

# Business Plan 2018–21

## Transportation

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### Accountability Statement

This business plan was prepared under my direction, taking into consideration our government's policy decisions as of March 7, 2018.

*original signed by*

Brian Mason, Minister

### Ministry Overview

The ministry consists of the Department of Transportation and the Alberta Transportation Safety Board.

The ministry supports the province's economic, social and environmental vitality by ensuring a reliable, affordable, multi-modal, safe and efficient transportation system that enhances Albertans' quality of life.

The ministry undertakes the following key activities to enable a diverse and vital economy:

- managing transportation safety;
- supporting municipalities with public transportation and water/wastewater facilities;
- expanding and enhancing a multi-modal transportation system and enabling market access; and
- preserving and developing the provincial highway network.

A more detailed description of Transportation, and its programs and initiatives can be found at [www.transportation.alberta.ca](http://www.transportation.alberta.ca).

### Strategic Context

The outcomes and key strategies identified in this business plan are aligned with the strategic direction of the Government of Alberta.

Alberta operates in an increasingly complex global marketplace. Markets have changed and Alberta needs to respond to this new reality. The Government of Alberta is committed to providing a safe and sustainable transportation system that meets the needs of all Albertans.

**Promoting Economic Growth:** Smart investments in the transportation system help to create jobs, and contribute to economic resiliency and stability. Government is developing key economic corridors, modern public transportation, roads, bridges and other infrastructure. This investment improves the movement of people and goods throughout the province. Reliable, well-integrated transportation modes enhance overall competitiveness and expand access to new markets within and outside of Alberta. The Government of Alberta continues to work with partners to develop standards and regulations to improve the efficiency of the transportation network.

**Strategic Management:** Transportation manages more than 31,400 kilometres of highways, the greatest number of kilometres per capita in Canada. This includes nearly 4,500 bridges, interchanges and culverts. Managing these assets

strategically is critical as Alberta experiences uneven population growth, diverse weather and geography, and significant heavy industry use of these assets. Careful decisions are required to maintain existing transportation infrastructure, while also using new technologies and approaches to further enhance our network.

These decisions must consider safety, economic benefits, community needs, value for money and efficiency. Strategic investments will make the best use of available resources to both extend the life of essential transportation corridors and ensure our transportation system remains sustainable over the long term. The ministry will work with its partners to support municipal infrastructure priorities, including transit and water projects, and other local infrastructure such as municipal roads and bridges.

**Collaboration and Partnerships:** Governments, municipalities, industry and Albertans must work together to address Alberta's transportation needs. The ministry supports public transportation initiatives, including regional, urban and rural public transit projects. Active transportation options such as walking and cycling will also contribute to improving accessibility between and within Alberta's communities. Transportation will continue to work closely with all clients, partners, stakeholders and Indigenous peoples to support a safe, efficient, affordable and environmentally sustainable transportation system. The ministry is committed to ensuring the principles of the United Nations Declaration on the Rights of Indigenous Peoples are integrated into its work.

**Enhancing Safety and Security:** The safe and secure movement of people and products in Alberta is a priority. Transportation continues to work towards the goal of eliminating serious injuries and fatalities on Alberta's roads. The ministry continues to work with partners to better coordinate and enhance responses to emergency incidents involving dangerous goods. It is committed to restoring highways, bridges and other structures damaged by natural disasters such as wildfires and flooding, and ensuring transportation infrastructure is resilient to the impacts of climate change.

**Advancing Gender Equity:** Advancing gender equality is a priority for the Government of Alberta. The government has adopted the Gender-based Analysis Plus (GBA+) approach and established Centres of Responsibility in each ministry to consider how gender and diversity impact engagement processes, policies, programs and initiatives.

**Embracing Innovation:** Transportation is adopting new technologies to enhance safety and infrastructure, and improve how it communicates with and serves Albertans. The ministry considers how emerging technologies and trends such as low-emission vehicles, including electric cars and trucks, and ride-sharing services, will impact Alberta's transportation system. The ministry is developing policies, programs and strategies to prepare for these changes.

**Environmental Sustainability:** Alberta's Climate Leadership Plan is a strategy to reduce carbon emissions while diversifying our economy and creating jobs. Innovative and environmentally sustainable practices will help improve efficiency in the transportation system and enhance the province's competitiveness. Transportation is also developing and supporting policies and programs that focus on reducing greenhouse gas emissions across the transportation sector and protecting transportation infrastructure from future climate change impacts.

Transportation continues to work with municipalities and Indigenous communities to help ensure reliable access to safe water for domestic, agricultural, industrial and recreational uses.

## Outcomes, Key Strategies and Performance Measures

### Outcome One: **Competitiveness, Market Access and Economic Growth: Alberta has a safe and efficient multi-modal transportation system that supports a diversified economy**

All users have access to a transportation system with a variety of transportation modes to safely transport products and people, from origin to destination, within Alberta, across Canada and internationally.

#### Key Strategies:

- 1.1 Implement transportation initiatives that promote economic growth and diversification in Alberta, supporting opportunities in sectors such as culture and tourism.
- 1.2 Enhance access and mobility for transportation users, and support routes connecting major and high-load corridors and hubs.
- 1.3 Continue construction of the Calgary Ring Road.
- 1.4 Promote harmonized standards and regulations with jurisdictional partners and clearly communicate objectives to relevant industry, including enhancements to federal rail transportation legislation.
- 1.5 Support sustainable municipal road and bridge infrastructure that contributes to resilient local economies in rural and smaller urban communities.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
1.a Ring roads in Calgary and Edmonton: • Percentage of combined ring road kilometres open to travel	84.0%	84.0%	84.0%	89.4%

#### Linking Performance Measures to Outcomes:

- 1.a This measure tracks the development of ring roads that support the efficient movement of goods and people around Alberta's two major metropolitan areas. The Edmonton Ring Road was completed on October 1, 2016 and is included in this measure as it tracks the combined development of both ring roads.

Performance Indicator	Actual 2013	Actual 2014	Actual 2015	Actual 2016
1.a Alberta's exports <sup>1</sup> by mode of transportation (\$millions) <sup>2</sup> :				
• Intermodal (rail and marine)	24,450	27,352	24,039	21,989
• Road	7,623	8,966	8,160	7,139
• Air	1,781	1,887	1,784	1,436
• Total exports by mode	33,854	38,205	33,983	30,564

#### Notes:

<sup>1</sup> Non-pipeline exports.

<sup>2</sup> Performance indicators are included to show progress toward achievement of long-term outcomes beyond the impact of current government activities and are significantly affected by external factors not directly influenced by the ministry. While economic recovery is ongoing, continued investment in modern transportation infrastructure is crucial to facilitating trade, and encouraging and supporting economic activity for years to come.

Performance Indicator	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17
1.b Number of commercial vehicle permits issued annually through Transportation Routing and Vehicle Information Multi-Jurisdictional System:				
• Licensing	32,948	35,223	30,753	31,094
• Overweight	130,546	134,908	106,992	108,224
• Over dimension	32,150	32,732	28,415	26,742

**Outcome Two: Long-term Sustainability and Affordability: Alberta can afford to maintain its existing transportation assets and invest in new strategic infrastructure**

Transportation uses asset management principles to make investment decisions on enhancing and maintaining Alberta’s transportation network.

**Key Strategies:**

- 2.1 Create and implement a transparent asset management plan in partnership with municipalities, other governments and industry, and examine the long-term sustainability of the network.
- 2.2 Enhance transportation asset management planning to support strategic decision-making, taking into account life-cycle costs, and economic, environmental and social impacts.
- 2.3 Partner with the federal government to fund transportation infrastructure.
- 2.4 Implement approaches to ensure highway operations and maintenance programs achieve the best value for investment and the most effective results for Albertans.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
2.a Physical condition of provincial highway surfaces <sup>1</sup> :				
• Percentage in Category 1 <sup>2</sup>	56.6%	56.5%	56.5%	56.0%
• Percentage in Category 2 <sup>3</sup>	27.3%	27.5%	27.5%	28.0%
• Percentage in Category 3 <sup>4</sup>	16.1%	16.0%	16.0%	16.0%

**Notes:**

- <sup>1</sup> In previous ministry business plans, the physical condition of provincial highways was reported in terms of being in good, fair or poor condition. Physical condition of provincial highways is now reported by category to ensure the results are more easily understood.
- <sup>2</sup> Category 1: Adequate for intended use and expected to provide continued service life with average maintenance.
- <sup>3</sup> Category 2: Aging components are nearing the end of their life-cycle and require additional expenditures for renewal or refurbishing.
- <sup>4</sup> Category 3: Upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

**Linking Performance Measures to Outcomes:**

- 2.a This measure defines the percentage of the paved highway network that is in Category 1, Category 2 or Category 3 condition to support the economic and social growth of the province. It also enables the ministry to assess and sustain the quality of the network so that it is safe and efficient for business, commuters, and personal and commercial traffic.

**Outcome Three: Connected and Active Communities: Albertans have inclusive and accessible transportation options in and between communities**

Alberta’s public transportation system will provide seamless, integrated connections between transportation modes and communities, including regional, urban, rural and Indigenous communities.

**Key Strategies:**

- 3.1 Develop strategies to promote safe, affordable, accessible and environmentally sustainable public transportation options for families and vulnerable Albertans, including seniors and people with disabilities.
- 3.2 Work with partners to support the development of local, regional and rural public transportation options that better connect Albertans to critical services and each other, and influence community development.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
3.a Transit Ridership in Alberta (in thousands): • Number of passenger trips taken in regularly scheduled service in Alberta's transit system	199,405	204,423	210,211	216,221

#### Linking Performance Measures to Outcomes:

3.a This measure tracks the use of all conventional transit service in Alberta and is also reported annually by the Canadian Urban Transit Association. Transit projects and programs that provide more public transportation options and better accessibility help to increase transit ridership.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
3.b Transit Access in Alberta: • Percentage of Albertans that have access to transit service	66.3%	67.5%	68.6%	69.8%

#### Linking Performance Measures to Outcomes:

3.b This measure compares the number of Albertans who live in areas with access to conventional transit service in relation to the overall population of Alberta. Transit projects and programs that provide increased public transportation options located closer to Alberta communities help to improve transit access.

### Outcome Four: **Safety and Security: Transportation safety and security is enhanced through educational, regulatory, technological and infrastructure improvements**

The transportation system is safe and secure, protecting Albertans and working toward zero transportation-related serious injuries and fatalities.

#### Key Strategies:

- 4.1 Continue to implement transportation safety strategies to prevent transportation-related deaths and serious injuries on Alberta's roads, including those in Indigenous communities.
- 4.2 Continue to develop amendments to the *Traffic Safety Act* and regulations to align with best practices, including cannabis-related provisions, and enhance the safety of transportation users.
- 4.3 Reduce the impacts of emergency incidents by working with partners to enhance emergency response and management processes, and increasing the resiliency of critical infrastructure.
- 4.4 Continue to work with industry partners to ensure the safe and secure transportation of dangerous goods through communities.
- 4.5 Continue to provide oversight and compliance reviews to ensure Alberta highways remain one of the safest in the country.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
4.a Combined fatal and major injury collision rate per 100,000 population <sup>1</sup>	63.5	59.4	57.8	56.2

#### Note:

<sup>1</sup> Actual rate is calculated as a three-year rolling average.

#### Linking Performance Measures to Outcomes:

4.a This measure describes the rate of combined fatal and major injury collisions to support the ministry's continuing efforts to reduce the number and severity of traffic collisions and is also used to monitor progress on transportation safety strategies.

**Outcome Five: Innovation and Technology Integration: Alberta’s transportation system adapts to new innovations and technologies**

The transportation system is flexible and adaptable to rapidly evolving technologies and systems that will improve transportation safety, sustain the lifetime of transportation infrastructure and provide timely information to Albertans.

**Key Strategies:**

- 5.1 Continue to enhance 511 Alberta, the province’s official road reporting service, to provide transportation users with reliable and timely travel and road condition information to support improved mobility and promote efficient use of the transportation network.
- 5.2 Investigate and implement innovative technologies and approaches that support the safety and mobility of travellers, and reduce greenhouse gas and air contaminant emissions.
- 5.3 Investigate and implement innovative technologies, standards and approaches to reduce costs and promote the long-term affordability and efficiency of the transportation system.
- 5.4 Continue to enhance the automated Transportation Routing and Vehicle Information Multi-Jurisdictional permitting system in collaboration with municipalities across Alberta, ensuring consistent overweight permit fee distribution to municipal partners to offset highway maintenance costs.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
5.a Light Emitting Diode (LED) lighting on provincial highways in Alberta: • Cumulative number of lights converted to LED technology along provincial highways	600	10,100	13,600	17,100

**Linking Performance Measures to Outcomes:**

- 5.a This measure tracks innovation and technology integration that results in lower energy consumption, supporting reduced energy costs and greenhouse gas emissions, and reflects progress toward reducing environmental impacts.

**Outcome Six: Environmental Stewardship: Alberta has a transportation system that is managed in an environmentally responsible and sustainable manner**

Alberta’s transportation system supports economic growth while balancing the need to reduce negative environmental impacts, including identifying barriers and opportunities to reduce passenger and freight-related greenhouse gas emissions.

**Key Strategies:**

- 6.1 In alignment with Alberta’s Climate Leadership Plan, the ministry will identify actions to advance energy efficiencies and reduce greenhouse gas and other air contaminant emissions, including exploring the use of green transportation infrastructure and environmentally sustainable ways to plan, develop and maintain the transportation network.
- 6.2 Investigate opportunities and partnerships to develop and promote public transportation systems through grant funding programs that support more sustainable, energy-efficient forms of transportation.
- 6.3 Work with partners to ensure all Albertans, including Indigenous communities, have reliable access to clean and safe drinking water and water/wastewater treatment systems by providing funding through the Alberta Municipal Water/Wastewater Partnership, Water for Life and the First Nations Water Tie-In Program.

Performance Measure	Last Actual 2016-17	Target 2018-19	Target 2019-20	Target 2020-21
6.a Greenhouse gas emissions (tonnes of CO <sub>2</sub> e) reduced annually with support from green transportation initiatives	269	4,530	6,100	7,670

### Linking Performance Measures to Outcomes:

6.a This describes the reduction in greenhouse gas (GHG) emissions measured in tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) that result from the ministry's projects, programs and policies which support environmental stewardship and Alberta's Climate Leadership Plan. Annual GHG savings by 2020-21 will be the equivalent of taking 1,632 passenger vehicles off Alberta's roads. Currently this measure includes reduced GHG emissions resulting from the conversion to LED lighting project on provincial highways. Other initiatives will be added as applicable data becomes available.

## Risks to Achieving Outcomes

The Government of Alberta is committed to achieving better outcomes to ensure communities are safe, and the transportation system is accessible and responsive to Albertans' needs. The ministry will work closely with all partners and stakeholders to address challenges. The following strategic risks have the potential to impact the ministry's ability to achieve its outcomes.

- Transportation manages the largest network in Canada, on a per person basis, across diverse geography and conditions. Transportation must continue to employ a strategic planning approach to ensure the system continues to meet the needs of Albertans. The ministry will use methods such as network modeling, scenario planning, and data analysis. This will allow the ministry to define and prepare for future changes that may impact the transportation system, such as emerging technologies. The ministry will use all of this information to enhance and preserve transportation infrastructure and ensure best value for investment for Albertans.
- Competing demands and fast-paced change can affect the ability of the transportation system to meet the needs of all Albertans. The ministry must continue to prepare employees to adapt and be flexible in an environment of consistently changing work and goals.
- Alberta is exposed to hazards which have the potential to disrupt the transportation system. The ministry has a responsibility to deliver a prompt and coordinated response to disruptions, emergencies and disasters, including extreme weather and climate change impacts. It is also responsible for managing recovery and restoration efforts as required. The ministry will continue to improve its ability to identify, verify and respond to these situations and share information in real-time to ensure Albertans are informed of potential impacts to access and safety on the provincial highway network.
- The ministry's role is evolving; stakeholder and partner expectations are shifting. As a result, the ministry must ensure it is adaptive and responsive to change when working with its partners. A focus on consistency, clarity, communication and collaboration both internally and externally will help encourage positive relationships.
- Technology is evolving at a rapid pace, creating diverse needs and uncertainty about future requirements. The ministry must be ready to adapt and respond to these dynamic, system-wide changes. Coordination between systems, data and usable information, including emerging trends and how these may collectively impact the transportation system, will significantly improve the department's ability to make timely and effective decisions.



## STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2018-19 Estimate	2019-20 Target	2020-21 Target
	2016-17 Actual	2017-18 Budget	2017-18 Forecast			
<b>REVENUE</b>						
Internal Government Transfers	-	1,400	1,020	500	500	-
Other Transfers from Government of Canada	7,877	8,662	8,589	11,253	14,542	17,063
Building Canada - Base Component	7,397	7,397	7,397	7,397	7,397	7,397
Building Canada - Major Infrastructure Component	4,673	4,673	4,673	4,673	4,673	4,673
Infrastructure Stimulus Fund	4,221	4,221	4,221	4,221	4,221	4,221
Public Transit Infrastructure Fund	13,486	284,984	121,834	136,480	75,400	-
Clean Water Wastewater Fund	5,000	165,000	113,020	59,010	19,670	-
Premiums, Fees and Licences	29,582	33,900	33,900	33,900	33,900	33,900
Refunds of Expense	2,937	1,475	1,475	1,475	1,475	1,475
Other Revenue	19,840	16,844	17,565	16,312	17,628	16,878
Ministry Total	95,013	528,556	313,694	275,221	179,406	85,607
Inter-Ministry Consolidations	(216)	(1,400)	(1,020)	(500)	(500)	-
Consolidated Total	94,797	527,156	312,674	274,721	178,906	85,607
<b>EXPENSE</b>						
Ministry Support Services	30,686	30,782	30,637	31,729	31,019	31,016
Program Services and Support	27,561	28,224	28,481	28,318	28,311	28,305
Traffic Safety and Rural Initiatives	32,428	35,707	35,786	35,766	35,760	34,756
Alberta Transportation Safety Board	1,669	2,340	2,240	2,226	2,226	2,226
Provincial Highway Maintenance and Preservation	948,943	997,382	993,771	1,013,387	1,051,558	1,067,459
Municipal Transit and Transportation Grant Programs	91,050	619,410	820,693	298,979	311,024	169,778
Municipal Water Infrastructure Grant Programs	151,641	130,000	126,517	153,600	104,900	67,800
Federal Grant Programs	18,486	449,984	234,854	195,490	95,070	-
Water Management Projects	-	30,315	30,315	88,218	32,284	29,132
2013 Alberta Flooding	744	42,812	42,812	34,157	-	-
Ring Roads - Debt Servicing	82,527	94,258	94,258	92,131	90,149	94,540
Ministry Total	1,385,735	2,461,214	2,440,364	1,974,001	1,782,301	1,525,012
Inter-Ministry Consolidations	(792)	(73,127)	(73,127)	(123,080)	(32,284)	(29,132)
Consolidated Total	1,384,943	2,388,087	2,367,237	1,850,921	1,750,017	1,495,880
Net Operating Result	(1,290,146)	(1,860,931)	(2,054,563)	(1,576,200)	(1,571,111)	(1,410,273)
<b>CAPITAL INVESTMENT</b>						
Ministry Support Services	4,311	5,782	5,402	4,882	4,882	4,382
Ring Roads	290,722	382,500	438,159	396,086	450,269	512,622
Northeast Alberta Strategic Projects	45,319	43,275	4,800	3,400	-	5,000
Provincial Highway Construction Projects	205,663	456,385	379,360	248,535	179,593	176,093
Bridge Construction Projects	49,568	68,150	65,650	60,000	60,000	60,000
Provincial Highway Rehabilitation	385,083	388,000	346,900	359,670	329,670	326,702
Water Management Projects	8,744	39,432	19,432	159,000	161,000	118,000
2013 Alberta Flooding	32,385	18,000	18,000	-	-	-
Ministry Total	1,021,795	1,401,524	1,277,703	1,231,573	1,185,414	1,202,799
Inter-Ministry Consolidations	-	(1,400)	(1,020)	(500)	(500)	-
Consolidated Total	1,021,795	1,400,124	1,276,683	1,231,073	1,184,914	1,202,799