

Infrastructure and Transportation

BUSINESS PLAN 2007-10



ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2007 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of March 26, 2007 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

original signed by

Luke Ouellette, *Minister of Infrastructure and Transportation*
March 28, 2007

THE MINISTRY

Infrastructure and Transportation consists of the budget entity of the Department of Infrastructure and Transportation. The Ministry's responsibilities are wide-ranging; from managing provincial transportation safety programs, to building and managing government-owned infrastructure, including the provincial highway network and facilities that support government operations. Management of numerous grant programs, including municipal transportation, water/wastewater, and administration of the Natural Gas Rebate Program are all part of our mandate. The Ministry supports partner ministries in planning, evaluating and implementing major capital projects; acquires and disposes of property; provides leasing and space planning for government facilities; and manages the Swan Hills Treatment Centre.

The Ministry also includes the Transportation Safety Board, which adjudicates on commercial carrier compliance, is the final administrative authority charged with making operator licence determinations, handles appeals of licence suspensions and vehicle seizures and is responsible for hearings under the *Railway (Alberta) Act*. While the Board reports to the Minister of Infrastructure and Transportation, formal decisions are made independently in accordance with the governing legislation.

VISION

Infrastructure and Transportation is a Centre of Excellence providing effective infrastructure to support Alberta's growth and prosperity.

MISSION

We contribute to Alberta's economic prosperity and quality of life through the provision and support of effective, safe, innovative and sustainable transportation, public buildings, and water and wastewater infrastructure.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Links to goals in the Government of Alberta Strategic Business Plan

Goal 1: Alberta will have a prosperous economy

- The Ministry provides assistance to rural municipalities in accommodating new resource and industry related traffic, and the provision of facilities to support the delivery of government programs.

Goal 2: Albertans will be well prepared for lifelong learning

- The Ministry provides technical expertise to partner ministries and boards to ensure schools and post-secondary facilities meet program needs.

Goal 3: The high quality of Alberta's environment will be sustained

- The Ministry sustains the quality of the province's environment by supporting the operation of the Swan Hills Treatment Centre to dispose of hazardous wastes, and by undertaking efforts to reduce the environmental impact of Ministry activities.

Goal 4: Alberta will have a financially stable, open and accountable government and maintain its strong position nationally and internationally

- The Ministry supports this goal by effectively planning and managing government owned and operated facilities and implementing innovative technologies to increase energy efficiency and reduce operating costs.

Goal 5: Albertans will be healthy

- The Ministry works with Health and Wellness and the health regions to plan and implement the most appropriate facility solutions to meet health delivery needs.

Goal 7: Alberta will be a safe place to live, work and raise families

- The Ministry will continue to implement the Alberta Traffic Safety Plan to ensure effective driver education services and standards are in place and improve transportation safety. The Ministry will maintain safe facilities that support government programs.

Goal 9: Alberta will have strong and effective municipalities and self-reliant Aboriginal communities

- The Ministry will deliver existing and emerging funding and grant programs to support municipal and local government infrastructure needs.

Goal 10: Alberta will have effective and efficient transportation infrastructure

- The Ministry has a plan that addresses future infrastructure investment and current needs to support economic growth while maintaining existing infrastructure. The Ministry also contributes to this goal by supporting the province's capital planning process and implementing approved projects.
- The Ministry supports strong, effective partnerships through collaboration with other jurisdictions to develop national and multi-jurisdictional transportation and aviation strategies and foster integrated multi-modal transportation systems.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Maintaining Existing Infrastructure

It is critical for the province to balance the need for ongoing maintenance and rehabilitation of existing capital assets, with the need to invest in various types of infrastructure to accommodate growth and economic pressures. Major repair can be expected to cost more than routine maintenance, and complete or total replacement can cost up to five times that of repair. Regular maintenance protects and extends the useful life of provincial infrastructure.

Infrastructure and Transportation must address a growing infrastructure debt. Although a significant increase in capital funding has been provided for new capital projects, resolving infrastructure deficiencies will take time. The Ministry will continue to pursue new ways of providing cost-effective infrastructure, such as public-private partnerships (P3s) and other alternative financing opportunities. As new infrastructure is built to accommodate the province's population growth, a corresponding increase in operation and maintenance costs will arise.

Proposed Infrastructure

Alberta is in the fortunate situation of having the strongest economy in Canada, which has allowed the government to significantly increase its investment in provincially owned and operated infrastructure. The results of these investments have not always been readily apparent to the public because building communities takes time, especially in light of shortages in the construction industry. A measured response to the calls for new buildings and roads is required due to competing priorities across government. Infrastructure and Transportation takes all factors, including public interest, into consideration when evaluating and prioritizing proposed projects.

Cost Increases/Tight Labour Market

The construction industry has greatly benefited from Alberta's hot economy; however, a number of challenges have occurred. Continuing global increases in the price of construction materials are contributing to steady cost escalation for the construction of buildings, roads, bridges and other infrastructure. Some projects have few or no tenders bid due to the demand on construction companies. These market condition factors are adding 10 to 25 per cent per year to project costs, and this trend is expected to continue in the near future.

Mega projects and significant new provincial and federal infrastructure programs are also contributing to increasing inflation and construction prices for all types of infrastructure. Wage rates are under stress due to Alberta's low unemployment rate, high labour participation rate and rising construction volumes. An aging labour force within the related industries is expected to result in greater constraints beyond those currently being experienced.

Driver Behaviour

The amount of traffic in Alberta continues to rise due to an increasing population and growing economy, and will impact the efficiency of Alberta's roads and safety of the road users. Greater public awareness of road safety is resulting in pressure on the provincial government to address road safety issues, improve highway infrastructure, implement new technologies and address driver behaviour and attitudes. Continued efforts in the areas of public education, information and outreach are needed to identify and work with high-risk drivers on intervention strategies to reduce collisions, as well as resulting injuries and fatalities. The Alberta Traffic Safety Plan will assist in these areas.

Economic and Population Growth and Changing Demographics

Most areas of the provincial transportation network continue to experience increased demand due to the growth of the economy and population. Population shifts from rural to urban areas result in high demand for facilities in growth areas and some underutilization of facilities in declining areas. These shifts are also noticeable within Edmonton and Calgary. An imbalance of economic growth in Alberta is creating additional pressures in certain parts of the province. Developments

in the Regional Municipality of Wood Buffalo generate revenues to the province, and growth in the region is creating substantial pressure to expand local infrastructure. Communities situated along the Queen Elizabeth II Highway Corridor continue to experience significant growth. The Ministry is working with municipal partners in rural and urban areas to seek collaborative solutions to the challenges of residential, commercial and industrial development.

Environmental Sustainability

Recent polls show continued public concern with environmental issues and the trend to more "green" ways of living. It is anticipated that demand for alternative transportation methods and more environmentally friendly technologies will continue to grow. The Ministry strives to reduce the environmental footprint in the planning and construction of provincial transportation and facilities infrastructure.

Infrastructure and Transportation continues to seek out and implement leading practices in energy use in government owned and operated facilities and building practices to minimize environmental impacts. The majority of electricity used in government buildings comes from "green" power sources. The Ministry adopted the Leadership in Energy and Environmental Design Silver Standard for all future construction of government funded facilities, which should reduce energy use by 40 to 45 per cent for an average building. Infrastructure and Transportation also adopted the Building Operator Management Association Go Green program for facility operations, which is designed to ensure operations are conducted in an environmentally sustainable manner.

Inter-governmental Relationships

Infrastructure and Transportation is an active partner with municipal, provincial, territorial, federal and foreign governments on key issues affecting the province's transportation infrastructure and industry. In particular, work is ongoing to promote the two-way flow of goods, services, people and investment between jurisdictions and promote regulatory harmonization. Decisions made by one government have a direct impact on the activities of adjacent governments, requiring a coordinated approach to transportation challenges.

STRATEGIC PRIORITIES 2007-10

Through the Ministry's review of external and internal challenges, the strategic priorities described below have been identified. These are in addition to the important ongoing core activities of the Ministry.

GOVERNMENT PRIORITY – MANAGE GROWTH PRESSURES

- 1. Expand the capacity of Alberta's highway system to address growth pressures** Alberta's continued, dramatic growth depends on many factors, with effective infrastructure being a top priority. Efficient transportation links, including expanding the capacity of the provincial highway system, are needed to efficiently move people and goods.

**Linkage:
Goals 1, 2, 3, 4, and 5**

Increased competitiveness in domestic and international markets is more attainable through projects such as twinning of the North-South Trade Corridor, and the development of the Asia-Pacific Gateway and urban corridors, such as the Edmonton and Calgary ring roads. Construction of needed facilities and road network improvements are underway or planned for high-growth areas, including the Regional Municipality of Wood Buffalo. Efforts will continue with municipalities and stakeholders to ensure that required infrastructure meets local needs and supports economic development throughout the province.

2. Managing complex government owned and supported infrastructure requirements

**Linkage:
Goals 1 and 2**

Many issues and trends have an impact on the effective and efficient management of Alberta's government owned and supported infrastructure requirements. To ensure Albertan's needs are met, the Ministry will work with partner ministries and other stakeholders in the development of plans to address deferred maintenance and to identify and manage priority capital projects. This is achieved by balancing the need for ongoing maintenance and rehabilitation of existing capital assets with the need for new capital investment. Additional focus will be placed on addressing capital project priorities and considering alternative financing opportunities, including public-private partnerships, to provide needed infrastructure.

3. Support for the Government of Alberta's top strategic priorities

**Linkage:
Goals 2, 3, 4 and 5**

The Ministry will continue to play an active role in managing growth pressures by supporting the capital planning process and managing a variety of long-term grant programs for local authorities, supporting the Water for Life strategy, and by participating in the development of a Land-use Framework.

GOVERNMENT PRIORITY – BUILD A STRONGER ALBERTA

4. Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta

**Linkage:
Goals 1, 2, 4, and 5**

The aviation sector is an integral part of the province's overall safe, secure and reliable transportation network and plays an important role in Alberta's economy by providing jobs and facilitating trade.

There is a need to explore options to ensure Albertans are getting an optimal return on the province's investment when it comes to small airports. With a network of two international, 12 regional, and 72 community airports across Alberta, there is a need to be sure that airports are being operated as effectively and efficiently as possible.

GOVERNMENT PRIORITY – PROVIDE SAFE AND SECURE COMMUNITIES

5. Implement a provincial Traffic Safety Plan to reduce the number of collisions on Alberta roads

**Linkage:
Goals 2 and 3**

An extensive traffic safety review has led to the development and implementation of the Alberta Traffic Safety Plan. This plan will address issues related to traffic safety with tools such as effective communications, community traffic safety, public education and awareness, research and evidence-based decisions, sustained enforcement, engineering and infrastructure improvements, and legislation based on leading practices.

These efforts aim to change driver habits and reduce collisions. The Ministry will continue to work in partnership with Justice, Solicitor General and Public Security, and other government ministries and external stakeholders.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Sustainable provincial infrastructure

GOAL ONE **1 Provide safe and efficient infrastructure for individuals and communities**

What it means Infrastructure and Transportation is responsible for managing the preservation and ongoing maintenance of provincial infrastructure, including highways and facilities. The Ministry plays a key role in ensuring the health and safety needs of occupants and visitors at government owned and leased facilities are met, including barrier-free access, emergency and safety plans and adhering to leading environmental practices. Infrastructure and Transportation monitors the energy efficiency and operating costs of government owned and leased facilities to identify cost-effective improvements and strives to consider the environment when planning and developing provincial infrastructure. The Ministry continues to monitor and evaluate the condition of government owned and supported facilities to identify preservation and replacement needs.

Strategies

- 1.1 Continue to manage the construction and rehabilitation programs for provincially supported, major water management infrastructure.
- 1.2 Work with partners and stakeholders in developing strategies to improve access for seniors and persons with disabilities, including transportation facilities and systems and barrier-free access in all planned infrastructure construction projects.
- 1.3 Ensure accessibility needs for persons with disabilities continue to be fully considered in Ministry building design standards, policies, programs and projects.
- 1.4 Continue to identify and implement leading practices to operate the Swan Hills Treatment Centre in a safe and efficient manner.
- 1.5 Implement approaches identified to minimize deterioration of provincial highways to reduce the amount of major maintenance required, such as new rehabilitation materials and methods, enforcement of road restrictions and bans, and revised load weights and dimension regulations.
- 1.6 Apply environmental management and remediation initiatives to address identified concerns at properties owned by the government.
- 1.7 Continue with the approved physical building and site security implementation plan for government facilities, which will initially focus on the higher risk facilities by installing new or replacing and expanding obsolete security systems.

Performance Measures	Last Actual (2005-06)	Target 2007-08	Target 2008-09	Target 2009-10
1.a Government Owned and Operated Facilities – Physical Condition:				
• Percentage in good condition	43.0	45.0	43.0	42.0
• Percentage in fair condition	53.0	51.0	53.0	54.0
• Percentage in poor condition	4.0	4.0	4.0	4.0
1.b Physical Condition of Provincial Highways:				
• Percentage in good condition	63.0	57.0	55.0	53.0
• Percentage in fair condition	24.1	26.0	26.0	26.0
• Percentage in poor condition	12.9	17.0	19.0	21.0
1.c Progress on Completion of Major Water Management Construction Projects:				
• Percentage of Carseland/Bow River rehabilitation completed ¹	53.0	60.0	75.0	90.0
1.d Energy Consumption in megajoules per Square Metre in Government Owned and Operated Facilities	1,743	1,750	1,750	1,750
1.e Average Operating Cost per Square Metre of Government Owned and Operated Office Space:				
• Percentage of operating cost compared to industry average	72	<80	<80	<80

Note:

- 1 The methodology for calculating the Carseland/Bow River measure has been revised from previous years to reflect the current dynamic construction environment. This change has resulted in a restatement of the last actual result for 2005-06, which was stated as 40 per cent in the Ministry's 2005-06 Annual Report.

Core Business Two: Safe, accessible and connected communities

GOAL TWO **2** Provide a safe, secure and reliable provincial transportation network

What it means The Ministry works to expand the capacity of the province's highway system and continually improve all aspects of the province's transportation infrastructure to enable the safe and effective movement of people and goods within Alberta. This is achieved by leading the development of provincial, federal and international transportation driver, vehicle and motor carrier policies and standards to encourage safety and safe practices on the transportation network; increasing awareness of traffic safety issues in provincial communities; managing highway planning, design and construction; and monitoring provincial railways to ensure railway infrastructure and equipment conform to appropriate safety standards.

Strategies

- 2.1 Develop a new provincial aviation strategy to explore options to ensure the viability of small airports in Alberta.
- 2.2 Continue implementation of the state-of-the-art Transportation Infrastructure Management System.
- 2.3 Implement strategies to improve the transportation network to support economic growth in areas such as the Regional Municipality of Wood Buffalo and the Grande Prairie region.
- 2.4 Continue the development of access routes and inter-modal trade corridors to better connect Alberta shippers to the United States and other world markets, including continued progress on the North-South Trade Corridor and implementation of the Provincial Freeway Corridor Management Plan.

- 2.5 Continue to plan, design and construct the ring roads in Calgary and Edmonton.
- 2.6 Renew the partnership with Transport Infrastructure and Communities Canada to ensure the transportation of dangerous goods is safe and secure within Alberta.
- 2.7 Improve highway safety through Intelligent Transportation Systems, including Automated Vehicle Identification to support safe commercial vehicle operators.

Performance Measures	Last Actual (2005-06)	Target 2007-08	Target 2008-09	Target 2009-10
2.a Functional Adequacy of Provincial Highways:				
• Percentage of provincial highways that meet current engineering standards	79.4 ¹	79.4	79.4	79.4
2.b Construction Progress on the North-South Trade Corridor:				
• Percentage of four-laning open to travel	86.3	88.0	90.0	91.0
2.c Ring Roads in Edmonton and Calgary:				
• Percentage of ring roads open to travel	23.7	30.0	40.0	50.0

Note:

- 1 The additional factor of "the completion of staged pavements" has been added to the functional adequacy calculations. This change has resulted in a restatement of the last actual result for 2005-06, which was stated as 80.1 per cent in the Ministry's 2005-06 Annual Report.

GOAL THREE

3

Deliver safety-focused transportation education and enforcement programs

What it means Infrastructure and Transportation is committed to improving driver, vehicle, carrier, road and rail safety through safety-focused education, information and enforcement programs. Commercial driver safety is enhanced through driver training initiatives, hours of service regulation, fatigue management counter measures, and development and monitoring of commercial driver profiles with other jurisdictions. The Alberta Transportation Safety Board acts in the interest of public safety and has the authority to remove or keep unsafe drivers off the road.

Strategies

- 3.1 Continue to implement Alberta's Traffic Safety Plan to reduce fatalities and injuries on Alberta roadways, which supports Road Safety Vision 2010, Canada's national road safety strategy, to meet national goals and make Alberta's roads safer.
- 3.2 Continue implementation of the Graduated Driver Licensing Program to enhance the safety skills of new drivers.
- 3.3 Improve highway safety by implementing enhanced elements to the National Driver Licensing Reciprocity Agreement, including implementing the Canadian Driver Licence Agreement.
- 3.4 Ensure commercial vehicle safety through mandated periodic inspection and on-highway inspection programs.
- 3.5 Employ innovative approaches to monitor, enforce and manage truck weight, dimension and safety practices on provincial highways, such as the National Safety Code and the Progressive Discipline Program.

Performance Measures	Last Actual (2005-06)	Target 2007-08	Target 2008-09	Target 2009-10
3.a Seat Belt Usage:				
• Percentage of vehicle occupants wearing seat belts – Alberta ¹	82.9	84.0	86.0	88.0
3.b Involvement of Drinking Drivers in Casualty Collisions:				
• Percentage of drivers involved in injury collisions who had consumed alcohol	5.3	4.8	4.6	4.4
• Percentage of drivers involved in fatality collisions who had consumed alcohol	19.2	18.9	18.7	18.5
3.c Mechanical Safety of Commercial Vehicles:				
• Percentage of inspected vehicles requiring on-site adjustments	21.9	21.9	21.9	21.9

Note:

1 Transport Infrastructure and Communities Canada (Transport Canada) conducts overall seat belt use surveys every two years. The next overall seat belt survey is scheduled for the fall of 2007. Infrastructure and Transportation will conduct comparable surveys using similar methodology every other year.

Core Business Three: Strong stakeholder partnerships

GOAL FOUR **4** Support local infrastructure needs

What it means Municipalities provide a number of essential local services. In support of these programs, Infrastructure and Transportation provides funding for eligible municipal water/wastewater facilities through the Water for Life Program, focusing on addressing health and environmental concerns as a top priority. The development and upgrading of transportation infrastructure is also funded through various provincial grant programs. As well, the Ministry supports municipalities and communities by accessing federal infrastructure programs.

Strategies

- 4.1 Assist municipalities with water supply, water treatment, and wastewater treatment and disposal facilities through the provision of funding under the Water for Life Strategy, including the Alberta Municipal Water/Wastewater Partnership Program and an enhanced Regional Water and Wastewater Partnership Initiative.
- 4.2 Continue to provide grant funding to assist Alberta municipalities with developing and upgrading infrastructure through the Alberta Municipal Infrastructure Program, Basic Capital Grant, Cities Special Transportation Grant, the Streets Improvement Program and the Rural Transportation Partnership.
- 4.3 Administer the Resource Road Program to assist rural municipalities, towns and villages that experience resource and new industry-based traffic.
- 4.4 Continue to administer grant funding under the New Deal for Cities and Communities program, and provide grant funding for the Infrastructure Canada-Alberta Program and the Canada-Alberta Municipal Rural Infrastructure Fund.

Performance Measure	Last Actual (2005-06)	Target 2007-08	Target 2008-09	Target 2009-10
4.a Client Satisfaction Survey:				
• Percentage of municipal clients satisfied with overall quality of service ¹	97.0	>95.0	n/a	>95.0

Note:

1 Client Satisfaction Survey is conducted every two years and is based on the calendar year.

GOAL FIVE

5

Provide technical expertise, project management and support services

What it means The Ministry provides technical and project management expertise to other ministries, clients and stakeholders. In partnership with all ministries, Infrastructure and Transportation is responsible for providing operating management of government owned and leased facilities. The Ministry works with client departments and some boards and agencies on accommodation planning, leasing, acquiring and divesting properties, and providing real estate and land planning services. Infrastructure and Transportation maintains guidelines for costs and space for supported facilities to reflect the impact of construction cost escalation. The Ministry will also continue to support provincial government priorities for Albertans through the delivery of key initiatives such as the Natural Gas Rebate Program.

Strategies

- 5.1 Work with program ministries, school boards, post-secondary institutions and health regions in updating long-term capital plans by providing expertise in areas such as life-cycle costing, new technologies, design standards, and detailed project costing.
- 5.2 Work with other ministries to deliver approved school, health and post-secondary projects.
- 5.3 Support the planning of facility requirements to ensure effective delivery of health and education programs in Alberta by monitoring and reporting the physical condition of existing schools, health facilities and post-secondary institutions.
- 5.4 Develop and implement accommodation master plans for Red Deer, Lethbridge and Grande Prairie to meet priority facility program needs for government programs.
- 5.5 Continue to plan, develop and administer the Edmonton and Calgary Transportation and Utility Corridors.

Performance Measures	Last Actual (2005-06)	Target 2007-08	Target 2008-09	Target 2009-10
5.a Health Facilities – Physical Condition¹:				
• Percentage in good condition	70.0	70.0	70.0	70.0
• Percentage in fair condition	26.0	26.0	26.0	26.0
• Percentage in poor condition	4.0	4.0	4.0	4.0
5.b School Facilities – Physical Condition¹:				
• Percentage in good condition	73.0	73.0	73.0	73.0
• Percentage in fair condition	25.0	25.0	25.0	25.0
• Percentage in poor condition	2.0	2.0	2.0	2.0
5.c Post-Secondary Facilities – Physical Condition¹:				
• Percentage in good condition	55.0	55.0	55.0	55.0
• Percentage in fair condition	35.0	35.0	35.0	35.0
• Percentage in poor condition	10.0	10.0	10.0	10.0
5.d Client Satisfaction Survey:				
• Level of satisfaction indicated by Boards ²	4.6	5.0	n/a	5.0

Notes:

- 1 The funding for the supported infrastructure facilities included in these measures is determined by the relevant program ministries.
- 2 Client Satisfaction Survey is conducted every two years and is based on the calendar year. Respondents rate satisfaction on a scale of one to six, one being very dissatisfied and six being very satisfied.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2007-08 Estimate	2008-09 Target	2009-10 Target
	2005-06 Actual	2006-07 Budget	2006-07 Forecast			
Sustainable provincial infrastructure	537,966	539,787	612,118	734,902	816,854	828,532
Safe, accessible and connected communities	346,914	414,404	376,833	436,038	489,412	536,010
Strong stakeholder partnerships	1,883,162	1,571,051	1,698,069	1,957,917	1,737,739	1,715,312
MINISTRY EXPENSE	2,768,042	2,525,242	2,687,020	3,128,857	3,044,005	3,079,854

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2007-08 Estimate	2008-09 Target	2009-10 Target
	2005-06 Actual	2006-07 Budget	2006-07 Forecast			
REVENUE						
Internal Government Transfers	180,000	175,000	175,000	175,000	175,000	205,000
Transfers from Government of Canada	126,214	124,800	256,884	158,647	126,030	215,800
Premiums, Fees and Licences	26,039	13,920	16,720	16,040	16,040	16,040
Investment Income	16	-	-	-	-	-
Other Revenue	57,275	34,258	33,038	55,719	27,820	27,820
MINISTRY REVENUE	389,544	347,978	481,642	405,406	344,890	464,660
EXPENSE						
Program						
Ministry Support Services	44,490	44,798	44,763	43,357	44,025	44,690
Government Operations	274,005	307,883	301,798	360,180	374,564	384,319
Provincial Highway Systems and Safety	360,362	339,651	415,966	438,273	534,737	537,320
Municipal Support	1,108,420	1,042,200	1,171,605	1,272,750	1,237,300	1,214,700
Other Programs and Services	699,299	447,338	423,638	634,061	423,296	424,447
Non-Cash Items	281,466	343,372	329,250	372,272	411,872	452,872
Total Program Expense	2,768,042	2,525,242	2,687,020	3,120,893	3,025,794	3,058,348
Debt Servicing Costs						
Department	-	-	-	7,964	18,211	21,506
MINISTRY EXPENSE	2,768,042	2,525,242	2,687,020	3,128,857	3,044,005	3,079,854
Gain (Loss) on Disposal and Write Down of Capital Assets	5,561	-	-	-	-	-
NET OPERATING RESULT	(2,372,937)	(2,177,264)	(2,205,378)	(2,723,451)	(2,699,115)	(2,615,194)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable					
	2005-06 Actual	2006-07 Budget	2006-07 Forecast	2007-08 Estimate	2008-09 Target	2009-10 Target
Ministry Revenue	389,544	347,978	481,642	405,406	344,890	464,660
<i>Inter-ministry consolidation adjustments</i>	(182,917)	(178,180)	(178,180)	(178,180)	(178,180)	(208,180)
Consolidated Revenue	206,627	169,798	303,462	227,226	166,710	256,480
Ministry Program Expense	2,768,042	2,525,242	2,687,020	3,120,893	3,025,794	3,058,348
<i>Inter-ministry consolidation adjustments</i>	(2,917)	(3,180)	(3,180)	(3,180)	(3,180)	(3,180)
Consolidated Program Expense	2,765,125	2,522,062	2,683,840	3,117,713	3,022,614	3,055,168
Ministry Debt Servicing Costs	-	-	-	7,964	18,211	21,506
Consolidated Expense	2,765,125	2,522,062	2,683,840	3,125,677	3,040,825	3,076,674
Gain (Loss) on Disposal and Write Down of Capital Assets	5,561	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(2,552,937)	(2,352,264)	(2,380,378)	(2,898,451)	(2,874,115)	(2,820,194)

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable					
	2005-06 Actual	2006-07 Budget	2006-07 Forecast	2007-08 Estimate	2008-09 Target	2009-10 Target
Sustainable provincial infrastructure	221,152	165,209	238,213	246,166	255,721	194,588
Safe, accessible and connected communities	667,185	1,098,584	849,015	1,334,345	1,573,953	1,374,198
Strong stakeholder partnerships	8,050	14,292	17,714	114,591	29,247	10,442
MINISTRY CAPITAL INVESTMENT	896,387	1,278,085	1,104,942	1,695,102	1,858,921	1,579,228

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable					
	2005-06 Actual	2006-07 Budget	2006-07 Forecast	2007-08 Estimate	2008-09 Target	2009-10 Target
Ministry Support Services	14,301	11,870	11,870	13,870	14,550	13,870
Government Operations	205,319	142,343	220,790	319,415	249,205	173,277
Provincial Highway Systems and Safety	525,840	845,973	676,478	1,036,714	1,509,549	1,283,577
Municipal Support	203	1,000	1,847	1,000	1,000	2,003
Other Programs and Services	32,330	128,499	45,557	122,103	79,617	74,611
Alternatively Financed Projects	117,985	148,400	148,400	202,000	5,000	31,890
Land Services - Statutory	409	-	-	-	-	-
MINISTRY CAPITAL INVESTMENT	896,387	1,278,085	1,104,942	1,695,102	1,858,921	1,579,228