

GOVERNMENT OF ALBERTA

Annual Report

Transportation

2020-2021

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and a comparison of actual performance results to desired results set out in the government's strategic plan, previously published in one volume entitled Measuring Up report.

This annual report of the Ministry of Transportation contains the minister's accountability statement, the financial information of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry including the Alberta Transportation Safety Board for which the minister is responsible; and
- other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, as separate reports, to the extent that the ministry has anything to report.

Each Ministry Annual Report should be considered along with the Government of Alberta Annual Report to provide a complete overview of government's commitment to openness, accountability and fiscal transparency.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2021, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 3, 2021 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Ric McIver
Minister of Transportation

Message from the Minister



Alberta Transportation stepped up to the challenge of supporting and protecting Albertans affected by the COVID-19 pandemic, ensuring that critical goods moved across the province, the country and the continent. I'm pleased to report on some of the ministry's achievements in this unprecedented year.

On the onset of necessary COVID-19 restrictions, Alberta Transportation responded by implementing temporary measures to support commercial truckers and maintain the delivery of critical goods, including exempting commercial carriers from municipal noise and delivery-time restriction bylaws, and removing provincial road ban restrictions and hours of service permits. The department made sure truckers had access to clean, stocked and open provincial rest stops, with additional portable washrooms installed at highway weigh scales, commercial vehicle inspection stations and visitor information centres. The department collaborated with industry to ensure that updated information for other services was readily available through 511 Alberta.

While in-vehicle road tests were suspended for all except frontline drivers in March 2020, the department developed a COVID-19 protocol for both driver and examiner safety, which allowed all road tests to resume in June 2020 to meet summer demand.

Alberta Transportation played a major role in Alberta's Recovery Plan by investing in strategic infrastructure projects to get people back to work and support the economy. In 2020-21, Alberta's government invested \$1.99 billion as part of a \$5.7 billion three-year commitment in the Transportation sector alone. As Albertans stayed at home to help prevent the spread, the department allocated an additional \$1.3 billion to 240 projects to maintain and build highways, bridges and interchanges, as well as for grants to municipalities for roads, bridges, community airports and water projects.

While responding to the COVID-19 pandemic was the driving priority for Alberta's government, Alberta Transportation moved forward with projects outlined in our government's mandate. We launched a new road test model in January 2021, with improved oversight and increased access for Albertans. In the first three months after launch, the number of passenger road tests completed by private examiners through Alberta registry agents skyrocketed to more than 60,000 tests, almost 15,000 more than under the government-run system.

To further support the commercial trucking industry, Alberta's government launched the new Driving Back to Work grant program in November 2020 to cover up to 90% of the cost of the Mandatory Entry-Level Training (MELT) for 300 truck drivers. The Driving Back to Work grant makes truck training more affordable, and creates hundreds of jobs for Albertans trying to earn a Class 1 commercial license. To support Class 3 licensed drivers who want to upgrade to a Class 1 heavy truck license, we launched the Experience and Equivalency program to recognize driving experience and lower the time and financial cost of upgrading. The department also cut red tape to make it easier for commercial vehicles to get on the road, by eliminating 10,000 outdated commercial carrier permits while maintaining stringent safety standards.

Alberta Transportation also took steps to protect roadside workers. During the winter months, the department launched a pilot project allowing snowplow operators to use flashing white strobe lights for better visibility, and began consulting with Albertans on new initiatives to improve safety for highway maintenance workers, snowplow operators, and tow truck drivers. In our commitment to make roads safe for everyone, SafeRoads Alberta formally launched last year, administering the toughest impaired driving laws in the country.

In 2020-21, we reached two historic milestones on the Calgary Ring Road: opening Tsuut'ina Trail, which is a 12-kilometre stretch from Glenmore Trail to Fish Creek Boulevard, and starting construction on the final leg of this important economic corridor, from Old Banff Coach Road to Highway 8. I am proud to be a part of this massive infrastructure project and look forward to finally finishing the 110 kilometre ring road for Calgarians.

In November 2020, Alberta's government passed the *Financing Alberta's Strategic Transportation (FAST) Act* to allow the use of tolls to finance and recover the cost of new or improved transportation projects. A new bridge on Highway 697 over the Peace River near Tompkins Landing will be the first project to move forward under this legislation, after receiving overwhelming support from both business and municipal leaders in northwest Alberta. The bridge would not be possible without the FAST Act, and will eventually replace an aging ferry to provide a safe, reliable transportation connection for businesses and locals to cut down on almost 1.5 hours of driving time to cross the river.

Alberta Transportation continues to make progress on the Springbank Off-Stream Reservoir project, to protect Calgary and Southern Alberta from future flooding. The department quickly and effectively responded to information requests from the provincial and federal environmental regulators, and prepared for the provincial environmental hearing in early 2021. I look forward to making progress on this important project in 2021.

While COVID-19 overshadowed the lives of all Albertans and dominated the work of our government in 2020-21, we still made great strides in providing a safe, efficient and reliable transportation network to create jobs, support Albertans, and protect lives and livelihoods in our province.

[Original signed by]

Honourable Ric McIver
Minister of Transportation

Management's Responsibility for Reporting

The Ministry of Transportation includes the Department of Transportation and the Alberta Transportation Safety Board.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the accompanying ministry financial information and performance results for the ministry rests with the Minister of Transportation. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including the financial information and performance results. The financial information and performance results, of necessity, include amounts that are based on estimates and judgments. The financial information is prepared using the government's stated accounting policies, which are based on Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – outcomes, performance measures and related targets match those included in the ministry's Budget 2020.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, Minister of Finance, and the Minister of Transportation the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Rae-Ann Lajeunesse
Deputy Minister of Transportation
June 3, 2021

Results Analysis

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Ministry Overview

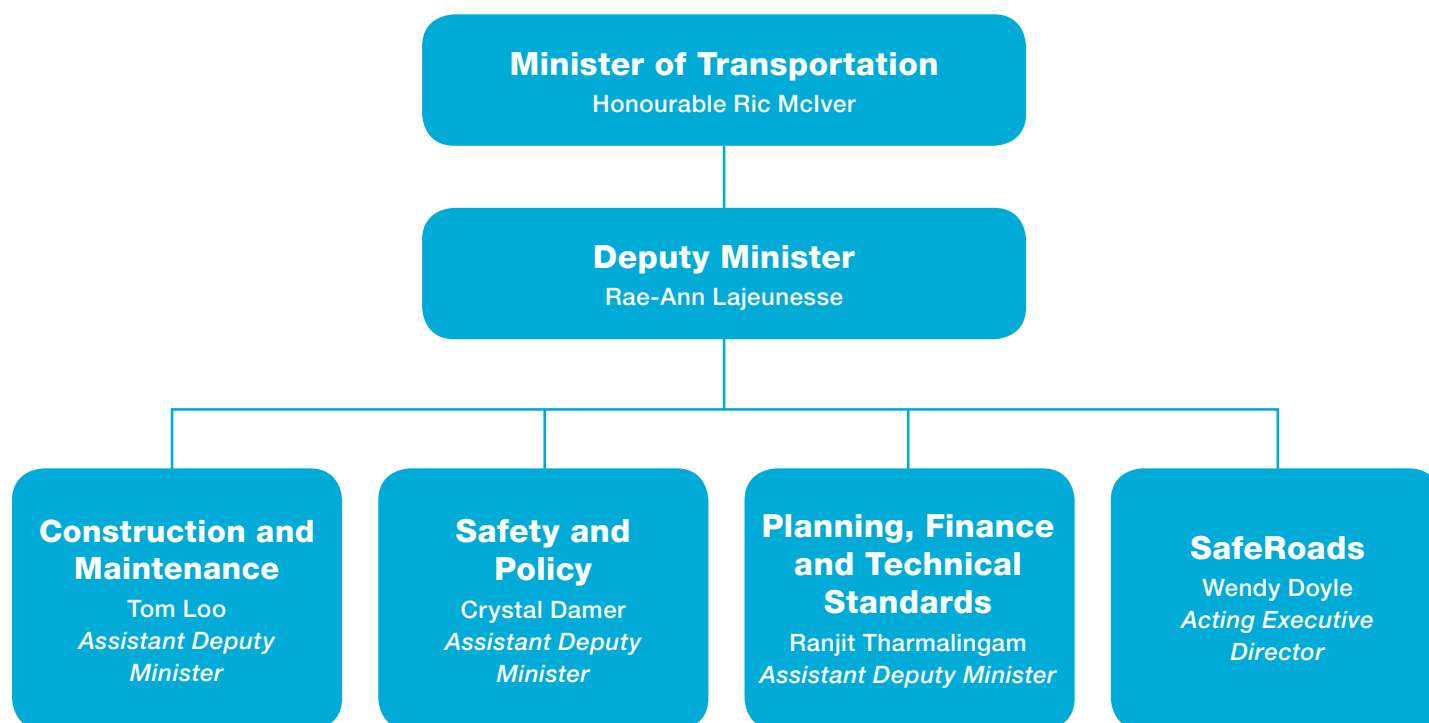
Alberta Transportation supports Alberta's economic, social and environmental success by building and maintaining a safe and efficient transportation system. This multimodal system supports economic development and job creation through the construction of key infrastructure projects that improve mobility and market access for industry, and enhances the quality of life for Albertans and communities through seamless connections to critical services and each other. The ministry focuses on improving transportation safety through driver safety, training and oversight programs as well as ongoing monitoring and maintenance of roads. As well, Alberta Transportation promotes resilient, connected and healthy communities by supporting the construction and maintenance of critical infrastructure for local communities, including roads, bridges, public transportation and water and wastewater infrastructure.

In 2020-21, the ministry worked to achieve the following outcomes:

- Outcome 1: Competitiveness, Market Access and Economic Growth: Alberta has a safe and efficient multi-modal transportation system that supports the economy
- Outcome 2: Long-term Sustainability and Affordability: Alberta can afford to maintain its existing transportation assets and invest in new strategic infrastructure
- Outcome 3: Connected and Active Communities: Albertans have inclusive and accessible transportation options in and between communities
- Outcome 4: Safety and Security: Transportation safety and security is enhanced through educational, regulatory, technological and infrastructure improvements
- Outcome 5: Innovation and Technology Integration: Alberta's transportation system adapts to new innovations and technologies
- Outcome 6: Environmental Stewardship: Alberta has a transportation system that is managed in an environmentally responsible and sustainable manner

Organizational Structure

As of March 31, 2021



This division is responsible for the delivery of provincial highway and bridge projects as well as the management of highway maintenance, operations and rehabilitation activities throughout the province.

Regional Offices oversee projects and delivery, including engagement with the public and stakeholders. This division is also responsible for the delivery of water management projects on behalf of Environment and Parks.

This division is responsible for traffic safety and transportation policy and legislation, setting standards and managing permitting of loads on the provincial transportation network.

It is also responsible for providing safety and compliance services for commercial carriers, dangerous goods and provincial rail systems.

This division develops, plans and implements transportation safety programs and strategies, and coordinates driver training, education, examination and monitoring programs.

This division is responsible for: capital program management, investment and long-term planning; traffic monitoring and modelling; financial planning and services; provincial grant programs; administering federal capital grant programs; business planning and reporting; records and information management; contract policy, process and management services; procurement of consulting and construction services; technical standards, including highway operational standards, 511 Alberta and Alberta EDGE, and emergency management and response support.

SafeRoads Alberta is a new branch in the ministry created as a result of the Provincial Administrative Penalties Act (PAPA), which came into force December 1, 2020.

The administrative adjudication branch is responsible for conducting reviews of administrative penalty disputes for impaired driving and vehicle seizures under the Traffic Safety Act.

Operational Overview

Alberta Transportation provides a safe and efficient transportation system to support Alberta's economic, social and environmental vitality.

The provincial transportation system supports Alberta's:

- **Economy:** by creating jobs, supporting opportunities in multiple sectors, reducing red tape to save Albertans time and money, encouraging business investment, and efficiently connecting people and goods to local and world markets.
- **Fiscal Framework:** by promoting financial sustainability, prioritizing maintenance over expansion and investing in new strategic infrastructure assets that ensure maximum value for money.
- **Communities:** by connecting Albertans to family and friends, work, schools, health care, recreation and communities across the province.
- **Safety and Security:** by providing safe transportation options to meet the needs of Alberta's growing population and promoting the safe movement of people and goods throughout the province's transportation system.
- **Innovation:** by adapting to rapidly evolving technologies and systems and using innovative technology and approaches to achieve outcomes efficiently and cost-effectively.
- **Environment:** by reducing transportation's impact on land, water and air and supporting access to clean and safe water and wastewater, enhancing Albertans' quality of life.

Key responsibilities of the Ministry of Transportation include:

- Maintaining and operating a financially-sustainable highway network to ensure the safe and efficient movement of people and goods.
- Planning, designing and constructing key infrastructure that enables economic growth and market access.
- Supporting the development of accessible, sustainable transportation mobility options for Albertans.
- Developing and implementing safety strategies to reduce transportation-related serious injuries and fatalities on Alberta's roads and promote safer road users, vehicles and infrastructure.
- Coordinating driver training, education and examination programs and driver fitness monitoring.
- Resolving administrative penalty disputes for impaired driving charges and vehicle seizures under the *Traffic Safety Act*.
- Overseeing commercial carrier, dangerous goods and provincial rail system safety and compliance.
- Designing, building and maintaining Alberta's water management infrastructure for the Ministry of Environment and Parks to enhance and improve water supply and protect Albertans during extreme flood events.
- Managing grant programs to help municipalities develop and maintain critical local transportation and water/wastewater infrastructure.
- Reviewing policies, programs and services on an ongoing basis to identify opportunities to eliminate unnecessary regulations and processes, reduce costs and improve service delivery efficiencies.
- Promoting Alberta's interests and collaborating with jurisdictions, partners and stakeholders to coordinate the development of transportation systems, standards and regulations, and promote market access.

Key Highlights in the Past Year

In 2020-21 Alberta Transportation delivered on commitments identified in the ministry's 2020-23 Business Plan, and continued day-to-day operations to support Albertans.

The ministry responded to the COVID-19 pandemic while successfully leading initiatives that invested in the province's highway network and kept the supply chain open to ensure the delivery of essential goods and services. Transportation implemented public health guidelines in all government facilities and worksites and enabled Alberta Public Service employees to work remotely, while continuing to deliver services to Albertans.

Transportation played a major role in Alberta's Recovery Plan by supporting jobs, promoting economic recovery and diversification and improving highway safety. Over \$1 billion in additional investment was announced in June 2020 for new capital construction, capital maintenance and renewal, ongoing highway maintenance and capital grant funding for critical municipal transportation and water infrastructure.

A number of major construction projects were completed in 2020, including a 12-kilometre stretch of the Southwest Calgary Ring Road and the new Peace River bridge in the town of Peace River.

Following discussions with business and municipal leaders in northwest Alberta, government introduced legislation to allow the collection of user fees, or tolls, to finance future major construction and expansion projects. The *Financing Alberta's Strategic Transportation Act* (FAST Act) was passed in December 2020. The first project identified under the act is a new bridge on Highway 697 to replace the aging La Crete Ferry.

The Springbank Off-Stream Reservoir (SR1) project significantly advanced through the federal and provincial regulatory approval process, which is required prior to construction. Parallel to regulatory activities, negotiations with landowners, as well as planning, engineering and coordination to support pipeline and utility relocation, continued in 2020-21.

A new road test model launched in 2020, offering passenger vehicle road tests by private examiners through Alberta registry agents. Commercial road tests will continue to be offered by government driver trainers.

Two new Mandatory Entry Level Training (MELT) initiatives to reduce the financial burden of obtaining a Class 1 licence were introduced in November 2020. The Driving Back to Work grant program provided help up to 300 unemployed Albertans train to get their Class 1 commercial truck driver licence. The Experience Equivalency Program helps Class 3 drivers get their Class 1 licence through a 40-hour Mandatory Entry-Level Training (MELT) program that builds on their experience.

On December 1, 2020, Transportation established SafeRoads Alberta, a new adjudication branch that conducts reviews and resolves administrative penalty disputes for impaired driving and vehicle seizures under the *Traffic Safety Act*. The new branch will reduce the burden on court and police resources while ensuring the safety of Alberta roads.

As of December 2020, Alberta had the toughest impaired driving laws in the country, with immediate and severe consequences for impaired drivers. Stronger penalties for impaired driving include fines of up to \$2,000, vehicle seizure up to 30 days, new mandatory education programs for repeat offenders and mandatory ignition interlock for repeat offenders.

Additional health care professionals, including nurse practitioners, were granted authority to conduct driver medicals and complete medical forms as of June 2020, increasing Albertans' access to services. A pilot project launched in September 2020 increased weights allowed for all-terrain cranes under single permits to save mobile crane companies and industries time and money. As of January 2021, new updates to the Commercial Vehicle Dimension and Weight Regulation eliminated an additional 10,000 unnecessary permits annually.

On June 9, 2020, Transportation announced the signing of a Memorandum of Understanding (MOU) with the Canada Infrastructure Bank (CIB) to assess the feasibility of a new passenger rail service between Calgary and Banff. The CIB is funding two studies to conduct a thorough analysis, with support from the Government of Alberta. Transportation also signed a MOU in August 2020 with TransPod Inc. to allow for the testing of hyperloop technology, in support of research and development efforts.

Discussion and Analysis of Results

Red Tape Reduction

The Ministry of Transportation is committed to the ongoing review of programs and services to ensure that the best possible outcomes are being achieved for Albertans. As part of this ongoing review, the ministry is committed to making life easier for hard-working Albertans and job creators by reducing regulatory requirements by one-third by 2023, and eliminating administrative burden through more efficient processes. This work will improve service delivery for Albertans; foster economic growth, innovation and competitiveness; create a strong and attractive investment climate; and make Alberta one of the freest and fastest moving economies in North America.

Competing demands and fast-paced change can affect Transportation's ability to meet Albertans' needs. To mitigate this risk, the ministry is focusing on reviewing ministry processes to improve efficiency, and adapting programs and regulations to respond to changing needs of communities, industry and Albertans. Transportation continued to identify time- and cost-saving opportunities for Albertans and Alberta businesses in 2020-21:

- A second phase of a red tape reduction initiative to update regulations under the *Traffic Safety Act* was completed, eliminating an additional 10,000 unnecessary commercial vehicle permits, while maintaining safety.
As of January 1, 2021, more than 15,000 outdated provincial commercial carrier permits have been eliminated to streamline processes and reduce costs for carriers. Saving carriers time and money by removing outdated regulations helps support the safe and efficient movement of goods across the province and drive economic growth.
- In response to a request in 2019 from the Crane Rental Association of Canada (CRAC), in September 2020 Transportation and CRAC launched a joint two-year pilot program allowing increased weights under single trip permits for all-terrain cranes operating without boom. Increasing all-terrain crane axle weights reduces the time required to prepare equipment for the road and the amount of equipment needed to transport cranes. The pilot program saves mobile crane companies and industries such as oil and gas, construction, mining and forestry significant time and money. The pilot program had significant uptake during the first few months since launch, with Transportation issuing 310 single trip permits.
- Transportation amended the Operator Licensing and Vehicle Control Regulation in June 2020 to enable health-care professionals, including nurse practitioners, to conduct driver medicals and complete driver medical forms. Before this regulation amendment, only physicians could complete driver medical examination forms in Alberta. The change improves access and choice for Albertans seeking driver medical exams, and reduces government's administrative costs associated with service delivery.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Reducing red tape

- As of January 2021, more than 15,000 outdated provincial commercial carrier permits were eliminated to streamline processes and reduce costs for carriers.
- In September 2020, a pilot project allowing increasing weights for all-terrain cranes under single permits launched, saving mobile crane companies and industries time and cost spent preparing equipment for transport.
- Additional health care professionals, including nurse practitioners, were granted authority to conduct driver medicals and complete medical forms in June 2020, improving access and choice for Albertans, and reducing administrative costs associated with service delivery.

Outcome 1

Competitiveness, Market Access and Economic Growth: Alberta has a safe and efficient multi-modal transportation system that supports the economy

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

Key Objectives

1.1 Implement transportation initiatives that promote economic growth in Alberta, and support opportunities in multiple sectors.

Budget 2020 invested \$5.7 billion over three years in the Provincial Construction Program for planning, design and construction of roads and bridges, Capital Maintenance and Renewal (CMR) funding for smaller construction and rehabilitation projects, water management and flood recovery projects, and capital grants. Transportation's Capital Plan included:

- \$2.3 billion for planning, design and construction of roads and bridges, including \$862.2 million in 2020-21;
- \$1.17 billion in CMR to rehabilitate and improve existing roads and bridges, slide repairs and conduct major maintenance, including \$411 million in 2020-21;
- \$286.3 million for water management and flood recovery, including \$57.9 million in 2020-21; and
- \$1.96 billion for capital grants, including \$609 million in 2020-21.

Investment in new and expansion of provincial highways was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 77 in the Other Financial Information section to review spending for this initiative.

Major Capital Plan projects supported economic growth in the province by creating jobs, improving the safe and efficient flow of industrial, commercial and commuter traffic, and enabling growth in multiple sectors. Some of these Capital Plan projects included:

- **Highway 1A expansion:** Widening and upgrading Highway 1A within the Stoney Nakoda First Nation will improve safety for tourists, commercial and local travellers. The highway is becoming an important economic link between Cochrane and Canmore and the Trans-Canada Highway, and is an access point to the Ghost Lake recreation area. The construction timeline for this \$76.5 million project is dependent on land transfer by the federal government. During 2020-21 project design was still ongoing along with regulatory permitting, and both activities will continue into 2021-22.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Building public infrastructure

- In 2020-21, \$1.1 billion was spent on planning, designing and building roads and bridge projects, as part of \$2.3 billion allocated over the next three years, to:
 - support job creation;
 - reduce bottlenecks and improve trading and industrial corridors; and
 - support multiple sectors, including recreation and tourism, agriculture, forestry, oil and gas, and sand and gravel.
- Major capital projects underway on key corridors, major industrial, manufacturing and high-load corridors and hubs included:
 - constructing the southwest and west segments of the Calgary Ring Road;
 - expanding the Edmonton Ring Road;
 - improving and twinning Highway 40 segments;
 - completing the new Peace River Bridge;
 - twinning Highway 15; and
 - constructing the Highway 834 Tofield bypass.
- In 2020-21, \$39.4 million was spent on the Strategic Transportation Infrastructure Program, with \$111.4 million in funding allocated to the program over the next three years. The program supports job creation and ensures sustained, local economic growth by providing cost-shared funding for critical local transportation projects to municipalities.

- **Highway 40:** Two significant projects were underway in 2020-21 on this important economic corridor that serves local residents and businesses, recreation and tourism, and the forestry, oil and gas, and sand and gravel sectors:
 - **Improvements on Highway 40 between the Kakwa River and Canfor intersection**, including 55 kilometres of paving, constructing 30 kilometres of passing lanes, and seven intersection improvements. Once complete in summer 2021, the project will improve safety on the corridor, particularly related to heavy industrial traffic.
 - **Twinning 19 kilometres** between the City of Grande Prairie to south of Township Road 700, including a second bridge over the Wapiti River. The Municipal District of Greenview, the County of Grande Prairie and the Government of Alberta worked together to accelerate this project, which started spring 2021.

Traffic has increased by approximately 70 per cent over the last five years on Highway 40, with approximately 10,000 vehicles travelling this segment daily – double the provincial average of heavy truck traffic. Once complete in fall 2023, the project will support economic growth by creating jobs and stimulating economic development and investment in the Grande Prairie area as well as northwestern Alberta.
- **Edmonton Ring Road – Southwest Anthony Henday Drive (AHD) expansion:** Budget 2020 allocated \$67 million to widen 18 kilometres of this critical transportation corridor from four to six lanes and rehabilitate existing lanes. The project began in November 2019 and is expected to be open to traffic fall 2022. Widening this section of the ring road will relieve congestion due to rapid development in southwest Edmonton and improve the movement of commercial and commuter traffic.
- **Calgary Ring Road:** In 2020-21, \$467.6 million was budgeted for work to complete the Calgary Ring Road, which once complete will provide more than 101 kilometres of free-flow travel around the city, improving access to hospitals, schools, workplaces and recreation, and reducing congestion within the city. The Ring Road will become part of a larger east-west trade corridor in Alberta and improve access to markets in and out of the province.
 - **Construction of the Southwest Calgary Ring Road**, underway since 2016, is being built as a public-private partnership (P3) to save costs and ensure the project is built on time. The first portion of the road (Tsuut'ina Trail) opened to traffic in October 2020, and the remainder of the southwest portion is on track to open in October 2021.
 - **The West Calgary Ring Road** is the final section of the Calgary Ring Road to be completed and has three phases. Work continued in 2020-21 on the first two phases, the West Bow River Bridge and north section. Both phases are expected to be complete in fall 2023. Construction was also underway on the south section, with a portion scheduled for completion in fall 2023, and the remaining sections to be finished by fall 2024.

In addition to Budget 2020 funding, new investment was announced in June 2020 as part of the Government of Alberta's response to the impacts of the COVID-19 pandemic. Alberta's Recovery Plan outlined timely, targeted investments to create new jobs, increase Alberta's competitiveness, reduce bottlenecks, accelerate economic diversification and ensure a strong, prosperous future for the province.

Transportation played a key role in Alberta's economic recovery in 2020-21, investing more than \$550 million in new capital construction projects across Alberta to create jobs and support multiple sectors.

Projects announced included:

- **Airdrie interchange:** Transportation and the City of Airdrie worked together to improve access to Queen Elizabeth II (QEII) Highway at 40 Avenue. Transportation will contribute up to \$21.1 million toward the estimated \$83-million project, to be delivered by the City of Airdrie. The project will create more than 300 jobs, and once complete will improve safety and reduce congestion experienced on QEII resulting from recent significant development in the Airdrie area – one of the fastest growing communities in Alberta. The interchange will support ongoing and future residential and commercial development, contributing to economic growth in the region.
- **Highway 3 twinning:** In July 2020, Transportation committed to twin 46 kilometres of this major economic corridor from Taber to East of Burdett, which will support about 755 jobs. Once complete, the twinned highway will drive economic recovery and diversification in southern Alberta. Highway 3 is a vital east-west link and major connector between Saskatchewan and British Columbia south of the Trans-Canada Highway. Preconstruction work on the \$150-million project began in 2020-21, and a contractor is expected to be procured in 2021-22. The twinning will support increased traffic as a result of new economic activity from agri-business and developments in southeastern Alberta, ensuring long-term economic growth and improving safety related to larger truck traffic accessing the highway. A feasibility cost-benefit analysis study completed in 2017 identified a nearly three-dollar economic return to the region for every dollar spent on building and maintaining Highway 3.
- **Highway 11 twinning:** Twinning 66 kilometres on Highway 11, the David Thompson Highway, from west Red Deer to Rocky Mountain House will create about 582 jobs and improve traffic flow for tourists and industry along this important recreation corridor. The \$120-million project will encourage future investment and ensure continued growth of the tourism industry in the Sylvan Lake and David Thompson region.
- **Highway 40 widening:** The \$50-million Highway 40 project will support about 256 jobs and includes widening a 36-kilometre stretch of Highway 40 between Wildhay River and Pinto Creek, and north and south of the Berland River. Widening the highway will address safety issues associated with narrow segments along the busy corridor, and support expanding natural gas developments, increasing forestry activity, and tourism and recreation activities.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Building public infrastructure

- In 2020-21, \$6.6 million was spent on additional funding announced in June 2020, part of over \$550 million in new project funding budgeted for the following key capital construction projects that were advanced to support jobs, economic diversification and the province's economic recovery:
 - Airdrie interchange construction;
 - Highway 3 twinning;
 - Highway 11 twinning;
 - Highway 40 widening;
 - South Bow River Bridge replacement; and
 - Terwillegar Drive expansion.

- **South Bow River Bridge replacement:** The estimated \$60-million project is anticipated to create about 244 jobs, and includes replacing the existing eastbound Stoney Trail bridge with a new, wider bridge over the Bow River, widening the westbound bridge, building a new stand-alone pedestrian bridge and improving nearby interchanges. Stoney Trail is a major trade corridor for the movement of goods in Calgary and the southern Alberta region, with more than 50,000 vehicles travelling over the South Bow River Bridge daily. Replacing the bridge will support critical sectors in Calgary, including aerospace and logistics, financial, energy, agri-business, technology and tourism.
- **Terwillegar Drive expansion:** Transportation is providing up to \$120 million to the City of Edmonton to expand Terwillegar Drive between the AHD and Whitemud Freeway. The project will create hundreds of jobs and includes building additional lanes, a dedicated bus lane, shared-use paths and improvements to the AHD overpass. Investment in Terwillegar Drive will ensure traffic moves efficiently in southwest Edmonton, the fastest growing area of the capital region.

Support to the roadbuilding industry

Pandemic factors impacting Albertans' mobility patterns and shifting behaviours resulted in the need for the ministry to adapt priorities and processes, to help serve Albertans effectively and support economic recovery.

Transportation worked with Alberta's roadbuilding industry in 2020-21 to resolve COVID-19-related concerns and impacts on projects, committing to remain flexible amid evolving circumstances. As further demonstration of these efforts, Transportation also appointed a COVID-19 Advisory Panel to provide advice and recommendations on how to resolve COVID-19 impacts on specific projects.

Transportation led a number of procurement initiatives to support industry, create jobs and help stimulate the economy. The ministry streamlined the contract award process and reduced processing time by 50 per cent, while doubling annual volume to support stimulus roll-out.

Keeping the supply chain open

The COVID-19 pandemic underscored the need for a safe, reliable and efficient transportation network, and the ministry worked to support carriers and keep the supply chain open in 2020-21, continuing the delivery of essential goods and services in Alberta. Transportation ensured rest stop washrooms were serviced and available for commercial carriers, and additional portable washrooms were installed in easily accessible areas, such as Commercial Vehicle Inspection Stations and Visitor Information Centres. The ministry also worked with industry to develop an interactive map on 511 Alberta for truck drivers seeking on-highway facilities and services, such as safety rest areas, restrooms, showers and nearby restaurant and food services.

Support to the aviation sector

The *Strategic Aviation Advisory Council Act* came into force December 31, 2020. Transportation will support the work of the Council, an ongoing aviation and aerospace strategy group that will make recommendations to government about future aviation- and aerospace-related priorities. In the near term, the Council will examine how this sector can support the province's economic recovery efforts. The COVID-19 pandemic has created an unprecedented crisis within the aviation sector, affecting airports of all sizes, airlines and other air-related services and activities.

1.2 Investigate opportunities to enhance access and mobility for transportation users, and support routes connecting major industrial, manufacturing and high-load corridors and hubs.

Construction was underway on a number of capital projects on critical industrial, manufacturing and high-load corridors and hubs in 2020-21. Once complete, these projects will help reduce congestion, improve travel times and increase safety for all road travellers.

- **The new three-lane Peace River Bridge** opened in November 2020, easing congestion and improving critical connections throughout the community for residents and industry. The project included twinning a portion of Highway 2 and interchange improvements on either side of the bridge. The new bridge is part of a \$162-million twinning project to improve access to business and services on both sides of the river. Upgrades to the eastbound bridge were announced in 2020-21 as part of Alberta's Recovery Plan. Once the eastbound bridge opens in fall 2022, the new bridge will accommodate westbound traffic, improving access to key resource areas and serving as an economic gateway to northwestern Alberta and the Northwest Territories.
- **As part of the Highway 15 twinning project**, construction of a second bridge over the North Saskatchewan River and twinning of three kilometres in Fort Saskatchewan continued in 2020-21 and is expected to be complete in fall 2022. Twinning this important service and trade corridor will improve access for industries, agricultural producers and businesses in the region. Economic development will also be supported by improving the connection between Fort Saskatchewan, Sturgeon County and the Industrial Heartland. Highway 15 is part of Alberta's high-load corridor, a network of roads, bridges and infrastructure supporting the safe and efficient transportation of over-dimensional loads. Maintaining and enhancing this network is critical in supporting long-term sustainable economic growth in the province.
- **Construction on the estimated \$20-million Highway 834 bypass project continued in 2020-21**, with significant grading work completed in 2020. The remaining phases of the project are expected to be complete by fall 2021. Highway 834 is a designated high-load corridor that sees more than 900 over-sized loads a year and currently runs through the middle of Tofield, past residential areas. By realigning the highway to the east, heavy traffic will be routed outside the town, improving travel for heavy trucks on this key corridor and transportation safety for Tofield-area residents.
- **Work to twin Highway 19** also continued in 2020-21, building on the first phase of the project between QEII and Range Road 253, which was completed in 2019. The second phase, twinning 3.5 kilometres between Range Road 261 and Highway 60, was tendered and awarded in 2020-21. Construction began spring 2021 and is expected to be complete in 2022. Highway 19 serves an important commercial and industrial region of Alberta, several area communities and the Edmonton International Airport. Twinning will help improve travel for commercial and passenger vehicles and enhance safety for all road users. Highway 19 connects to the QEII, a critical economic corridor that accommodates the movement of people, goods and services inter-provincially and internationally.

Calgary-Banff Rail study

Transportation announced signing a Memorandum of Understanding (MOU) with the Canada Infrastructure Bank (CIB) on June 9, 2020 to explore the feasibility of a passenger rail line between the Calgary International Airport, downtown Calgary and Banff. The CIB agreed to pay for two studies to assess the project's socio-economic impacts, capital costs and annual operating requirements, and annual funding requirements.

Banff is an important tourism destination in Alberta, attracting about four million visitors a year, and the growing number of visitors to the area is increasing traffic congestion on highways and local roads. Advancing strategic infrastructure investments such as a Calgary-Banff Rail project could help diversify Alberta's economy by supporting tourism, a key economic sector.

Deerfoot Trail corridor study, other planning studies

Deerfoot Trail's traffic volumes exceed more than 100,000 vehicles a day, making it the busiest road in Alberta. The Government of Alberta and the City of Calgary completed the Deerfoot Trail corridor study in 2020-21. The study, managed by the City of Calgary, lays out a plan for the development of Deerfoot Trail over the next 30 years and sets priorities for areas most in need of improvement. Transportation is currently developing the Deerfoot Trail Improvements project, to be implemented in 2021-22, based on recommendations contained in the study.

The ministry uses planning studies to inform and prioritize future capital investment in Alberta's economic corridors. Transportation initiated a study in 2020-21 to define expansion of Highway 16 between Edmonton and Stony Plain, to address congestion on this busy section of the northern leg of the Trans-Canada Highway.

Other studies approved or underway in 2020-21 include the following:

- Highway 2 and 12 interchange study
- Highway 2 at 338 Avenue at Okotoks interchange study
- Highway 3 from Pincher Creek to Fort McLeod twinning study
- Highway 11 from Red Deer to Eckville interim upgrades study
- Highway 11 from Eckville to Rocky Mountain House twinning and upgrade study
- Highway 15 through Lamont widening study
- Highway 40 south of the Canfor intersection – transportation network review
- Highway 64 Clear River East Hill slide repair planning study

1.3 Streamline processes and reduce red tape to make life easier for hard-working Albertans and businesses through promoting harmonized standards and regulations with jurisdictional partners, including through federal transportation legislation, and clearly communicate objectives to relevant stakeholders, while maintaining safety as a top priority.

The ministry continues to streamline processes and strengthen collaboration and partnership opportunities to support joint goals and improve service delivery for clients and stakeholders, with a focus on clear, consistent communication.

In addition to the major red tape reduction initiatives mentioned on page 13, Transportation introduced a number of temporary measures in 2020-21 to streamline processes and ensure the supply chain stayed open essential goods and services delivery during the COVID-19 pandemic, by:

- exempting commercial carriers from municipal noise and delivery-time restriction bylaws to allow the timely pick up and delivery of goods, including at night;
- removing provincial road ban restrictions;
- adding temporary hours of service exemptions; and
- extending training certifications to quality for safety permits, and exempting truckers from the fees for those permits.

The ministry continued to participate in federal-provincial discussions to support economic recovery and ensure the safe and effective movement of people and goods. In 2020-21, Transportation advocated to the federal government to:

- expedite the availability of federal supports to the transportation sector;
- ensure that additional COVID-19 testing required to maintain safety would not place an unnecessary burden or costs on travellers; and
- enhance Alberta's influence on critical strategic transportation infrastructure and services to enable market access.

As the ministry integrates new ways to meet the evolving needs of Albertans, clear communication ensures Transportation achieves ministry outcomes and maintains positive relationships with partners and stakeholders. The ministry is working toward improving understanding of client and stakeholder needs, with analysis and engagement; using more comprehensive methods in policy and program development and evaluation; and modifying and modernizing ministry processes to improve client-focused services.

Transportation continued to participate in the Pan-Canadian Competitive Trade Corridor Initiative, launched by the Council of Ministers Responsible for Transportation and Highway Safety in 2020. The initiative explores opportunities to expand access to other markets by enhancing the highways, railways, marine ports and airports.

In summer 2020, the Minister of Transportation assumed the role of co-chair of the Council of Ministers Responsible for Transportation and Highway Safety. The council of ministers forum provides an opportunity for Alberta to discuss initiatives that support economic recovery and improve the safety and efficiency of the transportation system with jurisdictional partners.

1.4 Support critical municipal road and bridge infrastructure that contributes to the resilience of local economics in rural and smaller urban communities.

Budget 2020 invested \$61.4 million over three years in the Strategic Transportation Infrastructure Program (STIP), allocating \$15 million for 2020-21. STIP was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 76 in the Other Financial Information section to review spending for this initiative.

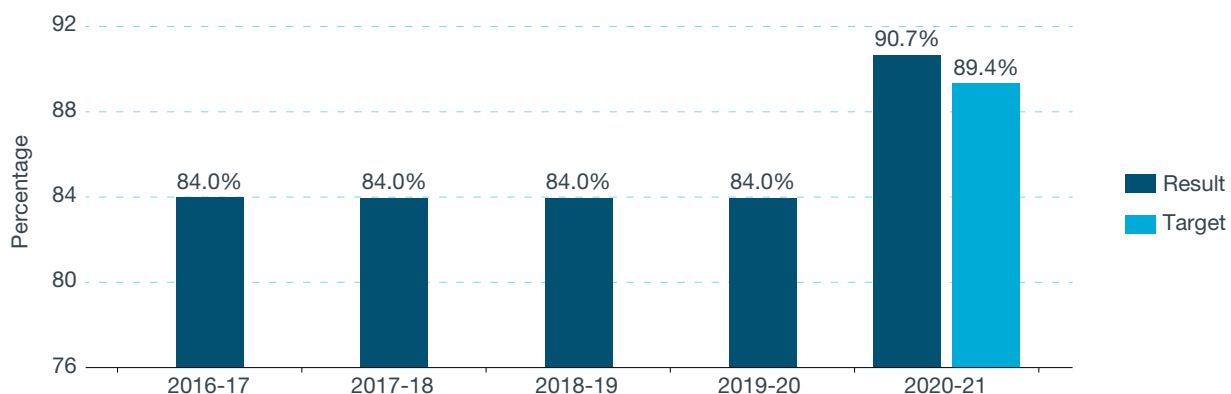
The STIP program funds bridge improvements, upgrades to roads and community airports, and other local initiatives to improve accessibility and contribute to the sustained growth of local economies.

Major STIP projects underway in 2020-21 included:

- replacing bridges for the County of Clearwater, Lac La Biche and the Municipal District of Peace;
- grading and rehabilitating in the Municipal District of Smoky River; and
- rehabilitating Highway Avenue and 1st Avenue in Fox Creek.

An additional \$50 million in STIP funding was announced as part of Alberta's Recovery Plan in June 2020, supporting an additional 70 projects and about 480 jobs. Funded projects include 62 bridge and culvert replacements, three significant resource road projects, four local municipal initiatives and one community airport runway upgrade.

The City of Camrose received \$1.6 million under the Community Airport Program in 2020-21 toward the \$2.2-million cost of resurfacing Camrose Airport's runway. The airport is a vital asset for agriculture, search and rescue and air ambulance, and serves the aviation needs of east-central Alberta.

Performance Measure 1.a:**Ring roads in Calgary and Edmonton: Percentage of combined ring road kilometres open to travel**

Description: This measure indicates the percentage of ring roads in Calgary and Edmonton open to multi-lane travel. The total corridor length when completed will be approximately 101 kilometres in Calgary and approximately 78 kilometres in Edmonton.

Rationale: The development of ring roads around the province's two major metropolitan areas is critical to the economic development of the province. While accommodating traffic growth in the Edmonton and Calgary regions, the ring roads also enable the efficient movement of goods and people into, out of and around the two metropolitan areas, improving access from the cities to the rest of Alberta and vice versa.

Results: At the end of fiscal year 2020-21, 90.7 per cent of combined ring road kilometres were open to travel. This resulted in the entire 12-kilometre section from Sarcee Trail to Fish Creek Boulevard opening to traffic. The 90.7 per cent result is 1.3 per cent higher than the 89.4 per cent target. This slight 1.3 per cent variance compared to target was a result of ensuring that the portion opened would provide the most effective traffic flow as possible.

Performance Indicator 1.b:**Alberta's exports by mode of transportation (\$ millions)**

Alberta's exports ¹ by mode of transportation ² (\$ millions):	Prior Years' Actuals				2020 Actual
	2016	2017	2018	2019	
Intermodal (rail and marine)	22,242	27,351	33,930	32,350	28,116
Road	7,141	8,110	9,472	10,259	8,891
Air	1,442	1,694	1,891	2,094	1,826
Total exports¹	30,825	37,155	45,293	44,703	38,833

Notes:

¹ Only merchandise exports, excluding commodities transported by pipelines.

² The reported figures are subject to future revisions by Statistics Canada.

Description: This indicator is included to show progress toward achievement of support for long-term economic outcomes beyond the impact of current government activities and is significantly affected by external factors not directly influenced by the ministry.

Rationale: The ministry is helping to support a diversified provincial economy by ensuring all users have access to a transportation system with a variety of modes to safely transport products and people, from origin to destination, within Alberta, across Canada and internationally. While economic recovery was ongoing in 2020-21, the ministry's continued investment in modern transportation infrastructure is crucial to facilitating trade and encouraging and supporting economic activity for years to come.

Performance Indicator 1.c:

Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System

Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System:	Prior Years' Actuals				2020-21 Actual
	2016-17	2017-18	2018-19	2019-20	
Licensing	31,094	32,888	32,998	32,078	30,156
Overweight	108,224	115,104	119,483	114,819	90,187
Oversize	26,742	27,657	28,956	26,462	22,281

Description: This indicator supports the ministry to make decisions that support routes serving major economic corridors and hubs and enhance mobility for transportation system users. It is included to show the total number of single trip/multi-trip licences, overweight single trip/multi-trip and oversize single trip/annual trip permits issued to the commercial carrier industry in Alberta during a fiscal year. Regulated weight and size limits, as well as configurations for commercial vehicles operating in Alberta, are set out in the Commercial Vehicle Dimension and Weight Regulation under the *Traffic Safety Act* (TSA). Section 62 of the TSA allows for the permitting of vehicles that do not conform to the TSA and associated regulations.

Rationale: Permit data provides some indication of network usage to assess travel demands and costs to the provincial highway network. The department has also eliminated outdated commercial carrier permits to streamline and reduce costs for carriers. Commercial vehicle permits help track and facilitate the movement of oversized commodities, minimize damage to the road infrastructure and ensure the safety and efficient travel of the public sharing these roads. The province promotes economic development and diversification in Alberta by implementing transportation initiatives that support the safe and efficient movement of large loads and equipment by commercial vehicles.

Outcome 2

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 Objectives

2.1 Continue to implement an asset management approach to support strategic decision-making when building new assets and maintaining existing assets, taking into account life-cycle costs, and economic, safety and environmental impacts.

Asset management is a critical part of managing the province's more than 31,400 kilometres of roads (the equivalent of nearly 64,000 lane kilometres), which includes more than 28,000 kilometres paved and about 4,600 bridge-size structures. The ministry continued to use strategic planning approaches in 2020-21 to plan investments and ensure the extensive network meets the needs of Albertans, while preparing for future changes that may impact the system.

The ministry continued to refine its asset management approach to guide capital investment decisions for existing transportation infrastructure to preserve assets and minimize their overall cost, ensuring financial sustainability.

During the capital planning process, Transportation considers a variety of factors when prioritizing projects, including cost-benefit analysis, potential economic, safety, social and environmental impacts, and construction readiness. Emerging regional priorities, municipal stakeholder needs and cost-sharing opportunities are also considered.

Transportation identified gaps and needs in Alberta's highway network in 2020-21 by:

- assessing road conditions to determine paving needs;
- inspecting bridges to determine bridge rehabilitation and replacement needs;
- inspecting and monitoring geo-hazard sites, such as landslides, rock falls and embankment failures, to assess the risk posed to the safety and efficiency of the highway network and to identify sites for repair;
- analyzing collisions, to indicate where safety improvements may be required; and
- collecting traffic data to evaluate highway operation efficiency, and determine twinning, widening and intersection reconfiguration needs.

2.2 Partner with the federal government to fund transportation infrastructure.

The Government of Alberta continued to work with the Government of Canada in 2020-21 to invest in municipal transportation and water infrastructure projects. Leveraging federal funding ensures maximum value for Albertans is achieved, by sharing project costs between jurisdictions.

Transportation continued to administer a number of grant programs on behalf of the federal government, including the Public Transit Infrastructure Fund (PTIF) and Investing in Canada Infrastructure Program (ICIP).

In 2020-21, \$43.8 million in PTIF funding was provided to municipalities. Utility relocation for the Green Line LRT project's central and north corridors in the City of Calgary and farebox upgrades in the Bow Valley were major projects completed in 2020-21.

ICIP funding in 2020-21 totalled \$374 million and was distributed across four streams: Public Transit, Green Infrastructure, Community, Culture and Recreation and Rural and Northern Communities. For all ICIP streams funding municipal projects, the province contributes at least one third of the total project cost.

The City of Calgary and the City of Edmonton will receive a total of \$3 billion over the next decade to advance LRT development. The LRT projects will improve accessibility and connectivity within the two cities and reduce traffic congestion and greenhouse gas emissions.

A number of critical water and wastewater projects funded through ICIP were also announced in 2020-21:

- Bashaw lagoon upgrade;
- Highway 12/21 Regional Water Services Commission completion of phase six and seven of the regional water transmission line;
- Provost water treatment plant upgrade;
- Ryley lift station upgrade ;
- Taber water treatment plant;
- Town of Raymond wastewater treatment system expansion;
- Vermillion River completion of the water transmission system; and
- Wainwright lagoon rehabilitation and lagoon upgrade.

Transportation worked closely with municipalities in December 2020 to reallocate \$112.5 million in funding for applicable projects previously approved under the Investing in Canada Infrastructure Program funding to a new temporary COVID-19 Resilience stream. The new federal funding stream provides support to fund quick-start, short-term projects in response to the impacts of COVID-19, such as COVID-19 response infrastructure supporting measures for physical distancing.

2.3 Implement flexible and cost-effective approaches to ensure highway operations and maintenance programs achieve the best value for investment and the most effective results for Albertans.

Transportation continued to monitor and explore the development of emerging innovations such as durable line painting options and alternate surface seal options, to ensure Albertans receive best value for money on construction techniques. In 2020-21, the ministry explored ways to improve the durability of asphalt mixes. Two different methods to increase asphalt content were tested across six trial projects in 2020, and performance monitoring and further trial projects are planned.

Transportation has several P3 arrangements with the private sector for capital projects and continued to explore P3 opportunities for new projects in 2020-21. In a P3, the contractor is responsible for designing, constructing, maintaining and, for some types of infrastructure, operating the asset for an extended period of time. Alberta's P3 model for highways allows for additional improvements sooner than through conventional delivery, and includes operations and maintenance for a 30-year period.

2.4 Implement capital investments to support economic development and social needs of Albertans.

Budget 2020 allocated \$411 million for Capital Maintenance and Renewal (CMR) projects in 2020-21 to extend the life of existing transportation assets and protect Albertans' investment. Transportation considers the strategic importance of infrastructure when planning CMR projects, such as whether the project supports key economic corridors and major commuter routes that support the safe and efficient travel of industrial, commercial and commuter traffic. CMR projects preserving the highway network also helps ensure Albertans remain connected to their family and friends, schools and services, contributing to vital communities.

Capital investment to rehabilitate pavement in 2020-21 and implement preventative measures and repairs over the next several years totalled \$321.2 million in Budget 2020. In 2020-21, 960 kilometres of pavement rehabilitation projects were underway and 830 kilometres (1,660 lane kilometres) were completed. This is an increase from 2019-20, when 810 kilometres were paved.

An additional \$65 million was allocated toward bridge construction and replacements in Budget 2020, with 53 bridge projects underway during 2020-21.

Subsequent to the approval of Budget 2020, the province announced the Alberta Recovery Plan in June, in response to the economic impact of the COVID-19 pandemic. As part of this plan, an additional \$404.5 million was approved to support 109 CMR projects over the next several years. This plan also provided an additional \$60 million to repair potholes and complete other safety measures. The stimulus investment was targeted to deliver improvements to important assets, keep businesses operating and get Albertans back to work by creating approximately 5,000 jobs for shovel-ready projects in every region of the province.

CMR was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 77 in the Other Financial Information section to review spending for this initiative.

2.5 Extend the life of provincial highway surfaces by prioritizing rehabilitation instead of building new infrastructure.

Transportation focused on extending the life of existing assets over new expansion projects by prioritizing funding for CMR projects. This investment in ongoing highway rehabilitation, major maintenance and bridge construction project supports jobs and provides stability to the construction industry during economic recovery. The ministry's top priority in 2020-21 was to repave highways that serve as primary trade corridors for Alberta's energy sector, support industry and help get Alberta goods to market.

In 2020-21, \$25 million was allocated to the Major Maintenance Program, a capital investment program that extends the useful life of highways and bridges. Work underway as part of this program included short-length repaving (typically less than 500 metres long), concrete bridge deck repairs and culvert replacements.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Building public infrastructure

- In 2020-21, \$374.3 million was spent on Capital Maintenance and Renewal (CMR) projects, as part of the \$411 million Transportation was approved to spend in Budget 2020.
- Transportation also spent \$113.2 million on additional CMR funding announced in June 2020, as part of \$404.5 million budgeted over the next three years to support Alberta's economic recovery.
 - This investment for shovel-ready jobs supports job creation and preserves the existing highway network.
- Work underway to maintain the provincial highway network in 2020-21 included 53 bridge projects and 960 kilometres of pavement rehabilitation.

More than \$306 million was invested in 2020-21 to rehabilitate about 830 kilometres of Alberta's nearly 64,000 lane-kilometres of highways. Rehabilitation strengthens and extends the life of the asset by approximately 20 years and the ministry was able to stabilize the physical condition of provincial highway surfaces that are in poor condition in 2020-21.

2.6 Investigate opportunities for alternative funding to support the long-term sustainability and affordability of transportation infrastructure.

In December 2020, the *Financing Alberta's Strategic Transportation Act* (FAST Act) came into force, enabling Alberta's government to pay for new or expanded transportation roads and bridges by collecting tolls or user fees.

The FAST Act allows tolls or user fees for select projects if the following criteria protecting Albertans is met:

- there must be a toll-free alternative unless the community says otherwise;
- the government must consult with affected communities before any user-free project is built;
- the government will not implement a toll on existing infrastructure; and
- revenue collected can only be used to recover the cost of building and operating the road or bridge, and the user fee will end once the capital cost is paid off.

The first project under the FAST Act will be the construction of a new Highway 697 bridge over the Peace River to replace the winter ice road crossing and aging La Crete Ferry. In August and September 2020, the ministry met with municipal, Indigenous and industry stakeholders in the La Crete area in response to letters from Mackenzie County and La Crete Chamber of Commerce that indicated their support for the use of road user fees to finance a new bridge to replace the La Crete Ferry.

A new bridge will reduce travel times and congestion, improve transport of goods and services and attract investment to the region. Currently, seasonal crossings are closed 30 per cent of the year and are often disrupted by poor weather and wait times of up to three hours during peak periods. Further planning, regulation development, design, acquiring land and permitting for the bridge is being pursued over the coming years.

In 2020-21, Transportation worked with the CIB to study the financial viability of new capital projects. This included working with CIB on a Calgary-Banff Rail feasibility study under an existing MOU, and another MOU for the La Crete Bridge project for pre-engineering and project viability analysis work was under development. The CIB is a Crown Corporation established in June 2017 that invests in infrastructure projects that are in the public interest. Leveraging CIB capital will enable new projects to advance quicker and cost-effectively, supporting economic recovery and long-term growth for the province.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Building public infrastructure

- Transportation investigated opportunities in 2020-21 for alternative funding to support the long-term sustainability of transportation infrastructure and encourage private investment, including:
 - Implementing the *Financing Alberta's Strategic Transportation Act* to fast-track infrastructure projects such as the La Crete Bridge. Replacing the aging La Crete ferry will improve the safe and efficient movement of goods in the region and attract new investment to the region.
 - Working with the Canada Infrastructure Bank to explore the feasibility of developing a high-speed rail between Calgary and Banff. The potential \$1-billion project would help diversify Alberta's economy by supporting tourism, a key economic sector, and future investment.
 - Exploring other cost-sharing opportunities, including public-private partnerships, for future strategic infrastructure projects.

Budget 2020 included \$4 million in 2020-21 and almost \$110 million over the next three years to fund improvements to Deerfoot Trail in Calgary. Planning and preliminary engineering for the project, as well as a business case confirming the project would provide value for money, were both completed in 2020-21.

The Deerfoot Trail is increasingly congested with traffic also is a critical segment of a major CANAMEX Corridor connecting Calgary to Edmonton and links Canada to Mexico through the United States. Procurement for the upgrades is anticipated to get underway in early 2021 and construction is anticipated to start in 2022. Using Alberta’s P3 model for highways will allow for additional improvements sooner than through conventional delivery, including maintenance and rehabilitation for a 30-year period.

Transportation continued to explore additional cost-sharing opportunities for infrastructure expansion projects that support job creation and economic development and accelerate construction in 2020-21.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

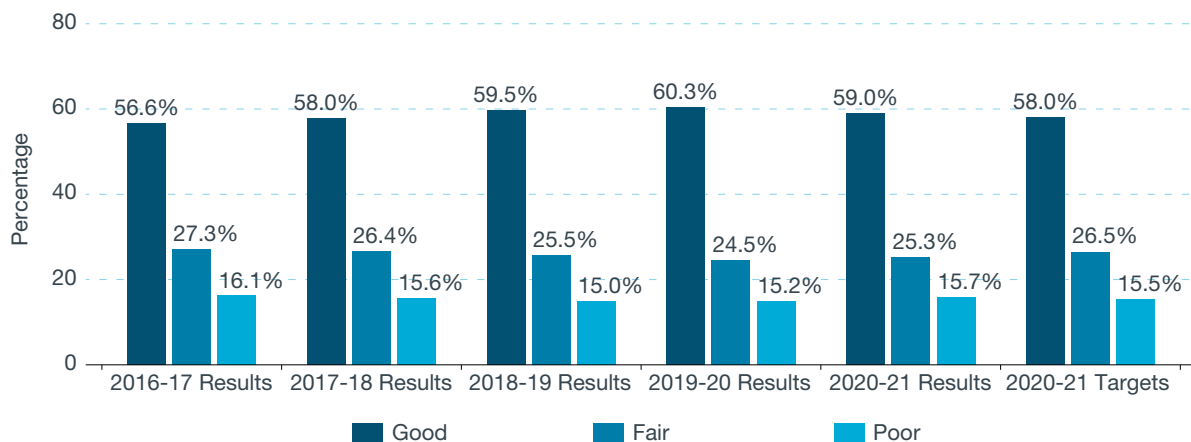
Objective:

Building public infrastructure

- In 2020-21, \$6.3 million was spent on funding improvements to Deerfoot Trail in Calgary, as part of almost \$110 million in funding allocated to the project over the next three years.
- The improvements will ease congestion and improve safety on the major north/south road that forms part of the major CANAMEX Corridor connecting Calgary to Edmonton and the United States.
- Using Alberta’s P3 model for highways improves Albertans’ value for money, allowing more improvements to be delivered sooner on this critical route.

Performance Measure 2.a:

Physical condition of provincial highway surfaces



Note:

The targets for physical condition of provincial highways were set and are reported as good, fair or poor as follows:

- Good:** Adequate for intended use and expected to provide continued service life with average maintenance.
- Fair:** Aging components are nearing the end of their life-cycle and require additional expenditures for renewal or refurbishing.
- Poor:** Upgrading is required and deterioration has reached the point where major repairs or rehabilitation is necessary.

Description: This measure defines the percentage of the paved highway network that is in good, fair or poor condition. International Roughness Index (IRI) is used to measure the roughness of roads and this measure is the only measurement used to categorize overall physical condition. Highways in poor condition are generally those that require work now or in the near future but are still safe for travel.

Rationale: The measure is used to assess the condition of the paved highway network, in support of efficient movement of commuter, business, personal and commercial traffic. The preservation of pavement condition through regular rehabilitation reduces the total life-cycle cost of the highway system, improving return on investment for Albertans.

Results: Capital pavement rehabilitation and operating maintenance improvements completed through the year continued to invest in sustaining provincial highway surface condition and prolonging the life of pavement, but the effectiveness of these improvements over the entire network can be hampered by weather events like the number of rainy days during construction season, and the number of freeze-thaw cycles. The percentage of highways in good or fair condition has decreased by 0.5 per cent; however, the performance results have stabilized around 84 per cent for the past few years. The ministry continues to explore and implement innovative approaches such as improved pavement distress assessment and enhanced asset management to maintain the highways under increased traffic flow. The ministry uses these new processes to identify highways with highest needs for repair and apply strategies to reduce life-cycle cost for maintaining the highway network. The combined percentage of highways in good and fair condition (adequate for intended use and expected to require average maintenance) decreased slightly to 84.3 per cent, below the combined targets for highway in good and fair condition by 0.2 per cent. The amount of poor highway surfaces (those that have reached the point that major repairs or replacement is necessary) has increased slightly, from 15.2 per cent last year to 15.7 per cent and slightly above the 2020-21 target of 15.5 per cent. In the 2021-24 Transportation Business Plan, the ministry has anticipated that pavement condition will remain at 15.5 per cent poor for 2021-22 with the completion of economic stimulus projects. The provincial highway system plays a key role in supporting the economy and connecting communities. The improvements to pavement quality help to enhance product movement and efficient travel for all road users.

Outcome 3

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 Objectives

3.1 Promote safe, affordable, accessible and environmentally sustainable public transportation options for Albertans.

Budget 2020 included \$59.8 million in 2020-21 to fund the Green Transit Incentives Program (GreenTRIP). GreenTRIP was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 76 in the Other Financial Information section to review spending for this initiative.

Of the 10 GreenTRIP projects receiving the highest funding in Budget 2020, Edmonton had six projects underway, including electric buses to grow the fleet, the Metro LRT project, design for the LRT system expansion, the Heritage Valley Transit Centre and Park and Ride, Regional Smart Fare project and the Valley Line expansion project. Three of Edmonton's projects have a matching federal component to assist with funding.

Additional GreenTRIP project funding highlights in 2020-21 included:

- a new Transit Maintenance Facility in Wood Buffalo;
- a South Transit Station and Park-and-Ride Transit Terminal in St. Albert;
- a Transit Storage and Maintenance Facility in Airdrie; and
- Park-n-Ride Lot Development for the Bow Valley Regional Transit Services Commission in Banff; and
- a new heated transit storage centre near the Fort McMurray International Airport.

Two Fort McMurray bus bay turnouts and heated shelters in Fort McMurray officially opened in October 2020. The \$10-million project was provided \$6.5 million in GreenTRIP funding and \$3.5 million in PTIF funding and will improve the travel experience for transit users, making trips safer, more efficient and more comfortable.

The provincial government maintained its commitment to the Edmonton and Calgary LRT projects, which includes providing more than \$1.5 billion for the Calgary Green Line and nearly \$1.5 billion for Edmonton's West Valley Line and Metro Line Expansion and Capital Line South Extension LRT projects. The majority of provincial funding will be provided after 2022-23, following a thorough review of both the Calgary Greenline and Edmonton West Valley Line. Access to federal funding for the projects remains unchanged.

3.2 Work with partners to support innovative, cost-effective transportation options that better connect Albertans to critical services and each other, and support access to modern transportation services in rural and urban communities.

The last pilot project of the Rural Transportation Pilot Program will end in 2021-22. The \$3.6-million program was launched in 2018 to improve public transportation options in rural areas, focusing on improving public transportation services between Alberta’s mid-sized urban centres and their surrounding communities.

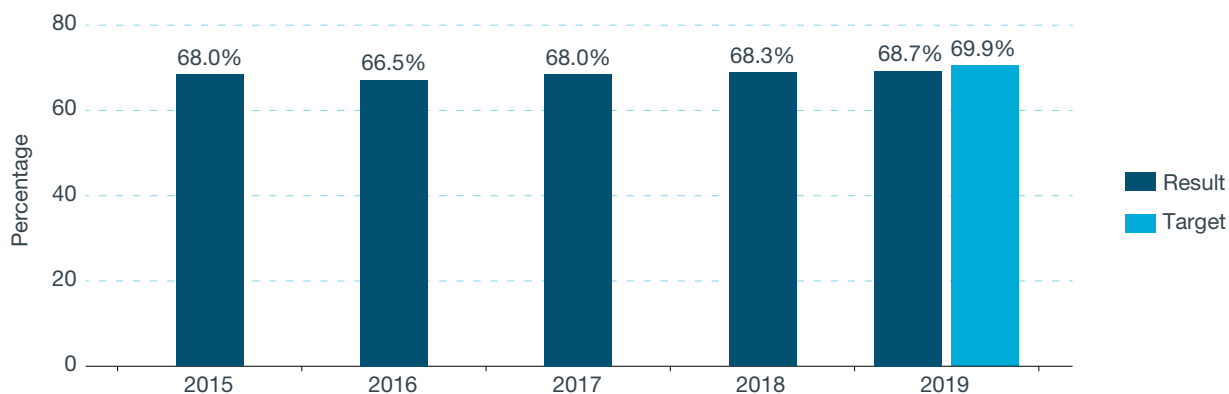
COVID-19 significantly reduced ridership for the program in 2020-21, resulting in the cancellation of two of the six projects: the City of Camrose’s ride share project and the County of Grande Prairie’s bus service. Four projects offered through the County of Red Deer, Municipal District of Spirit River, the City of Medicine Hat and the City of Camrose remained operational throughout the year.

In 2021-22, Transportation will evaluate the effectiveness of the Rural Transportation Pilot Program and determine a future approach to supporting public transportation for rural Albertans.

In February 2021, the federal government announced \$14.9 billion for public transit, allocating \$5.9 billion for shovel-ready projects and \$9 billion to establish a permanent transit fund. Out of the \$14.9 billion in funding, \$250 million is set aside for rural transit over a five-year period. Further details have yet to be released by the federal government on the overall funding envelope for public transit.

Performance Measure 3.a:

Transit access in Alberta: Percentage of Albertans that have access to transit service



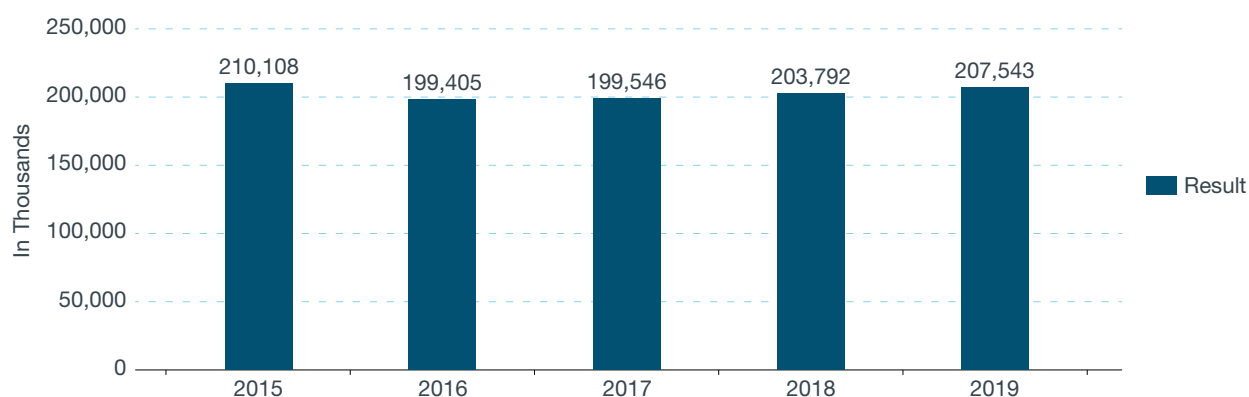
Description: The population of the municipalities with access to regular conventional transit services, divided by the total population of the province.

Rationale: Albertans use transit services every day to get to work, go shopping and access critical services like health care. Some of the people that rely on transit are among the most vulnerable, including seniors, low-income families and people with disabilities. The ministry supports a variety of projects, programs and policies that aim to increase the number of Albertans who have access to transit services. Programs such as GreenTRIP and support for LRT expansion in Edmonton and Calgary provide funding for municipalities to expand and improve their transit systems.

Results: The percentage of Albertans who had access to transit services was 68.7 per cent, which is 1.2 per cent below the 2020-21 target of 69.9 per cent. While performance is improving over time since 2016, the 2020-21 decrease from the target can be attributed to an increase in Alberta’s population, as the service area for access to transit was lower compared to forecasted estimates. This performance also focuses on expansion of services. Improvements such as upgrading and replacing one transit system with another (bus to LRT), which does not increase service area, are not reflected in the result. The result is 0.4 per cent more than the previous year result. In 2019 (most recent data available) some of the results of the ministry’s support for transit programs and initiatives continue to show an impact, including the Public Transit Infrastructure Fund introduced in 2016. Going forward, the ministry will continue to watch over the overall progress of results to ensure support implemented will best reflect a positive impact on transit access. Results are collected by calendar year and the latest data set is from 2019 and validated in 2020. The Government of Alberta’s investments in public transportation helped municipalities expand their transit service into new service areas. Some Albertans also gained access to transit services by moving into communities that have transit systems.

Performance Indicator 3.b:

Transit ridership in Alberta (in thousands): Number of passenger trips taken on regularly scheduled service in Alberta’s transit system



Description: The total number of passenger trips taken on transit systems across Alberta during regularly scheduled service. Trips requiring transferring from one vehicle to another are only counted once.

Rationale: More people using transit in Alberta can create more economic opportunities and reduce traffic congestion, air pollution and greenhouse gas emissions. The ministry supports a variety of projects, programs and policies that aim to increase public transit ridership in Alberta, including GreenTRIP and the expansion of LRT in Edmonton and Calgary. These programs are helping to fund projects that once complete, will improve customer experience and increase transit ridership. Results are collected by calendar year and the latest data set is from 2019 and validated in 2020. There are a number of factors that affect transit ridership in Alberta, including shifts to telecommuting, gas price fluctuations, vehicle ownership, parking availability, the quality of bus service and the economy. Also, the COVID-19 pandemic in 2020-21 will significantly impact ridership levels for near future data, and is expected to return to more normal levels in upcoming years. Improving accessibility and providing more public transportation options leads to greater transit ridership.

Outcome 4

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 Objectives

4.1 Continue to implement transportation safety strategies and infrastructure enhancements to improve road safety, supporting Alberta and Indigenous communities to promote traffic safety and prevent transportation-related deaths and serious injuries on Alberta's roads.

The transportation system encompasses multiple complex and interrelated elements. Many factors have the potential to impact the safety and security of road users on the network, including changes in driver behaviour, evolving infrastructure and vehicles, increased demand and other hazards such as adverse weather events. The ministry works proactively to mitigate these factors with rapid, coordinated delivery of response to transportation system disruptions and implementation of safety strategies, programs, enhanced infrastructure and technology.

Traffic safety promotion

In 2020-21, the ministry continued its efforts to promote traffic safety awareness through social media and other cost-effective means. Promoting traffic safety focuses on motivating drivers to adopt more safety-conscious behaviours when travelling on Alberta roads.

In November 2020, Transportation announced a pilot program allowing snowplows in Alberta to use white strobe lights to increase their visibility during inclement weather. Permanent and portable digital signs reminded motorists about roadside workers on highways and a social media campaign ran December 2020 to March 2021 to educate Albertans about the need to drive cautiously when passing snowplow operators and tow trucks.

The ministry worked with stakeholders to produce the annual Traffic Safety Calendar to provide a province-wide approach to highlight traffic safety issues each month, such as impaired driving and school safety. The calendar is used by Transportation, enforcement agencies and traffic safety stakeholders to align enforcement activities with education initiatives across the province.

Two traffic safety outreach consultants supported municipalities and community organizations to deliver local traffic safety campaigns and initiatives.

Traffic safety infrastructure improvements

Transportation continued to invest in infrastructure safety improvements such as intersection safety upgrades, new interchanges and safety rest areas.

Work began in 2020 to convert two intersections into roundabouts to help improve traffic flow and reduce collisions. The intersection at Highway 566 and Range Road 11 is changing from a four-way stop to a two-lane roundabout and is anticipated to be complete by September 2021. The intersection is frequently used by Rocky View County and City of Airdrie commuters to bypass the QEII Highway to get to Calgary.

Construction on the two-lane roundabout at Highway 28/Highway 831, west of Waskatenau was also underway in 2020-21, and work will continue into summer 2021.

Design work started on a new wildlife overpass and fencing project between Highway 1 west of Highway 1X in 2020-21, in order to improve public safety along this busy corridor.

Transportation also began to design Alberta's first-ever animal detection system aimed at reducing animal-vehicle collisions along Highway 22 in 2020-21. Improvements to a wildlife passage along Highway 3 at Rock Creek was also in the design phase. Safety mitigations will include the installation of wildlife fencing to guide wildlife to a new, larger culvert structure.

Commercial safety rest areas

Transportation identified the potential development of 30 new safety rest stop areas with commercial facilities. Safety rest areas are designed to reduce accidents caused by driver fatigue. These facilities give drivers a safe place to pull off the highway to take a break from driving, address any vehicle issues or use available facilities. Safety rest areas also give long-distance haulers a place to take a legally-required break. Currently, there are more than 400 safety rest areas in the province that provide points of interest, scenic viewpoints, as well as brake check areas and chain on/off areas across the provincial highway network.

The ministry is open to exploring partnership opportunities to construct commercial safety rest areas, and preparation for a request for proposals for privately-operated sites across the province on government-owned land, planned for release in 2021, was underway.

Work with private partners to improve northbound parking opportunities on Highway 2 near Bowden was also ongoing, and the ministry will continue to explore future opportunities and locations.

Photo radar

In November 2019, Transportation announced a temporary freeze on photo radar programs. The freeze prohibits municipalities from installing new photo radar equipment, upgrading existing photo radar devices and adding new photo radar locations. Transportation engaged with municipalities and law enforcement in 2020-21, and is examining how photo radar guidelines can be improved to ensure it is being used for traffic safety, and not for revenue generation.

4.2 Enhance the province's driver examination system to ensure high standards for reliable and cost-effective services across Alberta, including improved road test wait times, safety and service delivery.

After a temporary suspension to all road tests in March 2020 due to the COVID-19 pandemic, road tests resumed for commercial carriers, agriculture and bus drivers at the end of April and expanded in early June to include all Class 1 to 4 drivers and healthcare workers needing a Class 5 advanced licence. The ministry maintained delivery of commercial licences in 2020-21 to ensure new measures previously introduced in 2019-20 continued to be effective, improving the safety of all road users.

Road test appointments opened to all Albertans for all classes of licences at the end of June.

Road tests followed strict health and safety protocols, including health screening, use of personal protective equipment, social distancing where possible and disinfection of the interior of vehicles to ensure safety for driving examiners and clients during examinations.

A new road test system was launched in January 2021 to offer quicker access to more road tests for Albertans across the province and save taxpayers up to \$12.1 million a year.

The new approach offers passenger vehicle road tests for Class 4, 5 and 6 driver licences by private examiners through Alberta registry agents. Commercial road tests continue to be offered by government driver examiners.

A new online booking system connects drivers directly with their local registry agent, and drivers also have the option to book tests in person at their local registry office.

The new system has more driver examiners conducting road tests outside of normal government hours, and each road test is electronically monitored to ensure safety on Alberta's roads. The successful transition of the road test model has increased test availability, reduced wait times and delivered on Transportation's commitment to improve service.

The new system was based on public survey responses of more than 3,000 Albertans, consultations with industry stakeholders and a review of road test models across Canada.

4.3 Continue to provide oversight and monitoring, including mandatory entry-level training for Class 1 and Class 2 driver's licence applicants and pre-entry requirements to support carrier safety, to ensure Alberta's highway network remains one of the safest in the country.

Mandatory Entry Level Training (MELT) came into force for new Class 1 and Class 2 drivers in Alberta in March 2019 and aligns with nationally agreed-upon best practices in the National Safety Code (NSC). MELT teaches critical knowledge and skills to create a foundation for safe driving and fosters the development of positive driving attitudes and behaviours, leading to safer roads for all Albertans.

The Council of Ministers Responsible for Transportation and Highway approved the use of digital or other alternative learning methods in January 2021.

Transportation continued efforts in 2020-21 to assist specific groups of drivers with transitioning to MELT, while maintaining a focus on safety.

The MELT School Bus Extension Driver Program, that helped the school bus industry transition to new MELT requirements by providing an alternative method for drivers to get a Class 2 licence, ended in July 2020. Approximately 60 per cent of drivers who obtained a Class 2 licence retained their Class 2 licence by successfully passing the new, more stringent MELT knowledge and road tests. Transportation also worked with the school bus industry in 2020-21 to support solutions that addressed school bus driver shortages and driver training, licensing and examination challenges.

A program to assist the agricultural industry transition to MELT requirements ended in March 2021, with about 70 per cent of drivers retaining their Class 1 licence by successfully passing the MELT knowledge and road tests.

Implementation of the Pre-Entry Program for new NSC carriers continued in 2020-21. The Pre-Entry Program was introduced in 2019 to ensure new carriers entering the industry understand all regulatory requirements by taking an online knowledge test prior to beginning operations. New carriers must also undergo a review of operations within the first year of business. Since the program was first introduced, over 5,000 client users have completed the online Safety Fitness Certificate Compliance online course and self-assessments on My511 Alberta, earning a certificate of completion.

Existing carriers must demonstrate compliance by renewing their Safety Fitness Certificate (SFC) every three years, whereas previously, the certificates had no expiry date. The total number of SFC applications submitted in 2020-21 was 1,989, with 3,967 applications submitted since implementation.

In addition to the above initiatives supporting safer roads, the ministry initiated two new programs in 2020-21 to improve Albertans' access to MELT, offering financial assistance and reducing substantial training time for drivers with previous experience.

In November 2020, Transportation introduced Driving Back to Work grant program that covers up to 90 per cent of the cost of the MELT program for 300 unemployed Albertans to earn a Class 1 commercial truck driver licence. The grant program breaks down costly barriers to MELT training for unemployed Albertans, improving access to trucking jobs and addressing potential labour shortages in the future.

The ministry also introduced an Experience and Equivalency Class 1 MELT Program in November 2020, to allow experienced Class 3 drivers to take a shorter and less expensive version of the Class 1 MELT course. The program is a 40-hour training program for Class 3 drivers with a minimum of two years' experience, instead of the standard 113-hour Class 1 MELT Program that focuses on new commercial drivers. Concerns were expressed about costs and training time from agriculture, forestry, oil and gas and supply chain industries, and Transportation identified an opportunity to reduce burden without compromising safety by considering previous comparable driving experience in these sectors. Nearly 100 Albertans were approved to take the program in 2020-21.

4.4 Continue to update transportation-related legislation and regulations to align with best practices to enhance the safety of transportation users.

Legislative amendments supporting the Alberta government's Justice Transformation Initiative introduced a new Transportation program in 2020-21, SafeRoads, replacing the Alberta Traffic Safety Board appeal process for registrar administrative penalties and decisions. The new adjudication branch of the ministry is responsible for conducting reviews for provincial administrative penalties received by impaired drivers and vehicle seizures. SafeRoads ensures Albertans have access to administrative justice, with a simple, fast, fair and efficient process for challenging penalties, and improves critical justice capacity, freeing up court and police resources.

Legislative amendments introduced serious, immediate and escalating consequences for impaired drivers – a system proven to reduce impaired driving significantly in other jurisdictions. New immediate and severe consequences for impaired drivers include driver's licence suspensions, new fines, vehicle seizures, mandatory education and participation in the Ignition Interlock Program, improving the safety of Alberta roads.

4.5 Increase the resilience of critical infrastructure through projects and consultation, such as the Springbank Off-Stream Reservoir, to reduce risk and potential impacts of emergencies such as floods.

In 2020-21, \$27.9 million supported work toward environmental assessment, land acquisition and construction preparation for the Springbank Off-Stream Reservoir (SR1). SR1 is a dry reservoir west of Calgary that will store water temporarily during a flood, so that the tragic events of the floods in 2013 will not be repeated. The project continued to proceed through the federal and provincial regulatory approval process, which is required prior to construction.

Currently, the provincial regulator, the Natural Resources Conservation Board, and the federal regulator, the Impact Agency of Canada, are reviewing SR1's Environmental Impact Assessment and preparing their final reports on the project. Consultation and engagement with First Nations, Indigenous groups and other stakeholders on draft Guiding Principles and Direction for Future Land Use provided valuable perspectives for future land use planning, should the project be approved.

Negotiations with landowners to acquire land required for the project, as well as planning, engineering and coordination to support the necessary pipeline and utility relocation activities, continued in parallel to regulatory activities in 2020-21.

Investment in water management infrastructure was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 77 in the Other Financial Information section to review spending for this initiative.

Transportation continued working with the Regional Municipality of Wood Buffalo on the East Clearwater Road Benefits study in 2020-21 to examine an alternate egress route from Fort McMurray by the East Clearwater Road. Once the study is complete, the Regional Municipality of Wood Buffalo will consider options for next steps.

4.6 Continue to work with industry partners to ensure the safe and secure transportation of dangerous goods through communities.

Transportation continued to work with government agencies, industry, municipalities, fire departments and Indigenous communities in 2020-21 to deliver the ministry's Dangerous Goods and Rail Safety program, with a focus on commercial carrier enforcement, compliance issues and rail safety.

Temporary exemptions were granted by Transportation and Transport Canada to ensure goods continued to flow to businesses and to reduce health risks for road and rail industry partners during the pandemic. These included exemptions related to conducting annual railway audits, completing medical fitness for duty assessments, re-qualifications for trained personnel and periodic inspection and testing of highway tanks transporting dangerous goods.

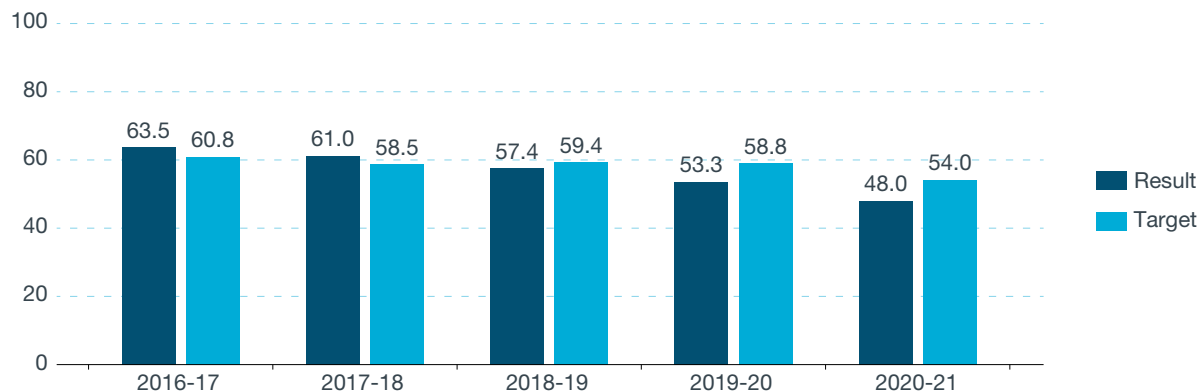
Transportation attended or assisted in 116 road and 18 rail incidents involving dangerous goods in 2020-21. To mitigate COVID-19 health risks, Transportation incorporated virtual inspection procedures to assist with oversight monitoring.

To ensure dangerous goods were handled and transported through communities, Alberta highways and provincial railways safely and securely, the ministry conducted 539 facility inspections, 22 highway tank facility audits and 105 railway inspections; issued 130 renewal and seven new railway operating authority certificates to provincially regulated railway facilities; and reviewed 74 companies that were issued provincial dangerous goods exemption permits.

Transportation continued to operate Alberta Environmental and Dangerous Goods Emergencies, or Alberta EDGE, a cross-ministry hazard-specific emergency response centre acting as a single point of contact for spills and dangerous goods emergencies. In 2020-21, the ministry responded to more than 21,000 telephone inquiries, with almost 3,800 related to road or rail transportation and approximately 13,000 dangerous goods-related calls.

The ministry continued to collaborate in 2020-21 with railways and provincial and federal jurisdictions to identify efficiencies related to managing dangerous goods, including:

- working with Transport Canada to help establish new provincial agreements across Canada that more closely resemble the responsibilities, oversight and enforcement activities of Alberta's Dangerous Goods inspectors outlined in Alberta's current MOU with Transport Canada, to improve the oversight of handling, transporting and importing dangerous goods in Canada;
- ensuring speed restrictions implemented by Transport Canada in 2020 avoided creating challenges for railways, particularly as the railways worked to move goods during the early stages of the pandemic; and
- requesting the federal government lead a response to address the issue of rail blockades, an issue that affected the ability for goods to move across in the country in early 2020.

Performance Measure 4.a:**Combined fatal and major injury collision rate¹ per 100,000 population****Note:**

¹ Actual rate is calculated as a three-year rolling average.

Description: This measure describes the three-year rolling average number of the combined fatal and major injury collisions as a rate per 100,000 population.

Rationale: To continue efforts to reduce the number and severity of traffic collisions on Alberta's roads, the ministry monitors the combined fatal and major injury collision rate per 100,000 population.

Results: The combined fatal and major injury collision rate per 100,000 population was 48.0, which outperformed the target of 54.0 by 6.0. This decrease in collision rate is due to many contributing factors that have the potential to impact achieving targets, including enforcement, engineering initiatives, community mobilization, strategic communication and education initiatives, and the level of support for these strategic initiatives. An additional external factor, the recent COVID-19 pandemic, has reduced traffic volumes.

Many traffic safety initiatives, such as reducing impaired driving or increasing occupant restraint use, are about changing attitudes and behaviours and these types of changes can take several years, if not decades to achieve. When determining the targets, longer-term goals are taken into consideration and targets follow those outlined in the ministry's transportation safety strategies. Transportation safety strategies and programs continue to be a focus for the ministry. The strong result for 2020-21 is an indication that these initiatives have a cumulative impact and are working to improve transportation safety overall. Taking into account these continuing enhancements to safety and improving results since 2017, the ministry has continued to set aggressive targets to further reduce casualties and collisions in the 2021-24 Transportation Business Plan.

Some external factors that are outside of the ministry's direct influence may also have an effect on achieving targets, including changing population demographics, economic activity in the province, and increases in the number of drivers and registered vehicles, as well as changes in traffic volumes on provincial roads. In 2020-21 the COVID-19 pandemic resulted in decreased traffic counts which in turn reduced the potential for collisions to happen.

The collision rate is calculated as a three-year rolling average, which factors in any peaks and valleys of collision data that may occur from year to year within the three-year range. Overall, fatal and major injury collisions have been decreasing every year since 2017, after a plateau period from 2010 to 2017. The 2020-21 target for the measure was based on a 2016-18 baseline when results had plateaued, which contributed to the result 6.0 decrease from target being more substantial.

Outcome 5

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 Objectives

5.1 Continue to enhance the transportation management centre to strategically support improved mobility and efficient use of the transportation network, and provide reliable and timely travel condition information to road users and partners.

The Transportation Management Centre (TMC) maintained 24-hour operations in 2020-21 to ensure Albertans had reliable and timely travel road condition information at all times. Rapidly evolving technology and innovation creates uncertainty around future transportation needs. To support new emerging transportation system needs and ensure integrated coordination of information, the ministry continued to enhance the TMC in 2020-21, to respond to Albertans' needs and improve the availability of up-to-date provincial highway information.

Although 511 Alberta website use decreased by 27 per cent in 2020-21, the website continued to receive a high volume of visits, with more than 4.9 million page visits by more than one million users.

Twitter is the primary method 511 Alberta communicates with the public. In 2020-21, 6,200 tweets were viewed and interacted with more than 55 million times. The @511Alberta account remained one of the largest road reporting authority accounts in Canada, with almost 119,000 followers.

The Road Condition Reporter, a mobile application designed for highway maintenance contractors, was introduced in 2020-21 to assist with reporting road conditions and downloaded more than 930 times. The application enables more frequent road condition updates directly from the field, ensuring Alberta travellers continue to receive the most up-to-date information available.

A number of features were added to 511 Alberta in 2020-21 to improve information and mobility for all users on the provincial highway network. Safety rest areas offering drivers a safe and convenient place to pull off the highway were added to assist drivers with trip planning, and roads and information for Wood Buffalo National Park was also added to the 511 Alberta service.

The 511 Alberta mobile app was also updated with snowplow notifications, dark mode and landscape viewing options and additional improvements for iPad devices.

5.2 Investigate and facilitate the implementation of innovative, cost-effective technologies and approaches to improve the safety and efficiency of the transportation system, such as Dynamic Message Signs and new modern urban transportation modes, such as e-scooters and automated and connected vehicles.

To ensure the transportation system is positioned to meet future needs, the ministry continued to monitor and collaborate with stakeholders to support emerging transportation technologies. In August 2020, Transportation signed a MOU with TransPod Inc. to allow for the testing of hyperloop technology in Alberta. Hyperloop technology transports passengers or freight at speeds of more 1,000 kilometres per hour. While Transportation supports TransPod's research and development efforts, no financial support will be provided.

Transportation continued to monitor issues arising from e-scooter pilots in 2020-21 to determine the best approach for future legislation. Transportation began a pilot program in 2019 to allow the use of e-scooters within the municipal boundaries of the Cities of Calgary and Edmonton, after working with both cities to develop safety measures for the required permit exemption. The cities differ in their requirements for the use of e-scooters – for example, the City of Calgary allows e-scooters on sidewalks, whereas the City of Edmonton only allows e-scooters on roads and cycle paths. Currently, the use of e-scooters is restricted to third party providers by permit. Transportation is reviewing the outcomes of the 2020-21 e-scooter pilots to inform future considerations around the use of micro-mobility devices such as e-scooters. Permits are being renewed for both Edmonton and Calgary in 2021-22.

In 2020-21, the light emitting diode (LED) retrofit project replaced 2,246 high pressure sodium bulbs with LED technology. LED technology is energy-efficient, uses less electricity, and requires fewer maintenance requirements. The project will eventually retrofit all provincial highway lighting to LED technology to improve road safety from increased illumination and reduce glare for drivers.

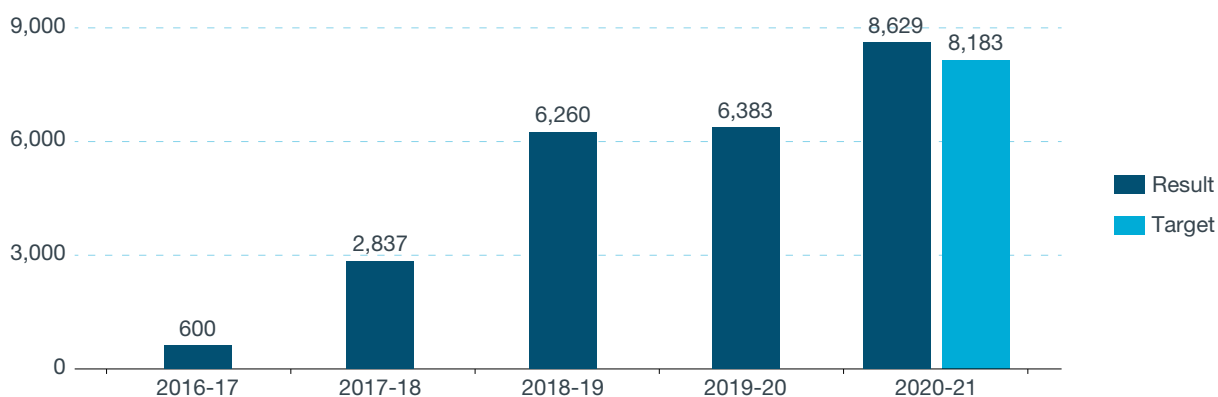
Transportation was approached by the City of Calgary and Roblox regarding a test pilot for a delivery robot in the city. The ministry worked with industry partners and the City of Calgary to develop a testing framework suitable to equipment needs. As of 2020-21, testing is currently underway, and evaluation of the permit is ongoing.

The Strategic Services program supports work with partners to investigate and enable the use of new transportation-related approaches and technologies. The program was identified as one of the Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. Please refer to page 76 in the Other Financial Information section to review spending for this initiative.

5.3 Continue to work with municipalities for full participation in the Transportation Routing and Vehicle Information Multi-Jurisdictional permitting system.

In 2020-21, 321 municipalities out of 343 municipalities in Alberta were using the Transportation Routing and Vehicle Information System-Multi-Jurisdictional permitting system, known as TRAVIS-MJ. TRAVIS-MJ currently has a 93.6 per cent adoption rate, with 22 municipalities remaining to be onboarded. Two municipalities were added in 2020-21 – the Town of Valleyview and the City of Edmonton, and the Town of Whitecourt joined April 1, 2021.

Transportation assessed options in 2020-21 to modernize the TRAVIS-MJ application. The ministry is working closely with Service Alberta to build a new system that better supports industry and municipalities.

Performance Measure 5.a:**Light Emitting Diode (LED) lighting on provincial highways in Alberta: Cumulative number of lights converted to LED technology along provincial highways**

Description: The number of lights on the provincial highway network converted to LED.

Rationale: Transportation continued work to convert lights on the provincial highway network to LED. Installation of LED lights in place of traditional high-pressure sodium (HPS) lights reduces the amount of electricity needed to power Alberta’s highway lighting systems and lowers electricity costs from reduced energy consumption. LED lights also have a longer operational lifespan than HPS lights. Significant maintenance savings are anticipated once the conversion project is complete.

Results: This measure had a result of 8,629 cumulative number of lights in 2020-21, with 2,246 highway lights converted to LED. This is 446 above the target of 8,183 lights converted.

The results are most useful when looked at over a period of time, as some of planned project work may span a multi-year time frame. The result this year was due to stimulus funding available. In 2020-21, further LED lighting projects were advanced and tendered. Some of this work is scheduled to be delivered in 2021-22.

Over time rapidly changing technology and improvements in luminaires have resulted in fewer lights required than originally planned to achieve very efficient brightness on highways. They will also reduce long-range costs and represent a good long-range investment. Larger luminaires also have a benefit of saving more greenhouse gas emissions than smaller luminaires. Targets for this measure were adjusted in the 2020-23 Transportation Business Plan to reflect this factor impacting project implementation.

Outcome 6

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 emissions.

Key Objectives

6.1 Advance and invest in energy-efficient, low-emission transportation technologies to support a more sustainable transportation system, environmental stewardship and economic development.

The ministry continued to implement energy-efficient technologies in highway operations and maintenance programs in 2020-21, such as the LED retrofit project. Installing energy-efficient LED highway lighting reduces greenhouse gas emissions and associated costs by reducing electricity use and long-term maintenance needs. A total of 3,874 tonnes of CO₂e were reduced by the end of 2020-21, 200 above the target of 3,674. Further LED lighting projects were advanced and tendered in 2020-21, with work planned to be delivered in 2021-22. Converting all provincial highway lighting to LEDs will reduce greenhouse gas emissions by 173,000 metric tonnes over 20 years, equal to taking 36,730 cars off the road. LED lights also have less scatter than High Pressure Sodium lights, causing less light pollution.

In 2020-21, Transportation worked with Transport Canada to approve a Cooperative Trucking Platooning System (CTPS) Trial, scheduled to take place along Highway 2 in 2021-22. The CTPS Trial will test the commercial applications of connected and autonomous vehicle technologies in semi-trucks. Platooning uses wireless communication and automated driving technologies to create a convoy or "platoon" of two or more trucks following closely behind one another on the road. The technology has the potential to reduce the fuel consumption and greenhouse gas emissions from long-haul heavy-duty trucks in the future.

6.2 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.

Budget 2020 allocated \$243.6 million for Transportation's three water grants programs over the next three years. Funding capital-grant water programs ensures Albertans have reliable access to clean drinking water and improved wastewater facilities. The programs help leverage federal contributions, such as the federal Investing in Canada Infrastructure Program and the Clean Water and Wastewater Fund, allowing more water projects to be funded and achieving better value for Albertans.

- **In 2020-21, \$13.7 million was allocated for 29 in-progress Alberta Municipal Water/Wastewater Partnership (AMWWP) projects.** The AMWWP program provides project-specific grants to smaller municipalities (less than 45,000) in the construction of high priority water supply and treatment, wastewater treatment and disposal projects. Projects underway in 2020-21 included an Exshaw Wastewater Treatment Upgrade in the Municipal District of Bighorn, a new sewage lagoon construction in Spirit River and a wastewater lagoon upgrade in Nobleford.

- **Budget 2020 allocated \$51.3 million to the Water for Life (W4L) Program in 2020-21.** The program provides project-specific grants for large regional water systems to municipalities to assist larger communities in the construction of high priority municipal water supply and treatment, wastewater treatment and disposal projects. In 2020-21, 16 W4L projects were underway, one of which has a matching federal component. Projects included a Hub Wastewater Treatment Plant Capacity upgrade in Red Deer to modernize and ensure sustainability of infrastructure, and building a regional water line between Wabumun, Seba Beach and Entwistle for the West Inter-Lake District Regional Water Services Commission.
- **In 2020-21, \$12.8 million was budgeted for the First Nations Water Tie-In (FNWTI) program** to support First Nations communities with reliable access to safe drinking water and provide reliable wastewater management systems. The FNWTI program helps fund waterline connections between First Nations and regional water systems and is delivered in coordination with Indigenous Relations. Three projects underway in 2020-21 included:
 - extending the North Red Deer River Water Services Commission system from Ponoka north to Maskwacis First Nation;
 - extending the waterline from High Level to the Bushe River Reserve; and
 - funding the First Nations' portion of oversizing costs to Capital Region Parkland Water Services Commission to accommodate Paul First Nation and Alexis First Nation.

Transportation continued to administer the Clean Water Wastewater Fund (CWWF) on behalf of the federal government in 2020-21. Budget 2020 allocated \$29.7 million to CWWF. Projects completed in 2020-21 included a Wheatland regional waterline to Rockyford, upgrades to a St. Paul wastewater treatment plant, upgrades to a Vermilion wastewater treatment plans, and completion of phase 2 of the Pigeon Lake regional wastewater system.

The provincial W4L and AMWWP programs and the federal CWWF were identified as Initiatives Supporting Key Objectives in the ministry's 2020-23 Business Plan. The FNWTI Program was also identified as an Initiative Supporting Key Objectives in the ministry's business plan. Please refer to page 76 in the Other Financial Information section to review spending for these initiatives.

As part of Alberta's Recovery Plan, a further \$150 million was allocated to water infrastructure grants through AMWWP and W4L, to support an additional 55 water and wastewater improvement projects and 1,300 jobs. Alberta Recovery Plan project funding included the following grants:

- \$10.2 million under the AMWWP to fund a \$38.8-million upgrade of the wastewater treatment plant in the City of Camrose to meet new environmental standards for treatment of effluent and enhance the quality of life for the Camrose community. Work to upgrade the plant is expected to begin in 2021, with completion expected in 2023.
- \$13 million under the FNWTI Program to support a water tie-in program for the Maskwacis First Nation to the Ponoka water pipeline.

Actions that Support the Priorities of the Government of Alberta Strategic Plan

Key Priority:

Supporting Job Creation

Objective:

Building public infrastructure

- Transportation spent \$128.8 million in 2020-21 on capital grant programs to fund critical municipal water and wastewater projects, as part of:
 - \$13.7 million budgeted for 29 in-progress Alberta Municipal Water/ Wastewater Program (AMWWP) projects;
 - \$51.3 million allocated for 16 Water for Life (W4L) projects; and
 - \$12.8 million budgeted for three First Nations Water Tie-In Program projects.
- A further \$150 million was allocated to water infrastructure grants through AMWWP and W4L as part of Alberta's Recovery Plan stimulus funding, supporting an additional 55 water and wastewater improvement projects and 1,300 jobs.

Additional Alberta Recovery Plan-funded projects to be completed in future years include: Okotoks wastewater treatment plant upgrades, Coaldale wastewater lagoon upgrades, Municipal District of Greenview/Grande Cache wastewater treatment plant upgrades, Lac La Biche County/Plamondon wastewater lift stations and a Wetaskiwin wastewater treatment plant upgrade.

6.3 Increase the number of municipalities with capital replacement plans and encourage investigation of new technology for water and wastewater systems to improve efficiency.

Transportation continued to work with Municipal Affairs in 2020-21 to increase municipalities' asset management capacity for critical water infrastructure. Asset management helps minimize the total cost of owning and operating water assets, and through long-range planning ensures money is available for repairs, replacements and upgrades. The ministry encouraged municipalities to develop capital replacement plans for water infrastructure, to ensure Albertans will continue to access to clean and safe drinking water and safe and efficient wastewater treatment systems.

Municipalities were also encouraged to investigate new innovation opportunities in water/wastewater technologies to improve their water system's safety and efficiency, reducing capital and long-term costs of Alberta's water systems.

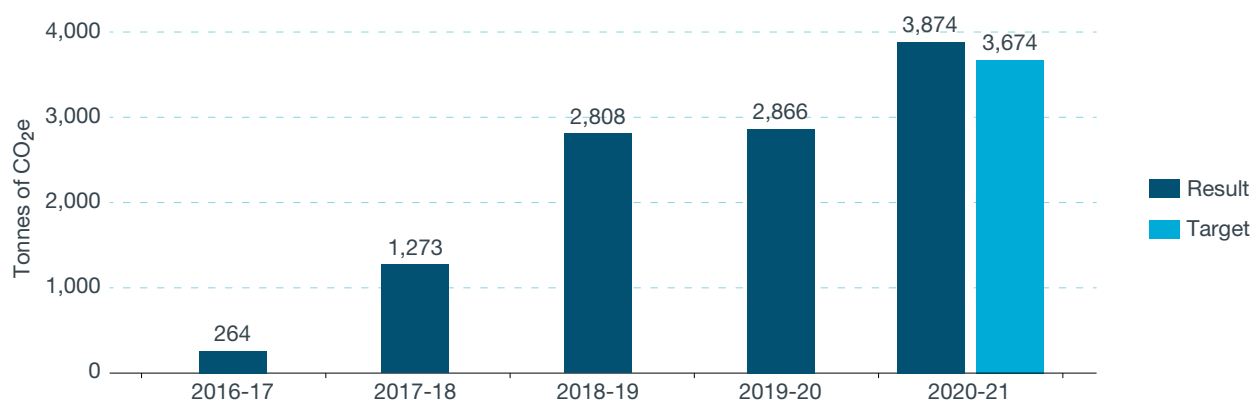
6.4 Explore environmentally-sustainable methods for planning, developing and maintaining the transportation system, such as increasing the usage of recycled asphalt.

Transportation continued to monitor the development of new and environmentally-sustainable methods for developing and maintaining the transportation system in the construction industry, such as using recycled plastics in asphalt pavement.

The ministry approved a pilot project in 2020-21 for a standard bridge replacement on Highway 22 southwest of Calgary using low-emission Portland Limestone Cement. The project is expected to begin in 2022 and will be the first time low-carbon cement has been used in Alberta.

Performance Measure 6.a:

Greenhouse gas emissions (tonnes of CO₂e) reduced annually with support from green transportation initiatives



Description: The annual reduction in greenhouse gas (GHG) emissions measured in tonnes of carbon dioxide equivalent (CO₂e) that result from the ministry's projects, programs and policies which support environmental stewardship.

Rationale: Alberta's transportation system supports economic growth while balancing the need to reduce negative environmental impacts. The ministry identified and undertook initiatives to advance energy efficiencies and reduce greenhouse gas emissions, including exploring the use of green transportation infrastructure and environmentally-sustainable ways to plan, develop and maintain the transportation network. Currently this measure includes reduced emissions resulting from the conversion to LED lighting project on provincial highways.

Results: A total of 3,874 tonnes of CO₂e were reduced by the end of 2020-21, 200 above the target of 3,674. This result is in alignment with the number of LEDs retrofitted for the highway network. As discussed in measure 5.a, a cumulative total of 8,629 highway lights have been converted to LED by 2020-21, 446 more than the target of 8,183. The amount of LED installations completed this year was due to stimulus funding available. Further LED lighting projects were advanced and tendered in 2020-21, with work planned to be delivered in 2021-22.

In some cases, the ministry has retrofitted LEDs that are larger than those originally considered when developing the program. This is due to the rapid advancement in technology. Larger LEDs also have a benefit of saving more emissions compared to smaller ones. It is likely that when taking into account the size of LED actually installed in the completed projects that the cumulative reduction is more than the reported 3,874 tonnes of CO₂e for 2020-21. Targets for this measure were adjusted in the 2020-23 Transportation Business Plan to reflect this factor.

Performance Measure and Indicator Methodology

Performance Measure 1.a:

Ring roads in Calgary and Edmonton: Percentage of combined ring road kilometres open to travel

The measure is based on construction project data supplied by the engineering consultants supervising the ring road construction. The percentage is calculated by totalling the number of kilometres multi-lane roadway opened to travel versus the total kilometres of ring road (179 kilometres). Length of Calgary and Edmonton ring roads is estimated based on information from planning studies. When the highway is built and open to travel, the completion length is calculated using As-Built data. This could cause a small variation between the target and the result.

Source: Construction project data is supplied by the engineering consultants supervising the ring road construction. The constructors provide monthly reports. Edmonton is fully complete (100%) and Calgary is completed except for the West Calgary Ring Road and a portion of the Southwest Calgary Ring Road. Southwest Calgary Ring Road Contractor – Mountain View Partners provides a monthly report which is averaged into the completed total. Completion length of the project is based on contract or data in Transportation Infrastructure Management System, Ministry of Transportation.

Performance Indicator 1.b:

Alberta's exports by mode of transportation (\$ millions)

The data presented by this indicator is sourced from Statistics Canada's International Merchandise Trade Database. Only the value of merchandise trade is captured by these statistics, the service sector exports are not included in the presented figures. The data is expressed in million Canadian dollars and is based on a calendar year. Transportation mode includes air, marine, rail and road; the pipelines mode is not captured by this indicator. The data reflects the transportation mode by which the international boundary is crossed. The reported figures are subject to future revisions by Statistics Canada.

Source: Statistics Canada. Canadian International Merchandise Trade Database.

Performance Indicator 1.c:

Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System

Commercial vehicle permits data is collected in the Transportation Routing and Vehicle Information System (TRAVIS), a software system used for managing the business of issuing and maintaining permits.

Type of Permit	Duration	Description
Licensing	30/60/90 Days or Single Trip	Licensing is also referred to as a Single Trip Licensing Permit or Multi-Trip Licensing Permit. <ul style="list-style-type: none"> Issued to Alberta carriers or out of province carriers not part of prorate to increase their registered weight within legal limits (up to their Gross Vehicle Weight, or maximum operating weight including cab, accessories, passengers, fuel and cargo but excluding trailers). Issued to Alberta carriers with plates restricted to the radius of a city to travel throughout the province. Issued to prorate carriers to exceed the vehicle weight permitted as a prorate vehicle.
Overweight	Single Trip or Multi-Trip (Annual)	Issued to carriers for loads that exceed regulated (legal) weights. Annual overweight permits can be issued to permanently mounted equipment such as service rigs and cranes.
Oversize	Single Trip or Annual Trip	Issued to carriers for loads that exceed regulated length, width, and/or height.

Permits may be issued annually, monthly, for a single trip or for multiple trips (multi-trip). Single trip permits are for one load to go from one location to another (route specific) and do not include return trips. Multi-trip permits are valid province-wide, are not route specific and are issued for a specific duration of time (30/60/90 days or annually). Every individual permit issued in TRAVIS is counted as one permit.

Occasionally a municipal permit may extend for a time period greater than one year.

A vehicle may need to apply for multiple permits for any given trip (e.g. a large load may require a licensing, overweight and oversize permit).

The number of commercial vehicle permits for each type of permit in a fiscal year is obtained by a Senior Application Developer/Support Analyst who runs a TRAVIS report.

Source: Transportation Routing and Vehicle Information Multi-Jurisdictional Permitting System, Ministry of Transportation.

Performance Measure 2.a:

Physical condition of provincial highway surfaces

The ministry ensures the objectivity of results by hiring an external consultant to collect IRI data.

Highway condition categories are established from a 2002 University of Calgary study on road conditions and other performance measures.

The ministry uses the same condition thresholds in the 2002 study to track the condition trend over time.

Condition thresholds between good and fair and between fair and poor are set using a proactive life cycle analysis approach.

Condition	Major Divided Highway Corridor			Other Highway Group		
Good		Average IRI	<1.5m/km		Average IRI	<1.5m/km
Fair	≥1.5m/km	Average IRI	<1.9m/km	≥1.5m/km	Average IRI	<2.1m/km
Poor	≥1.9m/km	Average IRI		≥2.1m/km	Average IRI	

Future performance targets are estimated using planned capital improvements and historic pavement deterioration rates.

The external consultant calculates the average IRI value over every 50-metre segment. The ministry then averages the 50-metre segment into one-kilometre sections and provides the condition assessment over one-kilometre to create longer segments that are more sensitive and relevant to capital improvement projects.

Detailed explanation of the one-kilometre segmentation is provided in the 2002 University of Calgary study.

Source: Tetra Tech Inc. collects 50-metre International Roughness Index data. Ministry of Transportation averages these 50-metre records into one-kilometre segments.

Highway network, length and construction data, Transportation Infrastructure Management System, Ministry of Transportation.

Performance Measure 3.a:

Transit access in Alberta: Percentage of Albertans that have access to transit service

Transit ridership is reported by the Canadian Urban Transit Association (CUTA).

CUTA is a member-based association that supports the public transit industry by providing resources, network, training, events, data, research and advocacy.

CUTA membership includes transit agencies from across Canada.

CUTA is a third party organization, and transit agency membership and statistical reporting is voluntary.

Data collection varies by transit agency and the technologies available to them, as no specific methodology is prescribed.

The following calculation is used to determine the transit access percentage for each year:

total population within municipalities receiving regular conventional transit service / Alberta total population.

All major transit agencies who serve the largest segments of Alberta's population are members of CUTA and report on conventional transit ridership. A few smaller transit agencies in Alberta are not members of CUTA. The impact on not including their ridership in the performance measure is small.

Data for this measure pertains to conventional transit only and does not include specialized services (i.e. Handi-bus, Paratransit). Alberta CUTA members have reported that nearly all conventional transit routes are designated low-floor accessible. The expansion of conventional transit services combined with capital investments in accessible transit infrastructure is a cost-effective approach to providing freedom of mobility for all Albertans.

CUTA obtains the operating data directly from the member municipalities and the Fact Book is typically released during the last quarter of the calendar year, detailing the preceding calendar year's data.

Data for population estimates for Alberta for this measure is obtained from the Alberta Treasury Board and Finance Office of Statistics and Information, data source: Statistics Canada.

CUTA based data by calendar year for results reporting is first made available for reporting in two years following. Performance results reflect the impact of programs and initiatives introduced three years prior to the reporting period.

Source: Canadian Urban Transit Association (CUTA) Fact Book (annual).

Population for Alberta: Treasury Board and Finance Office of Statistics and Information, data source: Statistics Canada.

Performance Indicator 3.b:

Transit ridership in Alberta (in thousands): Number of passenger trips taken on regularly scheduled service in Alberta's transit system

Transit ridership is reported by the Canadian Urban Transit Association (CUTA). CUTA is a member-based association that supports the public transit industry by providing resources, network, training, events, data, research and advocacy.

CUTA membership includes transit agencies from across Canada.

CUTA is a third party organization, and transit agency membership and statistical reporting is voluntary. Data collection varies by transit agency and the technologies available to them, as no specific methodology is prescribed.

All major transit agencies who serve the largest segments of Alberta's population are members of CUTA and report on conventional transit ridership. A few smaller transit agencies in Alberta are not members of CUTA. The impact on not including their ridership in the performance indicator is small.

Data for this indicator pertains to conventional transit only and does not include specialized services (i.e. Handi-bus, Paratransit). Alberta CUTA members have reported that nearly all conventional transit routes are designated low-floor accessible. The expansion of conventional transit services combined with capital investments in accessible transit infrastructure is a cost-effective approach to providing freedom of mobility for all Albertans.

CUTA obtains the operating data directly from the member municipalities and the Fact Book is typically released during the last quarter of the calendar year, detailing the preceding calendar year's data.

CUTA based data by calendar year for results reporting is first made available for reporting in two years following. Performance results reflect the impact of programs and initiatives introduced three years prior to the reporting period.

Source: Canadian Urban Transit Association (CUTA) Fact Book (annual).

Performance Measure 4.a:

Combined fatal and major injury collision rate per 100,000 population

Data for this measure was taken from the ministry's eCollision Analytics database. The results for the measure are based on a calendar year. Collisions include those that result in the death of a person within 30 days of the collision or in a major injury (persons with injuries or complaint of pain that went to the hospital and were subsequently admitted even if for observation only) to at least one person involved in the collision. Data is compiled from collision reports completed by the attending law enforcement officer where the collision resulted in death or major injury to at least one person. The collision rate reported is based on a rolling three-year average. The following calculation is used to determine the individual collision rate for each year: $\text{Number of Combined Fatal and Major Injury Collisions} / \text{Population} * 100,000$. Rates are then averaged to represent a rolling three-year average using the following calculation: $(\text{Year 1 Rate per } 100,000 \text{ Population} + \text{Year 2 Rate per } 100,000 \text{ Population} + \text{Year 3 Rate per } 100,000 \text{ Population}) / 3$.

Source: eCollision Analytics database, Ministry of Transportation.

Annual population for Alberta: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1st, by age and sex.

The collision data for both 2019 and 2020 is based on the best information currently available and is preliminary and subject to change as more information becomes available.

Performance Measure 5.a:

Light Emitting Diode (LED) lighting on provincial highways in Alberta: Cumulative number of lights converted to LED technology along provincial highways

This performance measure represents the total number of HPS lights converted to LED as reported by the external contractors tasked with this work.

This information was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to Transportation's project manager.

Source: Data was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to the project manager, Ministry of Transportation.

Performance Measure 6.a:**Greenhouse gas emissions (tonnes of CO₂e) reduced annually with support from green transportation initiatives**

The result data for this measure is taken from estimates for emissions reduction prepared by Transportation. Green transportation initiatives include those that are identified in the Transportation business plan that link to the result year.

Data from all identified green transportation initiatives is compiled and summed as a total annually, based on fiscal year.

Source: Data was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to the project manager, Ministry of Transportation.

Energy consumption data, ENMAX.

Data is taken from estimates for emissions reduction prepared by the Ministry of Transportation.

Financial Information

Year ended March 31, 2021

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Reporting Entity and Method of Consolidation

The financial information is prepared in accordance with government's stated accounting policies, which are based on Canadian Public Sector Accounting Standards.

The reporting entity is the ministry for which the Minister is accountable. The accounts of the ministry, which includes the department and the entities making up the ministry, are consolidated using the line-by-line method.

Under this method, accounting policies of the consolidated entities are adjusted to conform to those of government and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

A list of the individual entities making up the ministry are shown on the "Management's Responsibility for Reporting" statement included in this annual report.

Ministry Financial Highlights

Statement of Revenues and Expenses (unaudited)

Year ended March 31, 2021

	2021		2020	Change from	
	Budget	Actual	Actual (Restated)	Budget	2020 Actual
<i>(in thousands)</i>					
Revenues					
Government Transfers - Federal Grants	\$ 481,073	\$ 118,379	\$ 192,068	\$ (362,694)	\$ (73,689)
Premiums, Fees and Licences	46,540	28,613	43,432	(17,927)	(14,819)
Other Revenue	24,274	23,497	26,099	(777)	(2,602)
Ministry Total	551,887	170,489	261,599	(381,398)	(91,110)
Inter-ministry consolidation adjustments	-	(29)	(92)	(29)	63
Adjusted Ministry Total	551,887	170,460	261,507	(381,427)	(91,047)
Expenses - directly incurred					
Program					
Ministry Support Services	9,962	9,892	10,612	(70)	(720)
Program Services and Support	22,244	19,347	22,037	(2,897)	(2,690)
Traffic Safety Services	41,421	45,877	46,704	4,456	(827)
Alberta Transportation Safety Board	1,889	2,699	2,209	810	490
Provincial Highway Maintenance and Preservation	1,015,928	1,098,117	1,031,733	82,189	66,384
Municipal Transit and Transportation Grant Programs	74,778	68,272	118,864	(6,506)	(50,592)
Municipal Water Infrastructure Grant Programs	86,700	160,752	72,054	74,052	88,698
Federal Grant Programs	447,478	88,969	166,947	(358,509)	(77,978)
Debt Servicing	94,540	94,540	90,149	-	4,391
Transfer of Capital Asset to Other Ministries	29,132	31,266	32,081	2,134	(815)
Ministry Total	1,824,072	1,619,731	1,593,391	(204,341)	26,340
Inter-ministry consolidation adjustments	(29,132)	(33,293)	(39,806)	(4,161)	6,513
Adjusted Ministry Total	1,794,940	1,586,438	1,553,585	(208,502)	32,853
Annual Deficit	\$ (1,243,053)	\$ (1,415,978)	\$ (1,292,078)	\$ (172,925)	\$ (123,900)

Revenue and Expense Highlights

Revenues

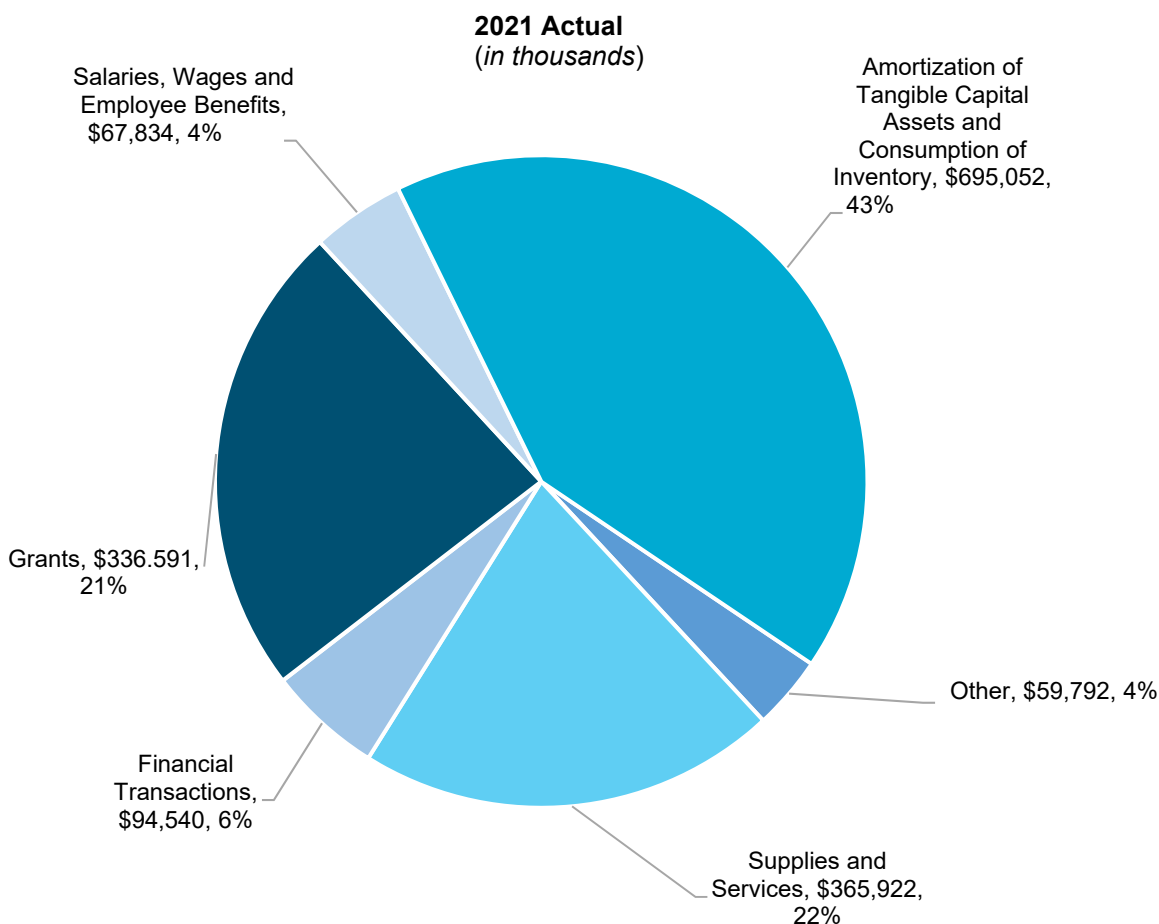
- Revenue was \$381.4 million lower than budget. The primary reason for the variance is due to slower than anticipated progress on projects receiving federal funding, as well as other municipalities working to address federal requirements under the Investing in Canada Infrastructure Program.
- Revenue totaled \$170.5 million in 2020-21, a decrease of \$91.1 million from 2019-20 actuals. There were less federal government transfers received from the Public Transit Infrastructure Fund and Clean Water Wastewater Fund in 2020-21 to align with progress by municipalities on projects under the Canada-Alberta Bilateral Agreement. These programs are winding down and will be substantially complete in 2021-22.
- Premiums, Fees and Licences totaled \$28.6 million in 2020-21, representing a decrease of \$14.8 million from 2019-20. This was primarily due to the reduced collection of fees related to driver examiner road tests and highway permits as a result of the COVID-19 pandemic. In addition, there was a decrease in road test revenue following the transition to a hybrid Driver Examiner Road Test Model.

Expenses

- Expense totaled \$1.6 billion which is consistent with the previous year. Spending in 2020-21 reflected increases related to economic stimulus funding offset by a decrease primarily in Federal Grant Programs.
- Expense was \$204.3 million lower than budget. This was primarily due to slower than anticipated progress on projects under Federal Grant Programs.
- \$1.1 billion was expensed for Provincial Highway Maintenance and Preservation in 2020-21, including operating maintenance of all provincial highways, bridges, and ring roads; amortization of tangible assets; and environmental liabilities. This spending also reflected one-time economic stimulus funding to address pothole repairs and other critical maintenance activities under the Alberta Recovery Plan.
- Under grant programs, \$318 million was provided to municipalities to assist in the construction of high priority municipal water supply and treatment projects; construction and rehabilitation of local roads and bridges; and the enhancement of local, regional and inter-municipal public transit.
- The remaining \$203.6 million supported corporate activities undertaken by the Ministry, leadership and direction in the development and delivery of Transportation safety programs, the interest portion of the debt repayment for agreements under public private partnerships and the value of capital assets and land transferred to other ministries.

Expenses – Directly Incurred Detailed by Object (unaudited)

The following information presents expenses of the ministry that were directly incurred by object. The objective of disclosure of expenses by object is to provide information that is useful in evaluating the economic impact of government acquiring or consuming various types of resources.



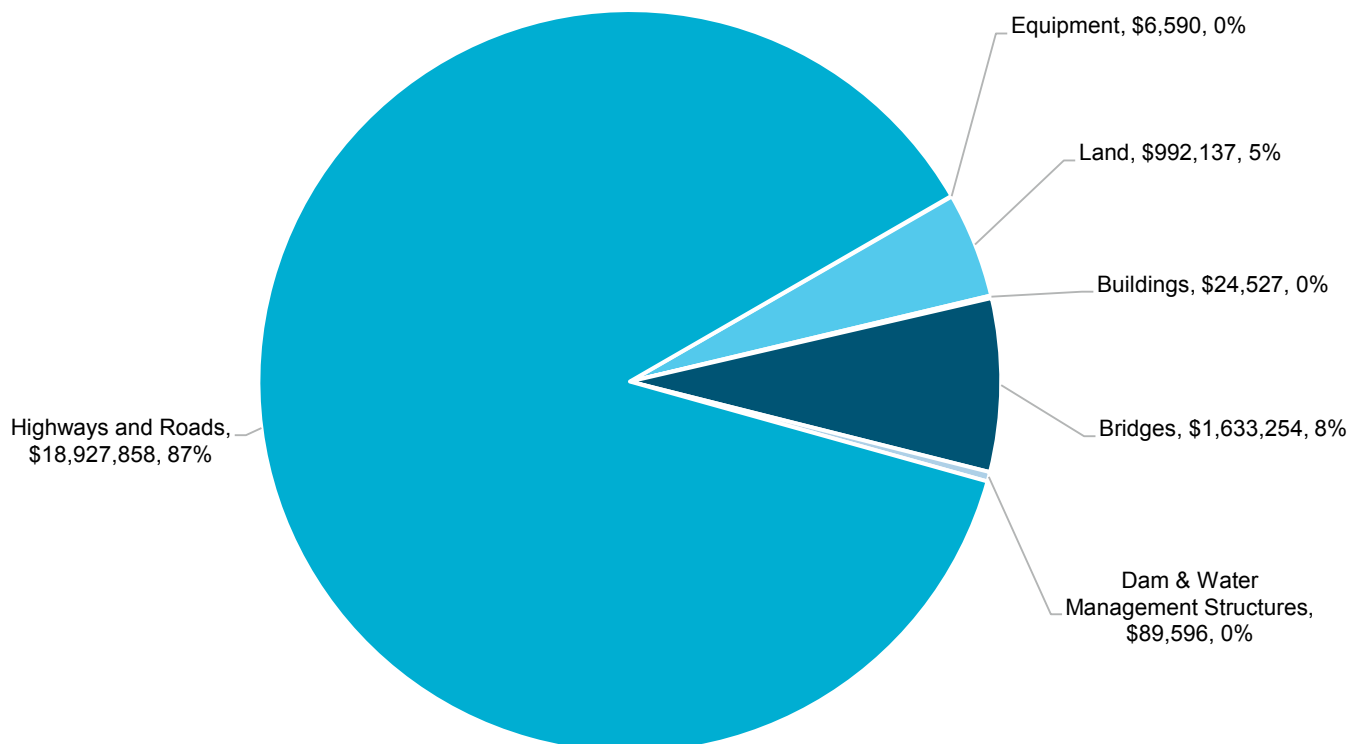
- The ministry's largest 2020-21 expenses by object were Amortization of Tangible Capital Assets and Consumption of Inventory, which made up 43 per cent of total operating expense. Amortization of \$644.4 million was recorded for tangible capital assets consisting of provincial highways, roads and bridges owned by the Ministry, and consumption of inventory of \$50.7 million was recorded for the salt, sand and gravel used in maintenance activities.
- Salaries, Wages and Employee Benefits totaled \$67.8 million, or 4 per cent, and this includes the management of construction and maintenance activities, the administration of the Traffic Safety Services program, including Phase 1 of SafeRoads Alberta, and corporate support services.
- Grants, comprising \$336.6 million or 21 per cent, includes municipal infrastructure and transit support through provincial and federal funding and water capital grants totalling \$318 million also reflecting economic stimulus funding. Grant funding was also provided for traffic safety projects and initiatives.

- Supplies and Services of \$365.9 million, or 22 per cent, was mainly for Provincial Highway Maintenance and Preservation, including economic stimulus funding, which provided funding for maintenance contracts and work activities such as snow plowing, salting/sanding, line painting, pothole patching and mowing of grass. In addition, it included ongoing supply requirements for the ministry (i.e. travel, repairs and maintenance, materials and supplies, other purchased services, and shared services provided by the Ministry of Service Alberta).
- The remainder of ministry expense of \$154.3 million or 10 per cent is related to Financial Transactions and Other. This captures the interest portion of the debt repayment for agreements under public private partnerships and the value of capital assets and land transferred to other ministries.

Supplemental Financial Information

Tangible Capital Assets (unaudited)

Net Book Value as of March 31, 2021
(in thousands)



- Highways, roads and bridges make up 95 per cent of the total net book value of \$21.7 billion for all assets owned by the ministry.
- Highways and roads account for the largest category of tangible capital assets which includes original pavement and repaving overlays that represent improvements, roadbed, drainage works, and traffic control devices. The ministry is also committed to finding alternative ways to finance and deliver infrastructure projects. This means using a combination of traditional and innovative financing and delivery models, including public-private partnerships (P3).
- Dams and water management structures are constructed by the ministry and transferred to the Ministry of Environment and Parks upon their completion. The Ministry of Transportation does not amortize these assets.

Financial Statements of Other Reporting Entities

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Alberta Transportation Safety Board

Financial Statements

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Independent Auditor's Report

To the Minister of Transportation

Report on the Financial Statements**Opinion**

I have audited the financial statements of the Alberta Transportation Safety Board, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, change in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Alberta Transportation Safety Board as at March 31, 2021, and the results of its operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Alberta Transportation Safety Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw attention to Note 3 of the financial statements, which describes the dissolution of the Alberta Transportation Safety Board. My opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Alberta Transportation Safety Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting as applicable in accordance with Canadian public sector accounting standards.

Those charged with governance are responsible for overseeing the Alberta Transportation Safety Board's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alberta Transportation Safety Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Alberta Transportation Safety Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.

Because of the dissolution of the Alberta Transportation Safety Board, as disclosed in the financial statements, it ceased to be a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]

Auditor General

June 3, 2021

Edmonton, Alberta

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF OPERATIONS
Year ended March 31, 2021

	2021		2020
	Budget	Actual	Actual
	<i>(in thousands)</i>		
Revenues			
Transfer from Department of Transportation	\$ 1,889	\$ 1,889	\$ 1,989
Net Debt transferred to Department of Transportation upon dissolution (Note 3)	-	272	-
	<u>1,889</u>	<u>2,161</u>	<u>1,989</u>
Expenses			
Administration	1,240	2,289	1,769
Community Board Members	649	410	440
	<u>1,889</u>	<u>2,699</u>	<u>2,209</u>
Annual Deficit	<u>\$ -</u>	<u>\$ (538)</u>	<u>\$ (220)</u>

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31, 2021

	<u>2021</u>	<u>2020</u>
	<i>(in thousands)</i>	
Financial Assets	\$ -	\$ -
Liabilities		
Accounts Payable and Accrued Liabilities	-	272
Net Debt	<u>-</u>	<u>(272)</u>
Net Liabilities	<u>\$ -</u>	<u>\$ (272)</u>
Net Liabilities		
Accumulated Net Liability (Note 6)	<u>\$ -</u>	<u>\$ (272)</u>
	<u>\$ -</u>	<u>\$ (272)</u>

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF CHANGE IN NET DEBT
Year ended March 31, 2021

	2021		2020	
	Budget	Actual	Actual	
	<i>(in thousands)</i>			
Annual Deficit	\$ -	\$ (538)	\$ (220)	
Net Financing Provided from Department of Transportation		538	127	
Net Debt transferred to Department of Transportation upon dissolution		272	\$ -	
Decrease (Increase) in (Net Debt) in the Year		272	(93)	
(Net Debt), Beginning of Year		(272)	(179)	
(Net Debt), End of Year	\$ -	\$ (272)		

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF CASH FLOWS
Year ended March 31, 2021

	2021	2020
	<i>(in thousands)</i>	
Operating Transactions		
Annual (Deficit) Surplus	\$ (538)	\$ (220)
Non-cash items included in Net Operating Results:		
Valuation Adjustments	-	26
	<u>(538)</u>	<u>(194)</u>
(Decrease) Increase in Accounts Payable and Accrued Liabilities	<u>(272)</u>	<u>67</u>
Cash (Applied to) Provided by Operating Transactions	<u>(810)</u>	<u>(127)</u>
Financing Transactions		
Net Financing Provided from Department of Transportation	538	127
Net Debt transferred to Department of Transportation upon dissolution	272	
Cash Provided by Financing Transactions	<u>810</u>	<u>127</u>
(Decrease) Increase in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>

ALBERTA TRANSPORTATION SAFETY BOARD NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2021

NOTE 1 AUTHORITY AND PURPOSE

The Alberta Transportation Safety Board (Board) is a Provincial Agency established in 2003 pursuant to Section 22 of the *Traffic Safety Act*.

The Alberta Transportation Safety Board:

- is established under Part 2 of the *Traffic Safety Act*;
- conducts driver review hearings and independent appeals of drivers and commercial entities affected by decisions of the Registrar of Motor Vehicle Services (Transportation);
- conducts hearings under the *Railway (Alberta) Act*; and
- conducts all hearings in a fair and timely manner in accordance with the principles of natural justice.

All decisions of the Alberta Transportation Safety Board are made independently in accordance with governing legislation: the *Traffic Safety Act* and the *Railway (Alberta) Act*.

The Board is exempt from income taxes under the *Income Tax Act*.

The *Provincial Administrative Penalties Act* received Royal Assent on July 23, 2020 and the Order in Council 343/2020 approved on November 18, 2020 established the in force dates for sections in the Act. Section 44(17) of the Act was proclaimed into force on March 31, 2021 enacting the dissolution of the Board as per Section 189.4 of the *Traffic Safety Act*. The liabilities of the Board have been moved into and continued under the administration of the Department of Transportation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is Alberta Transportation Safety Board, which is part of the Ministry of Transportation and for which the Minister of Transportation is accountable. The other entity reporting to the Minister is the Department of Transportation. The activities of the Department are not included in these financial statements.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

**ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2021****NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)****(b) Basis of Financial Reporting (continued)**Government Transfers

Transfers from all governments are referred to as government transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the Board is eligible to receive the funds.

Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Directly Incurred

Directly incurred expenses are those costs the Board has primary responsibility and accountability for.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by related other entities in support of the Board operations are not recognized and are disclosed in Schedule 3.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets

Financial assets are the Board's financial claims on external organizations and individuals.

**ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2021**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)**

(b) Basis of Financial Reporting (continued)

Liabilities

Liabilities represent present obligations of the Board to external organizations and individuals arising from past transactions or events occurring before year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amount.

Liabilities also include:

- all financial claims payable by the Board at the year end and
- accrued employee vacation entitlements.

Statement of Remeasurement Gains and Losses

As the Board does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no re-measurement gains and losses and therefore a statement of re-measurement gains and losses has not been presented.

NOTE 3 GOVERNMENT RESTRUCTURING

On March 31, 2021, the Board was dissolved in accordance with the amendment to the *Traffic Safety Act* and proclamation of the *Provincial Administrative Penalties Act*. As a result, the Board's liabilities were transferred to the Department of Transportation. The following carrying value of liabilities was transferred as at March 31, 2021:

Accounts Payable and Accrued Liabilities	\$ (461)
Net debt Transferred due to Dissolution	<u>\$ (272)</u>

NOTE 4 BUDGET
(in thousands)

A preliminary budget with a surplus of \$0 was approved by the Chair of Alberta Transportation Safety Board on February 19, 2020 and the financial plan was submitted to the Minister of Transportation. The budget reported in the Statement of Operations reflects the original 2021 annual surplus and additional reclassifications required for more consistent presentation with current and prior year results.

ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2021

NOTE 5 BENEFIT PLANS
(in thousands)

The Board participates in the multi-employer pension plans: Management Employee Pension Plan (MEPP), Public Service Pension Plan (PSPP) and Supplementary Retirement Plan (SRP) for Public Service Managers. The expense of these pension plans is equivalent to the annual contributions of \$63 for the year ended March 31, 2021 (2020 - \$64). Participating organizations are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2020, the Management Employees Pension Plan reported a surplus of \$809,850 (2019: surplus \$1,008,135), the Local Authority Pension Plan reported a surplus of \$4,961,337 (2019: surplus of \$7,913,261), the Public Service Pension Plan reported a surplus of \$2,223,582 (2019: surplus \$2,759,320) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$59,972 (2019 - deficiency \$44,698).

The Board also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2021, the Bargaining Unit Plan reported a surplus of \$52,705 (2020 – surplus \$63,706) and the Management, Opted Out and Excluded Plan a surplus of \$7,858 (2020 – surplus \$11,635). The expense for these two plans is limited to the employer's annual contributions for the year.

As a result of the COVID-19 outbreak, declared a global pandemic on March 11, 2020, global financial markets and world economies have experienced significant volatility. Given the extent of the crisis, and varying levels of response and recovery of countries across the globe, additional uncertainty remains and will continue to exist with regards to fair value measurement of the pension plans investments.

NOTE 6 ACCUMULATED NET LIABILITIES
(in thousands)

Accumulated net liabilities are comprised of the following:

	2021	2020
Balance Beginning of Year	\$ (272)	\$ (179)
Annual (Deficit) Surplus	(538)	(220)
Net Financing Provided from Department of Transportation	538	127
Net Debt Transferred to Department of Transportation upon dissolution	272	-
Balance End of Year	<u>\$ -</u>	<u>\$ (272)</u>

NOTE 7 APPROVAL OF FINANCIAL STATEMENTS

The Senior Financial Officer and the Deputy Minister of Transportation approved the financial statements of the Alberta Transportation Safety Board.

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO THE FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2021

Schedule 1

	2021		2020
	Budget	Actual	Actual
Salaries, Wages & Employee Benefits	\$ 1,074	\$ 1,035	\$ 1,057
Supplies & Services	815	1,664	1,152
	<u>\$ 1,889</u>	<u>\$ 2,699</u>	<u>\$ 2,209</u>

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year Ended March 31, 2021

Schedule 2

	2021			2020	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-cash Benefits ⁽³⁾	Total	Total
Chair, Alberta Transportation Safety Board	\$ 201,176	\$ 55,825	\$ 10,878	\$ 267,879	\$ 236,275

- (1) Base salary includes regular salary and earnings such as acting pay.
- (2) Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2021.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships, tuition fees, and parking.

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2021
(in thousands)

Schedule 3

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta consolidated financial statements. Related parties also include management of the Board and close family members of those individuals of the Board.

The Board and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry	
	2021	2020
Revenue		
Grant from Department of Transportation	\$ 1,889	\$ 1,989
	2021	2020
	Other Entities	
Expenses - Directly Incurred		
Business and Technology Services	\$ -	\$ 26

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These expense amounts are not recorded in the financial statements.

	Entities in the Ministry	
	2021	2020
Expenses - Incurred by Department of Transportation		
Financial Services	\$ 170	\$ 170
	2021	2020
	Other Entities	
Expenses - Incurred by Other Entity		
Accommodation	\$ 117	\$ 124

Other Financial Information

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Statement of Credit or Recovery (unaudited)**Department of Transportation****Year Ended March 31, 2021***In thousands*

The following has been prepared pursuant to Section 24(3) of the *Financial Administration Act*.

	Authorized	Actual Revenue Recognized	Deferred Revenue	Actual Cash/ Donation Received/ Receivable	(Shortfall)/ Excess
Operational					
Motor Transport Permits and Licences	\$ 21,640	\$ 12,215	-	\$ 12,215	\$ (9,425)
Commercial Vehicle Decals	480	107	-	107	(373)
	<u>\$ 22,120</u>	<u>\$ 12,322</u>	<u>\$ -</u>	<u>\$ 12,322</u>	<u>\$ (9,798)</u> ⁽¹⁾
Capital - Voted					
Highway Rehabilitation Projects	\$ 3,000	\$ 521	\$ -	\$ 521	\$ (2,479)
Tourism Highway Signage Initiative	1,000	358	-	358	(642)
	<u>\$ 4,000</u>	<u>\$ 879</u>	<u>\$ -</u>	<u>\$ 879</u>	<u>\$ (3,121)</u> ⁽¹⁾

(1) Shortfall is deducted from current year's corresponding funding authority.

Motor Transport Permits and Licences

A portion of the revenue for Motor Transport Permits and Licenses supports Alberta's traffic volumes, the Driver Examiner Road Test Model and the Pre-Entry Program for New National Safety Code Carriers.

Commercial Vehicle Decals

Revenue generated from the sale and distribution of commercial vehicle decals.

Highway Rehabilitation Projects

Various agreements exist whereby the private sector and municipalities make contributions towards capital maintenance and renewal projects.

Tourism Highway Signage Initiative

The private sector contributes towards new investments in tourism related signs and structures in the province.

LAPSE/ENCUMBRANCE (unaudited)
Department of Transportation
Year Ended March 31, 2021
In thousands

	Voted Estimates ⁽¹⁾	Supplementary Estimate ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimates	Actuals ⁽⁴⁾	Over Expended (Unexpended) ⁽⁵⁾
	<i>(in thousands)</i>					
Expense Vote by Program						
1 Ministry Support Services						
1.1 Minister's Office	\$ 780	\$ -	\$ -	\$ 780	\$ 744	\$ (36)
1.2 Deputy Minister's Office	800	-	-	800	824	24
1.3 Strategic Services	8,382	(1,900)	-	6,482	8,333	1,851
	<u>9,962</u>	<u>(1,900)</u>	<u>-</u>	<u>8,062</u>	<u>9,901</u>	<u>1,839</u>
2 Program Services and Support	22,244	-	-	22,244	19,297	(2,947)
3 Traffic Safety Services	41,421	3,946	3,000	48,367	45,461	(2,906)
4 Grant to Alberta Transportation Safety Board	1,889	-	-	1,889	1,889	-
5 Provincial Highway Maintenance and Preservation						
5.1 Maintenance	231,644	60,000	-	291,644	275,792	(15,852)
5.2 P3 Maintenance	70,661	-	-	70,661	71,734	1,073
5.3 Preservation	-	-	-	-	-	-
5.4 Other Infrastructure Maintenance	5,773	-	-	5,773	11,240	5,467
5.5 Assessment and Support Systems	19,500	-	-	19,500	15,753	(3,747)
	<u>327,578</u>	<u>60,000</u>	<u>-</u>	<u>387,578</u>	<u>374,519</u>	<u>(13,059)</u>
6 Municipal Transit and Transportation Grant Programs						
6.1 Strategic Transportation Infrastructure Program	15,000	8,000	-	23,000	39,391	16,391
6.2 Green Transit Incentives Program (GreenTRIP)	59,778	14,700	-	74,478	25,631	(48,847)
6.3 Terwillegar Expansion	-	3,250	-	3,250	3,250	-
	<u>74,778</u>	<u>25,950</u>	<u>-</u>	<u>100,728</u>	<u>68,272</u>	<u>(32,456)</u>
7 Municipal Water Infrastructure Grant Programs						
7.1 Municipal Water Wastewater Program	13,700	27,275	-	40,975	86,658	45,683
7.2 Water for Life	51,300	15,757	-	67,057	40,034	(27,023)
7.3 First Nations Water Tie-In Program	12,800	5,000	-	17,800	2,060	(15,740)
7.4 Redwood Meadows	8,900	-	-	8,900	32,000	23,100
	<u>86,700</u>	<u>48,032</u>	<u>-</u>	<u>134,732</u>	<u>160,752</u>	<u>26,020</u>
8 Federal Grant Programs						
8.1 Public Transit Infrastructure Fund	43,829	(1,347)	-	42,482	46,909	4,427
8.2 Clean Water Wastewater Fund	29,657	(1,371)	-	28,286	20,948	(7,338)
8.3 Investing in Canada Infrastructure - Public Transit	343,145	-	-	343,145	19,711	(323,434)
8.4 Investing in Canada Infrastructure - Green Infrastructure	26,847	454	-	27,301	1,401	(25,900)
Investing in Canada Infrastructure - Rural and Northern						
8.5 Communities	4,000	-	-	4,000	-	(4,000)
	<u>447,478</u>	<u>(2,264)</u>	<u>-</u>	<u>445,214</u>	<u>88,969</u>	<u>(356,245)</u>
9 Ring Roads						
9.3 Debt Servicing	94,540	-	-	94,540	94,540	-
Credit or Recovery Shortfall	-	-	(9,798)	(9,798)	-	9,798
Total	\$ 1,106,590	\$ 133,764	\$ (6,798)	\$ 1,233,556	\$ 863,600	\$ (369,956)
Lapse						\$ (369,956)

LAPSE/ENCUMBRANCE (unaudited)
Department of Transportation
Year Ended March 31, 2021
In thousands

	Voted Estimates ⁽¹⁾	Supplementary Estimate ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimates	Actuals ⁽⁴⁾	Over Expended (Unexpended) ⁽⁵⁾	
	<i>(in thousands)</i>						
Capital investment Vote by Program							
1 Ministry Support Services							
1.3 Strategic Services	\$ 687	\$ 687	-	\$ 687	\$ 3,045	\$ 2,358	
9 Ring Roads							
9.1 Edmonton Ring Road	36,850	36,850	140,560	-	177,410	242,373	64,963
9.2 Calgary Ring Road	467,584	467,584	50,123	-	517,707	551,573	33,866
	504,434	190,683	-	695,117	793,946	98,829	
10 Northeast Alberta Strategic Projects							
10.1 Highway 63 Twinning	-	-	-	-	3,617	3,617	
11 Provincial Highway Construction Projects							
11.1 Highway Twinning, Widening and Expansion	176,707	45,100	-	221,807	181,580	(40,227)	
11.2 Deerfoot Trail Upgrades	4,000	4,000	-	4,000	6,301	2,301	
	180,707	45,100	-	225,807	187,881	(37,926)	
12 Bridge Construction Projects	65,000	65,000	35,380	-	100,380	70,848	(29,532)
13 Provincial Highway Rehabilitation							
13.1 Highway Rehabilitation Projects	321,246	197,220	(1,252)	517,214	385,285	(131,929)	
13.2 P3 Rehabilitation	6,218	6,218	-	6,218	7,434	1,216	
13.3 Major Maintenance	25,000	25,000	-	25,000	30,836	5,836	
	352,464	197,220	(1,252)	548,432	423,555	(124,877)	
14 Water Management Projects							
14.1 Water Management Infrastructure	30,000	30,000	-	30,000	34,270	4,270	
14.2 Springbank Off-Stream Reservoir	27,945	-	-	27,945	14,789	(13,156)	
	57,945	-	-	57,945	49,059	(8,886)	
Credit or Recovery Shortfall	-	-	(3,121)	(3,121)	-	3,121	
Total	\$ 1,161,237	\$ 468,383	\$ (4,373)	\$ 1,625,247	\$ 1,531,951	\$ (93,296)	
(Encumbrance)						\$ (93,296)	
Financial Transactions Vote by Program							
5 Provincial Highway Maintenance and Preservation							
5.5 Salt, Sand and Gravel	\$ 50,000	\$ -	\$ (896)	\$ 49,104	\$ 53,359	\$ 4,255	
9 Ring Roads							
9.4 Debt Repayment	56,288	-	-	56,288	56,288	-	
Total	\$ 106,288	\$ -	\$ (896)	\$ 105,392	\$ 109,647	\$ 4,255	
(Encumbrance)						\$ 4,255	

- (1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transactions Vote by Program" pages 199-201 of 2020-2021 Government Estimates.
(2) Supplementary Estimates for fiscal year 2020-21 approved on December 9, 2020 (date of Royal Assent of the Appropriations Acts).
(3) Adjustments include encumbrances, capital carry forward amounts, transfers between votes, and credit or recovery increases approved by Treasury Board, and credit or recovery shortfalls. An encumbrance is incurred when, on a vote by vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding Voted Estimate in the current year.
(4) Actuals exclude non-voted amounts such as amortization and valuation adjustments.
(5) The over expenditure is due to full year implementation of highway maintenance contracts with fixed fee pricing for purchases of salt, sand and gravel

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Public Interest Disclosure (Whistleblower Protection) Act 79

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act* reads:

- 32(1) Every chief officer must prepare a report annually on all disclosures that have been made to the designated officer of the department, public entity or office of the Legislature for which the chief officer is responsible.
 - (2) The report under subsection (1) must include the following information:
 - (a) the number of disclosures received by the designated officer, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
 - (b) the number of investigations commenced by the designated officer as a result of disclosures;
 - (c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.
 - (3) The report under subsection (1) must be included in the annual report of the department, public entity or office of the Legislature if the annual report is made publicly available.

There were no disclosures of wrongdoing filed with the Public Interest Disclosure Office for Alberta Transportation between April 1, 2020 and March 31, 2021.

