorities as part of critical infrastructure resilience.

Canada can move faster on major projects and strengthen defence readiness, but only if communities can absorb the population and risks those projects generate. While economic opportunities are welcome news, it cannot come at the cost of eroding already scarce healthcare resources, especially in rural, remote, and Northern communities. Investing in health infrastructure up front is practical risk management that protects workers, supports communities and safeguards national resilience.