

BUDGET 2023

GOVERNMENT OF ALBERTA | 2023-26

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# Ministry Business Plan Transportation and Economic Corridors

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# Transportation and Economic Corridors

## Business Plan 2023-26

### Ministry Fact Sheet – Mandate and Structure

Transportation and Economic Corridors (TEC) supports Alberta's economic, social and environmental success by building and maintaining a safe and efficient transportation system. The Minister of TEC is supported by the Parliamentary Secretary of Economic Corridors. Strategic development of economic corridors and multi-modal hubs is key to advancing the province's market access interests by linking economic activity to markets in and out of Alberta. To ensure highways remain clear and the roads are safe for travel, the ministry conducts ongoing monitoring and maintenance of highways. The ministry also engages in key oversight activities, supporting the safety of road users and vehicles in Alberta through educational, monitoring and compliance programs. SafeRoads Alberta ensures Albertans have quick access to a fair and efficient process for resolving administrative penalty disputes related to impaired driving charges and vehicle seizures under the *Traffic Safety Act*.

TEC is responsible for a number of grant funding programs supporting projects to create jobs and support economic growth, protect public safety and ensure long-term affordability of transportation's network infrastructure. Construction and maintenance of critical municipal infrastructure, including roads, bridges, community airports, and water and wastewater infrastructure supports resilient, connected and healthy communities. Grant funding for capital public transportation infrastructure projects supports integrated connections in and between communities, connecting Albertans to critical services and each other.

#### Economic Corridors and Strategic Investments

TEC supports Alberta's economic growth by prioritizing and advancing strategic, economic corridors. The ministry's vision is to create nation-building corridors, working with industry stakeholders and western partners to ensure Alberta's access to markets within the province, across Canada and throughout the world. The ministry promotes harmonized standards and regulations with jurisdictional partners to remove barriers to trade, investment and labour mobility.

The ministry strategically invests in capital provincial highway projects to add capacity for the safe and efficient transport of people and goods, with focused consideration toward economic benefits. Implementation includes planning, designing and constructing highways and bridges as part of the Provincial Construction Program. TEC supports work with partners to facilitate the research and development of new approaches and technologies, such as connected and automated vehicles, to support job creation and economic diversification.

TEC administers capital grant programs, supporting economic growth priorities in municipalities and regions. The ministry's Strategic Transportation Infrastructure Program (STIP) provides capital grant funding to municipalities for local infrastructure projects such as bridges, roads and community airports. The ministry provides capital grant funding to help municipalities develop and maintain water/wastewater infrastructure through the Alberta Municipal Water/Wastewater Partnership (AMWWP) and Water for Life, and First Nations Water Tie-In Program.

TEC also supports regional, urban and rural public transit projects through the allocation of funding toward Calgary and Edmonton LRT development. The ministry administers the Investing in Canada Infrastructure Program (ICIP) on behalf of the federal government and provides matching dollars toward total project costs.

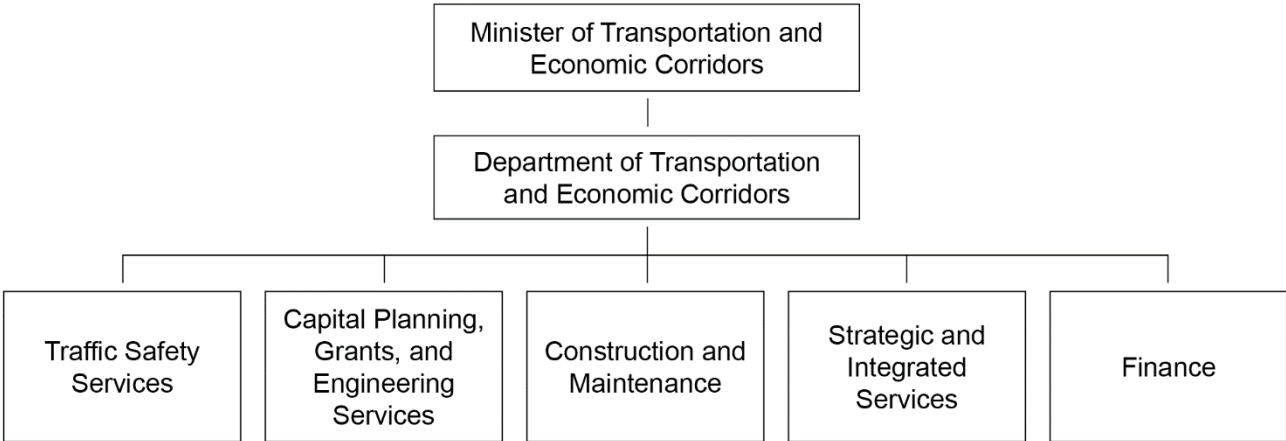
#### Safety and Security

Safety is the ministry's top priority. In working toward reducing the number of transportation-related injuries and fatalities in Alberta, TEC develops and implements safety strategies and improvements to infrastructure to build safer roads and reduce collisions. The ministry ensures a robust legislative and regulatory framework is in place to protect Albertans. Legislation and regulations are reviewed and refreshed to align requirements with emerging transportation-related best practices, issues and technologies.

TEC exercises a number of key oversight functions to ensure driver and vehicle safety on Alberta roads. The ministry oversees driver licensing to support road safety, including updating and enhancing passenger and commercial driver licensing programs. TEC provides supports to increase accessibility and affordability of required commercial driver training. The ministry also oversees and monitors safety standards and compliance related to personal vehicles and dangerous goods, rail, commercial bus and truck carriers, and works with industry partners to ensure the safe and secure transportation of goods throughout the province. Alberta Environmental and Dangerous Goods Emergencies, or EDGE, and the Transportation Management Centre maintain 24-hour operations to ensure the safe and efficient movement of people and goods. The Transportation Management Centre’s 511 Alberta service provides reliable and timely road condition information so that all road users can safely navigate Alberta’s highway network.

**Stewardship of the Transportation Network**

Alberta has one of the largest highway networks in Canada. TEC manages more than 31,400 kilometres of highways (of which more than 28,000 are paved) and 4,800 bridges. The ministry invests in rehabilitation projects for roads, bridges, slide repairs and culverts to bolster existing infrastructure and support economic corridors. Cost-benefit analysis and careful consideration of potential economic, safety, social and environmental impacts ensure TEC makes the best use of available resources to meet emerging and future transportation needs. To achieve the best value and most effective results for Albertans, TEC explores and employs innovative solutions for highway operations and maintenance programs. The ministry collaborates with governments, industry and communities to investigate opportunities for alternative funding models and ensure Alberta’s transportation system remains sustainable over the long term.



A more detailed description of Transportation and Economic Corridors and its programs and initiatives can be found at: <https://www.alberta.ca/transportation-and-economic-corridors.aspx>

The Ministry of Transportation and Economic Corridors remains committed to regulatory approaches and program delivery that reduce unnecessary government oversight and emphasizes outcomes, in order to improve access to government services, attract investment, support innovation and competitiveness, and grow Alberta businesses.

Ministry business plans should be considered in conjunction with all budget documents - including the Fiscal Plan, Government Strategic Plan, and Estimates - which work together to provide a complete overview of government’s commitment to responsible fiscal management.

# 2023-26 Business Plan

## Outcome 1

### Strategic economic corridor investments and innovation support Alberta’s priorities for economic growth

Robust economic corridors form a network of vital links to markets in and out of Alberta, ensuring safe and efficient access for Albertans and businesses and the province’s economic vitality. Capital maintenance and expansion of highway initiatives and capital grant programs build critical infrastructure to support job creation and economic growth and ensure the safe and efficient movement of people and goods.

#### Key Objectives

- 1.1 Advance economic corridor investments, with a focus on the economic benefits of projects.
- 1.2 Collaborate with industry stakeholders, other governments and Indigenous communities to identify and advance nation-building infrastructure projects that increase access to other markets for Alberta businesses.
- 1.3 Administer capital grant programs and pursue federal grant investments to advance mobility options, including transit, and Alberta’s priority infrastructure projects.
- 1.4 Support implementation of the Strategic Aviation Advisory Council's recommendations to enhance Alberta’s aviation sector.
- 1.5 Work with industry to identify and initiate projects to support resolving the truck driver shortage in Alberta.
- 1.6 Reduce red tape and regulatory burden and respond to feedback from Albertans by streamlining regulations, programs and processes, including licensing and permits, to provide time and cost savings to Albertans.
- 1.7 Facilitate the research and development of innovative approaches to improve alternative transportation technologies and modes, create jobs, attract investment and support diversification of the economy.

#### Initiatives Supporting Key Objectives

- The ministry is investing \$899 million for ring roads, new construction and expansion of provincial highways in 2023-24.
- In 2023-24, the ministry is allocating \$44.5 million under STIP and GreenTRIP programs toward bridge improvements, upgrades to roads and community airports and public transit projects throughout Alberta.
- TEC is budgeting \$338.7 million in provincial funding and \$355.4 million in federal ICIP funding for LRT expansion in Calgary and Edmonton in 2023-24.
- In 2023-24, TEC is allocating \$190.2 million under the provincial Water for Life, AMWWP, First Nations Water Tie-In and the Sindre Wastewater Treatment Plant programs, to support municipal and regional water and wastewater priority projects.
- TEC is budgeting \$10 million in Commercial Driver Grants as part of the Alberta at Work initiative in 2023-24.

## Performance Metrics

### 1.a Performance Measure: Percentage of Transportation and Economic Corridor’s capital plan allocated to existing or planned economic corridors

This metric measures the percentage of the ministry’s capital plan on economic corridors, which include those provincial highways that form the National Highway System and that support the movement of oversized and overweight loads.

This new performance measure will begin reporting last actual results in the 2024-27 business plan.

<b>Targets</b>	<b>2023-24</b>	75.0%	<b>2024-25</b>	75.0%	<b>2025-26</b>	76.0%
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### 1.b Performance Measure: Percentage of commercial truck driver job vacancies in relation to the total number of licensed commercial truck drivers

This metric measures the percentage of commercial truck driver job vacancies in relation to the total number of Class 1 and Class 3 licenced commercial truck drivers in Alberta, demonstrating the effectiveness of the ministry’s efforts to support the reduction of truck driver job vacancies.

This new performance measure will begin reporting last actual results in the 2024-27 business plan.

<b>Targets</b>	<b>2023-24</b>	1.73%	<b>2024-25</b>	1.67%	<b>2025-26</b>	1.62%
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## Outcome 2

### The transportation system is safe and secure, supported by policies, programs and enhanced services protecting public safety

Safety on Alberta roads is TEC’s top priority and the ministry continues to work toward reducing the number of serious injuries and fatalities on Alberta’s roads through a comprehensive, multi-layered approach. This includes implementing an oversight and monitoring regulatory framework, effective coordination and response to road conditions and emergency incidents, and a wide variety of safety strategies, including traffic safety promotion and infrastructure improvements.

#### Key Objectives

- 2.1 Ensure high standards for driver licensing and provide effective oversight and monitoring to support road user safety and cost-effective service delivery across Alberta.
- 2.2 Collaborate with Service Alberta and Red Tape Reduction to leverage and modernize technology to replace the Motor Vehicles System (MOVES) to enhance access to driver’s licensing processes and services.
- 2.3 Provide effective oversight and monitoring of the commercial carrier industry and leverage technology to improve the permitting process and routing.
- 2.4 Implement transportation safety strategies and infrastructure enhancements to improve road safety, promote traffic safety and prevent transportation-related deaths and serious injuries on Alberta’s roads.

#### Initiative Supporting Key Objectives

- In 2023-24, TEC is allocating \$33.8 million for traffic safety services and initiatives, including SafeRoads Alberta and 511 Alberta, under the Traffic Safety Program.

## Performance Metric

### 2.a Performance Measure: Combined fatal and major injury collision rate per 100,000 population

This metric measures the combined fatal and major injury collision rate to monitor progress of safety strategies in reducing the number and severity of traffic collisions on Alberta’s roads.

The 2021-22 result was 45.6 per 100,000 population. (Rates may be revised as final data is verified.)

<b>Targets</b>	<b>2023-24</b>	43.0	<b>2024-25</b>	40.8	<b>2025-26</b>	38.5
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## Outcome 3

### Alberta’s transportation network and water management infrastructure is maintained effectively and responsibly, ensuring long-term sustainability and affordability

TEC optimizes planning and investment decisions to enhance and maintain Alberta’s transportation network. Employing asset management principles and a fiscally responsible approach ensures best value for Albertans is achieved.

## Key Objectives

- 3.1 Investigate and implement alternative funding opportunities to optimize the life cycle cost of assets to support the long-term sustainability of transportation infrastructure.
- 3.2 Develop and maintain critical infrastructure to enhance resilience, such as the Springbank Off-Stream Reservoir (SR1) and Dickson Dam Capacity Enhancement projects.
- 3.3 Implement capital maintenance investments, with a focus on prioritizing rehabilitation, using asset management principles to support strategic decision-making.
- 3.4 Ensure highway operations and maintenance programs achieve the best value for investment and most effective results by implementing innovative, cost-effective approaches and technologies to develop and maintain resilient transportation and water management infrastructure.

## Initiatives Supporting Key Objectives

- TEC is allocating \$402.2 million for Provincial Highway Maintenance in 2023-24. This investment will allow highway pavement and key highway infrastructure to be maintained using cost-effective approaches.
- In 2023-24, the ministry is investing \$726.9 million for Capital Maintenance and Renewal. The funding will focus on maintaining the existing provincial highway network assets.
- TEC is allocating \$184.4 million in 2023-24 for construction of the SR1 project, which will protect Calgary and southern Alberta from the type of devastation that resulted from the 2013 floods that caused \$5 billion in damage.
- TEC is allocating \$35.4 million for general water management infrastructure in 2023-24 to improve Alberta's flood resiliency, protect Albertans from natural disasters and support industry.

## Performance Metrics

### 3.a Performance Measure: Physical condition of provincial highway surfaces

Maintenance and regular rehabilitation reduce total life-cycle cost of the highway system, improving investment on return for Albertans.

As of 2021-22, 58.6 per cent of highways were rated good, 25.5 per cent fair and 15.9 per cent poor.

<b>Targets: Good</b>	<b>2023-24</b>	58%	<b>2024-25</b>	58%	<b>2025-26</b>	58%
<b>Targets: Fair</b>	<b>2023-24</b>	26%	<b>2024-25</b>	26%	<b>2025-26</b>	26%
<b>Targets: Poor</b>	<b>2023-24</b>	16%	<b>2024-25</b>	16%	<b>2025-26</b>	16%

### 3.b Performance Measure: Winter maintenance is completed within or above the specified contract requirements

This metric evaluates the effectiveness of snow and ice control on the highway system. Targets for storm response and returning the highway to good winter driving conditions are defined within the contracts.

This new performance measure will begin reporting last actual results in the 2024-27 business plan.

<b>Targets</b>	<b>2023-24</b>	95%	<b>2024-25</b>	95%	<b>2025-26</b>	95%
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### 3.c Performance Measure: Summer surface treatments (tonnes of asphalt treatment product) are completed on paved highways to ensure safe and efficient travel

To ensure safe and efficient travel of motorists, maintenance activities are carried out on paved highways such as pot hole filling, paver patching, machine patching and hand patching. As a new metric, the tonnes of asphalt treatment product is measured and reported annually to ensure appropriate quantities are used to keep the highways in a safe driving condition.

This new performance measure will begin reporting last actual results in the 2024-27 business plan.

<b>Targets</b>	<b>2023-24</b>	85,000	<b>2024-25</b>	85,000	<b>2025-26</b>	85,000
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## STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable		2023-24 Estimate	2024-25 Target	2025-26 Target
	2022-23 Budget	2022-23 Forecast			
<b>REVENUE</b>					
Public Transit Infrastructure Fund	7,816	4,112	-	-	-
Clean Water Wastewater Fund	13,004	16,528	-	-	-
Investing in Canada Infrastructure Program	764,194	257,206	<b>430,834</b>	711,295	650,251
Other Transfers from Government of Canada	43,264	124,520	<b>43,130</b>	43,400	43,099
Premiums, Fees and Licences	33,479	33,479	<b>33,479</b>	33,479	33,479
Refunds of Expense	2,575	2,575	<b>2,575</b>	2,575	2,575
Other Revenue	22,115	22,186	<b>23,251</b>	25,614	26,983
Consolidated Total	886,447	460,606	<b>533,269</b>	816,363	756,387
<b>EXPENSE</b>					
Ministry Support Services	9,164	9,234	<b>9,373</b>	9,446	9,446
Program Services and Support	38,963	38,963	<b>39,455</b>	39,626	39,626
Traffic Safety Programs	47,581	46,571	<b>43,819</b>	44,048	43,622
Provincial Highway Maintenance	1,201,666	1,201,666	<b>1,299,785</b>	1,365,227	1,407,704
Municipal Transit and Transportation Grant Programs	148,300	340,443	<b>505,829</b>	580,752	600,524
Municipal Water Infrastructure Grant Programs	136,700	57,414	<b>190,231</b>	113,275	112,000
Federal Grant Programs	784,814	277,646	<b>430,634</b>	711,095	650,051
Water Management Projects	15,032	15,032	<b>38,032</b>	34,332	34,332
Ring Roads - Debt Servicing	103,447	103,447	<b>100,613</b>	97,103	93,705
Ministry Total	2,485,667	2,090,416	<b>2,657,771</b>	2,994,904	2,991,010
Inter-Ministry Consolidation Adjustment	(15,032)	(15,032)	<b>(38,032)</b>	(34,332)	(34,332)
Consolidated Total	2,470,635	2,075,384	<b>2,619,739</b>	2,960,572	2,956,678
Net Operating Result	(1,584,188)	(1,614,778)	<b>(2,086,470)</b>	(2,144,209)	(2,200,291)
<b>CAPITAL INVESTMENT</b>					
Ministry Support Services	687	3,768	<b>687</b>	687	687
Ring Roads	265,750	288,472	<b>126,961</b>	10,700	-
Provincial Highway Construction Projects	478,227	391,909	<b>771,914</b>	698,452	428,806
Bridge Construction Projects	97,600	108,998	<b>106,016</b>	95,000	65,000
Provincial Highway Rehabilitation	499,416	522,355	<b>620,886</b>	454,262	352,970
Water Management Projects	244,600	230,512	<b>219,812</b>	110,600	47,356
Consolidated Total	1,586,280	1,546,014	<b>1,846,276</b>	1,369,701	894,819