
Infrastructure and Transportation

BUSINESS PLAN 2006-09

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2006 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 23, 2006 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

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

[Original Signed]

Lyle Oberg, M.D., *Minister of Infrastructure and Transportation*
March 1, 2006

THE MINISTRY

Infrastructure and Transportation's responsibilities are wide ranging, from managing provincial transportation safety programs to the provision of policy direction and planning for supported infrastructure, to building and managing government-owned infrastructure including the provincial highway network and facilities that support government operations. Management of numerous grant programs, including municipal transportation, water/wastewater, and administration of the Natural Gas Rebate Program are all part of our mandate. The Ministry also provides property acquisition and disposal, leasing and space planning for government facilities, management of the Swan Hills Treatment Centre, as well as air and vehicle fleet management services.

The Ministry includes the Transportation Safety Board, which adjudicates on commercial carrier compliance, controls and monitors driver licensing, and is responsible for hearings under the *Railway (Alberta) Act*.

VISION

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

MISSION

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

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Link to goals in the 2006-09 Government of Alberta Business Plan...

- Goal 1: Alberta will have a diversified and prosperous economy
- The Ministry provides assistance to rural municipalities, towns and villages in accommodating new resource and industry related traffic, and the provision of facilities to support the delivery of government programs including those that support innovation throughout Alberta.
- Goal 2: Albertans will be well prepared for lifelong learning and work
- The Ministry provides technical expertise to partner ministries and boards to ensure learning facilities meet program needs.
- Goal 3: Alberta's international competitiveness will be enhanced
- The Ministry facilitates development of effective water/wastewater, road, and building infrastructure required to sustain growing communities and enhancement of strategic economic corridors to improve access to the marketplace that supports economic development throughout the province.
- Goal 5: Albertans will be healthy
- The Ministry works with health regions to plan and implement the most appropriate facility solutions to meet health delivery needs.
- Goal 8: Alberta will have a financially stable, open and accountable government
- The Ministry supports this goal by effectively planning and managing government-owned and leased facilities and implementing innovative technologies to increase energy efficiency and reduce operating costs.
- Goal 9: Alberta will have strong and effective partnerships with municipal, provincial, territorial, federal and foreign governments
- The Ministry supports strong effective partnerships through collaboration with other jurisdictions to develop national and multi-jurisdictional transportation and aviation strategies, foster integrated multi-modal transportation systems, and develop new and deliver existing programs to support municipal and government needs. The Ministry also collaborates to address infrastructure, freight and passenger transportation, highway and municipal policy, and related environmental issues.
- Goal 10: Alberta will be a fair and safe place to work, live and raise families
- The Ministry ensures effective driver education services and standards are in place, working to improve transportation safety, and providing safe facilities that support government programs.
- Goal 11: The high quality of Alberta's environment will be sustained
- The Ministry sustains the quality of the province's environment by supporting the operation of the Swan Hills Treatment Centre to dispose of hazardous wastes, and by undertaking efforts to reduce the environmental impact of Ministry activities.
- Goal 14: Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life
- The Ministry leads one of the Government of Alberta's top priorities; Building Infrastructure for Our Future which is the plan that addresses future infrastructure investment and current needs to support economic growth while maintaining existing infrastructure. The Ministry also supports this goal by partnering with other ministries to develop the province's Capital Plan and implement approved projects.

Link to key opportunities in the 20-Year Strategic Plan...

The Government of Alberta has identified strategic opportunities as cornerstones to achieving the government's vision. Infrastructure and Transportation supports **Unleashing Innovation**, which links to government Goal 1 through the creation of research facilities, "green initiatives" including the use of green power electrical energy in government buildings, implementing intelligent transportation systems, and other innovations. **Leading in Learning** is strengthened through preservation and delivery of effective and efficient facilities in support of life-long learning through government Goal 2. **Competing in a Global Marketplace**, which links to government Goal 3, is enhanced through long-term strategic transportation planning, coordination of transportation modes, improving transportation logistics with domestic and international markets, and providing much needed infrastructure in high growth areas such as the Fort McMurray/Wood Buffalo region. As part of **Making Alberta the Best Place to Live, Work and Visit** the Ministry works with municipalities and stakeholders to improve traffic safety and build modern infrastructure in support of Alberta's social, environmental and economic goals, which links to government Goals 5, 9, 10 and 11.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

Traffic Volumes, Collisions and Injuries

The amount of traffic in Alberta continues to rise due to an increasing population and growing economy, resulting in major implications for the efficiency of Alberta's roads and safety of Alberta's road users. Greater public awareness of road safety is resulting in pressures on government to address road safety issues, improve highway infrastructure, implement new technologies and address road user behavior and attitudes. Continued efforts are needed to identify and work with high risk drivers on intervention strategies to reduce collisions and resulting injuries and fatalities.

Aging Infrastructure

A persistent challenge for the past several years has been to balance the need for ongoing maintenance and rehabilitation of existing capital assets with the need to invest in various types of infrastructure to accommodate growth and economic pressures. A significant backlog in deferred maintenance has been created. Major repair can be expected to cost more than routine maintenance would have cost, and all-out replacement can cost up to five times what repair would have cost. As part of the capital plan process, the Ministry is leading a strategy to provide adequate maintenance and upgrading that is required to preserve the province's existing capital assets.

Infrastructure and Transportation must address a growing infrastructure debt. As of 2005-06, it is estimated over seven billion dollars are required. Although a significant increase in capital funding has been provided to build necessary highways, schools and health facilities related to new capital projects, resolving infrastructure deficiencies will take time. The Ministry will continue to pursue new ways of providing cost effective infrastructure, such as public-private partnerships (P3s) and other alternative financing opportunities.

Economic and Population Growth and Changing Demographics

Economic and population growth is contributing to increased highway traffic volumes, causing additional pressures. Rail, air and marine modes of transport are also experiencing increased demand. Further complicating the problem is the imbalance of economic growth in Alberta. Developments in the Regional Municipality of Wood Buffalo generate revenues to the province and growth in the region is creating substantial pressure to expand local infrastructure. While communities situated along the Queen Elizabeth II Highway corridor experience significant growth, some other parts of the province are in decline.

Population shifts from rural to urban result in high demand for facilities in growth areas and underutilized facilities in declining areas. These shifts are also noticeable within Edmonton and Calgary. While overall population is growing province-wide, school enrolment is declining and is projected to continue to decline over the medium to long-term. An aging population is increasing demand for health facilities and seniors' lodges.

An aging labour force within construction, trucking and related industries will result in increased labour force shortages, beyond what is currently being experienced. Access to off-shore markets is being impacted by the inability of the Port of Vancouver to accommodate import and export trade as it is currently over capacity with pressures anticipated to increase as Western Canada's economic growth remains strong.

Safety and Security

There is increased emphasis on security issues related to potential threats of terrorism, natural disasters, identity theft, and crime resulting in delays at border crossings, at airports and for dangerous goods transportation. Security concerns are also resulting in increased demand for modernization of various types of government infrastructure to respond to enhanced security requirements, including the process of verifying a driver's identity and credentials in support of driver licensing.

Cost Increases

Global increases in the price of raw materials for construction are contributing to cost increases for the construction of buildings, roads, bridges and other infrastructure. Market condition factors, caused by current heavy demand for construction projects and tight supplies of materials and labour, are adding 7 to 20 per cent to project costs and will continue to do so in the near-term. These factors vary across the province on a north-south basis, with isolated northern communities experiencing the most severe cost pressures.

Mega projects and significant new provincial and federal infrastructure programs are contributing to increasing inflation and construction prices for all types of infrastructure. Increased construction activity will further impact labour availability. Wage rates are under stress due to Alberta's low unemployment rate, high labour participation rate and rising construction volumes. An aging workforce is threatening to further impact labour costs as skilled workers retire from the workforce.

Operations and Maintenance Costs

The operation and maintenance of Alberta's capital assets must address a growing backlog in deferred maintenance that is increasingly resulting in the need for costly repair and/or replacement of the capital asset. Regular maintenance protects and extends the useful life of our capital assets. The operation and maintenance of Alberta's capital assets must be balanced against other government spending priorities. However, the importance of regular maintenance in extending the life of our capital assets must be considered in resource allocation decisions. As new infrastructure is built to accommodate the province's population growth, a corresponding increase in operation and maintenance costs will be required.

New Technology and Innovation

Adapting to technological change and improving organizational efficiencies and business processes by integrating the use of new technology, is an ongoing challenge for the Ministry. Better information, improved research, and lessons learned from past integrations will be used to incorporate new technology into business processes. Infrastructure innovations such as designing multi-purpose facilities to allow flexibility in the future, applying new sustainable technologies to improve efficiencies in program delivery, energy usage and operating costs, developing intelligent transportation systems, enhanced railway crossing systems, and advanced road weather information systems are becoming "must have" improvements in today's environment to improve safety.

STRATEGIC PRIORITIES 2006-09

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

1. Saving Lives and Reducing Injury on Alberta Highways

Linkage: Goals 1 and 2

An extensive traffic safety review has been completed with stakeholders and has led to development of the Alberta Traffic Safety Plan. This plan, led by Infrastructure and Transportation, will address issues related to traffic safety such as driver education, enforcement, technology and sustainable funding. These efforts aim to change driver habits and reduce collisions. During this business plan period, the Ministry will work in

partnership with Justice, Solicitor General and Public Security, and stakeholders to implement the new Alberta Traffic Safety Plan.

2. Building Infrastructure for Our Future

Linkage: Goals 2, 3, 4, 5, 6, 7 and 9

In today's complex global environment many issues and trends have an impact on the effective and efficient management of Alberta's infrastructure requirements. To ensure Albertan's infrastructure needs are met, the Ministry will:

- Work with partner ministries and other stakeholders to design a 10-year plan to address deferred maintenance;
- Work with partner ministries to determine priority capital projects.

3. Managing Complex Infrastructure Requirements

Linkage: Goals 2, 3, 4, 5, 6, 7 and 9

Manage Alberta's infrastructure requirements effectively and efficiently in today's complex global environment by balancing the need for ongoing maintenance and rehabilitation of existing capital with the need for new capital investment; addressing capital project priorities; and considering alternative financing opportunities, including public-private partnerships to provide needed infrastructure.

4. Supporting Economic Development and Innovation

Linkage: Goals 2, 3, 4, 5, 6, 7 and 9

Alberta's continued growth depends on many factors with effective infrastructure being a top priority. Efficient transportation links are needed to get goods to market and learning and health facilities are required to support growing communities.

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

5. Support for the Government of Alberta's Top Priorities

Linkage: Goals 1, 2, 3, 4, 5, 6, 7 and 9

The Ministry will continue to play an active role in a number of the Government of Alberta's top priorities in addition to those where it does not have a lead role, such as:

- Using and Respecting the Land by participating in the development of a Land Use Framework and supporting the Water for Life Strategy;
- Building Aboriginal Self-sufficiency by providing opportunities for Aboriginal people to participate in Ministry projects on their lands;
- Protecting People's Private Information by ensuring information entrusted to the Ministry is secure and managed to protect privacy.

6. Provide Service Excellence to Meet Client Needs

Linkage: Goals 1, 2, 3, 4, 5, 6, 7, 8 and 9

In support of our vision to become a Centre of Excellence and function as an empowered and flexible organization that provides the best possible service to our clients, the Ministry will:

- Clarify roles and accountabilities with our partner ministries, clients and stakeholders as a result of sharing responsibility for implementing capital projects;
- Evaluate opportunities for alternative ways of providing service;
- Improve service provision by fully integrating department functions and taking advantage of synergies within the restructured organization;
- Re-evaluate our human resource needs and develop and implement continuity planning strategies to ensure our workforce has the technical and management skills to successfully achieve our goals;
- Integrate technologies to improve business processes; and
- Effectively identify and manage risk in all our business areas.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Manage provincial transportation safety programs

GOAL ONE

1

Improve driver, vehicle, carrier, road and rail safety

What it means Infrastructure and Transportation improves driver, vehicle, carrier, road and rail safety by ensuring effective driver education services, programs and licensing standards are in place; managing driver records and high risk drivers; implementing impaired driving programs; delivering and enforcing vehicle and commercial carrier safety programs; monitoring the handling and transport of dangerous goods; and overseeing the safe operation of provincial railways.

Strategies

- 1.1 Implement the Alberta Traffic Safety Plan to reduce fatalities and injuries on Alberta's roadways.
- 1.2 Pursue initiatives to support Road Safety Vision 2010, Canada's national road safety strategy, to meet national goals and make Alberta's roads safer.
- 1.3 Enhance the safety of children through programs and initiatives focusing on child safety seats, bicycle helmets and other safety programs targeted to school-aged children.
- 1.4 Continue implementation of the Graduated Driver Licensing program to enhance the safety skills of new drivers.
- 1.5 Undertake safety audits at the highway planning and design stage to ensure overall integration of geometrics, traffic signals, pavement markings and other specialties, and identify rest area and roadside turnout needs in conjunction with highway improvements.
- 1.6 Improve commercial driver safety through driver-training initiatives, hours of service regulation, fatigue management counter measures, and development and monitoring of commercial driver profiles with other jurisdictions.
- 1.7 Improve highway safety by implementing enhanced elements to the national driver licensing reciprocity agreement, including implementing the Canadian Driver Licence Agreement.
- 1.8 Improve highway safety through Intelligent Transportation Systems, including Automated Vehicle Identification for safe commercial vehicle operators.
- 1.9 Ensure commercial vehicle safety through mandated periodic inspection and on-highway inspection programs.
- 1.10 Renew the partnership with Transport Canada to ensure that the transportation of dangerous goods, a major component of Alberta's exports, is safe and secure within Alberta.
- 1.11 Monitor provincial railways to ensure railway infrastructure and equipment conform to appropriate standards.
- 1.12 Ensure the Transportation Safety Board has the resources it needs to conduct timely, fair and impartial appeals of departmental decisions concerning road and rail safety.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
1.a Seat Belt Usage – Percentage of vehicle occupants wearing seat belts – Alberta ¹	84.9 (2003-04)	88.0	90.0	92.0
1.b Mechanical Safety of Commercial Vehicles – Percentage of inspected vehicles requiring on-site adjustments	18.8 (2004-05)	19.0	19.0	19.0
Involvement of Drinking Drivers in Casualty Collisions				
1.c Percentage of drivers involved in fatal collisions who had consumed alcohol	19.1 (2004-05)	19.0	18.9	18.7
1.d Percentage of drivers involved in injury collisions who had consumed alcohol	4.8 (2004-05)	4.6	4.4	4.4

Notes:

¹ Transport Canada conducts overall seat belt use surveys biennially. The next overall seat belt survey is scheduled for the fall of 2007. Infrastructure and Transportation will conduct comparable surveys using similar methodology in 2006 and 2008 to meet reporting requirements.

A measure for percentage of commercial vehicles involved in casualty collisions is under development. Infrastructure and Transportation is currently reviewing the Road Safety Vision 2010 sub-target, which aims at a 20 per cent decrease in road users killed or seriously injured in collisions involving commercial vehicles. The objective will be to develop a baseline and target compatible with this national sub-target and reduction strategies.

A measure of the decrease in traffic fatalities will be developed in association with the Alberta Traffic Safety Plan.

Core Business Two: Plan, develop and manage government-owned and leased infrastructure

GOAL TWO

2

Improve the safety, efficiency and effectiveness of provincial highway infrastructure

What it means The Ministry works to continually improve the provincial highway infrastructure by efficiently managing highway planning, design, construction, maintenance and rehabilitation; developing standards for provincial highways; and enforcing commercial carrier weights and dimensions. This includes developing strategic economic corridors such as the North-South Trade Corridor and the Calgary and Edmonton ring roads.

Strategies

- 2.1 Improve highway design, construction and preservation through innovative research on safety, engineering and Intelligent Transportation Systems.
- 2.2 Develop a strategy to minimize deterioration of provincial highways, thereby reducing the amount of major maintenance required.
- 2.3 Implement a state-of-the-art Transportation Infrastructure Management System.
- 2.4 Employ innovative approaches to monitor, enforce and manage truck weight, dimension and safety limits on provincial highways.
- 2.5 Commence rationalization of the provincial highway network in partnership with local municipalities to ensure local and provincial needs are met.
- 2.6 Pursue opportunities to develop cost-shared joint-use vehicle inspection stations with adjacent jurisdictions to enhance efficiencies and ensure consistency among the provinces.

2.7 Develop strategies to improve the road network in the Regional Municipality of Wood Buffalo.

Performance Measures	Last Actual (2004-05)	Target 2006-07	Target 2007-08	Target 2008-09
2.a Physical Condition of Provincial Highways:				
Percentage in good condition	65.5	66.0	67.0	68.0
Percentage in fair condition	23.3	23.0	22.5	22.0
Percentage in poor condition	11.2	11.0	10.5	10.0
2.b Functional Adequacy of Provincial Highways – Percentage of provincial highways that are not subject to weight restrictions and meet current engineering standards	79.4 ¹	79.4	79.4	79.4
2.c Provincial Highway Paving – Remaining kilometres of graveled provincial highways to be paved ²	620	500	430	380
2.d Construction Progress on the North-South Trade Corridor – Percentage of four-laning open to travel	82.0	88.0	90.0	91.0
2.e Ring Roads in Edmonton and Calgary – Percentage of ring roads open to travel	18.2	26.5	40.0	40.0

Notes:

- ¹ Criteria for functional adequacy has changed since the 2005-08 Business Plan. Completion of staged pavements has been added as a factor.
- ² Measures the kilometres of gravel provincial highways requiring paving, based on either average traffic volume of over 400 vehicles per day or to ensure surface continuity on strategic roads.

Targets for measures 2.a and 2.b are stretch targets to move the Ministry toward achieving its optimal performance objectives.

For Physical Condition of Provincial Highways, the optimum objective is 80 per cent good, 15 per cent fair, and five per cent poor. Achieving this objective would eliminate the deferred maintenance backlog with respect to pavements. The construction cost to improve per cent poor by one per cent is approximately \$80 million.

The Ministry's optimum objective is to achieve a functional adequacy level of 90 per cent. Achieving this objective would eliminate the need for paving gravel highways, widening existing paved highways (for those highways where condition requires improvement), and completion of staged pavements. The construction cost to improve functional adequacy by one per cent is approximately \$180 million.

GOAL THREE

3

Ensure safe and effective water management infrastructure on behalf of Environment

What it means Continue to work with Environment in effectively developing and maintaining water management infrastructure. Provision of professional, technical and management services to Environment for rehabilitation and upgrading of existing water management infrastructure, as well as the design and construction of new water management projects is also included. Projects primarily consist of dams and canals, including related environmental impact assessments.

Strategies

- 3.1 Complete construction of projects and continue rehabilitation of the main canal of the Carseland/Bow River system to ensure a secure water supply to the area.

- 3.2 Develop a multi-year rehabilitation program for Alberta Northern Erosion Control Program projects in conjunction with Environment.
- 3.3 Develop a program to rehabilitate provincially supported water drainage infrastructure.
- 3.4 Rehabilitate and maintain provincially-owned water management infrastructure through efficient planning and resource allocation.

Performance Measure	Last Actual (2004-05)	Target 2006-07	Target 2007-08	Target 2008-09
3.a Progress on Completion of Major Water Management Construction Projects – Percentage of Carseland/Bow River rehabilitation completed	30.0	53.0	69.0	83.0

GOAL FOUR

4

In partnership with all ministries, effectively plan and manage government-owned and leased facilities to support the delivery of government programs

What it means In partnership with all ministries, Infrastructure and Transportation is responsible for providing overall capital and operating management of government-owned and leased facilities including office space, courts, correctional facilities, warehouses, maintenance facilities, laboratories and research centres. The Ministry also plays a key role in ensuring the health and safety needs of occupants and visitors are met including maintaining good air quality in government buildings. The mandate to manage government buildings also includes an obligation to minimize the environmental impact of Ministry activities.

Strategies

- 4.1 Develop, maintain and implement accommodation plans to meet the priority program needs for government clients.
- 4.2 Address physical building and site security needs in government buildings in collaboration with program departments.
- 4.3 Assist other ministries and agencies in development and implementation of emergency and safety plans for government-owned and leased buildings across the province.
- 4.4 Ensure accessibility needs for persons with disabilities are fully considered in Ministry building design standards, policies, programs and projects.
- 4.5 Apply risk management and remediation initiatives to address environmental concerns at properties owned by government.
- 4.6 Monitor energy efficiency and operating costs of government-owned and leased facilities and make cost-effective improvements.
- 4.7 Incorporate best practices in indoor air quality standards and ensure appropriate processes are followed to address any incidents, such as mould, that may occur.
- 4.8 Minimize the net cost to government through operating the Swan Hills Treatment Centre in a safe and efficient manner.

Performance Measures	Last Actual (2004-05)	Target 2006-07	Target 2007-08	Target 2008-09
4.a Physical Condition of Ministry Owned and Operated Facilities:				
Percentage in good condition	44.0	48.0	50.0	50.0
Percentage in fair condition	53.0	49.0	47.0	47.0
Percentage in poor condition	3.0	3.0	3.0	3.0
4.b Functional Adequacy of Ministry Owned and Operated Facilities – Percentage that provide functional service	85.4	88.8	91.4	91.8
4.c Average Operating Cost per Square Metre of Ministry Owned and Operated Office Space – Percentage of operating cost compared to industry average ¹	74	<90	<90	<90
4.d Energy Consumption in Ministry Owned and Operated Facilities – Consumption in megajoules per square metre	1,745	1,750	1,750	1,750

Notes:

¹ Ministry target for each year is to not exceed 90 per cent of the annual industry average.

Planned and recently completed major renovation and new construction projects will positively impact the physical condition of about 150,200 square metres of facilities which is about eight per cent of the total inventory of government-owned and operated facilities. Physical condition is projected to continue to decline for the balance of the facilities.

While it appears that the physical condition target for "fair" is decreasing and the target for "good" is increasing, there may not be an improvement in the condition of the vast majority of buildings. Rather, this is a result of the amount of new buildings added and capital project renovations being completed, which increases the overall pool of facilities in "good" condition or improves a facility from "fair" to "good" condition. Capital projects (and associated total project costs) that influence the per cent of facilities in "good" condition include: 2005-06 – Provincial Archives (12,300 m²), Northern and Southern Alberta Jubilee Auditoriums (38,400 m²) and Level III Biocontainment Lab (2,600 m²); 2006-07 – Leduc Agrivalue Business Incubator (6,900 m²); 2007-08 – Calgary Courts Centre (90,000 m²).

For the Physical Condition of Ministry Owned and Operated Facilities the optimum target is 85 per cent in good condition.

A review of the physical condition methodology will be undertaken to develop improved planning assessment tools for building infrastructure.

Core Business Three: Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs

GOAL FIVE

5

Support municipal infrastructure needs

What it means Municipalities provide a number of essential local services including water/wastewater services. In support of these municipal programs, Infrastructure and Transportation provides funding for eligible municipal water/wastewater facilities through the Water for Life program, focusing on addressing health and environmental concerns as a top priority. Developing and upgrading of transportation infrastructure is also funded through various grant programs for eligible projects. The Ministry also participates, along with municipalities and communities, in accessing federal infrastructure programs.

Strategies

- 5.1 Assist municipalities with water supply, water treatment, and wastewater treatment and disposal facilities through the provision of funding under the Water for Life program and an enhanced Regional Water and Wastewater Partnership Initiative, consistent with the cross-ministry Water for Life Strategy.
- 5.2 Continue to provide grant funding to assist Alberta municipalities with developing and upgrading infrastructure through the Basic Capital Grant, Cities Special Transportation Grant, the Streets Improvement Program, and the Rural Transportation Partnership.
- 5.3 Provide the cities of Edmonton and Calgary with annual transportation funding based on five cents per litre of fuel delivered within their boundaries.
- 5.4 Administer the Resource Road Program to assist rural municipalities, towns and villages that experience resource and new industry-based traffic.
- 5.5 Continue to provide grant funding under the Federal Funding for Cities and Communities program, administer the Infrastructure Canada-Alberta Program and the Municipal Rural Infrastructure Fund.
- 5.6 Administer the \$3 billion Municipal Infrastructure Program to upgrade municipal water, wastewater, transportation and other infrastructure facilities.

Performance Measure	Last Actual (2003)	Target 2006-07	Target 2007-08	Target 2008-09
5.a Client Satisfaction Survey – Percentage of municipal clients satisfied with overall quality of service	95.0	n/a	94.0	n/a

Notes:

n/a Client Satisfaction Survey is conducted every two years and is based on calendar year. Respondents rate satisfaction based on a scale of one to six, one being very dissatisfied and six being very satisfied. The next survey will be conducted in 2006 based on the 2005 calendar year.

Development of a measure to determine the performance of municipal infrastructure is underway.

GOAL SIX

6

Collaborate with other ministries in the development and preservation of schools, post-secondary institutions and health facilities through the provision of technical expertise and project management services

What it means The Ministry works in partnership with other ministries, including Health and Wellness, Education, Advanced Education and Seniors and Community Supports to ensure existing and future government supported facilities meet the needs of Albertans. To do this, Infrastructure and Transportation manages project implementation and provides a wide range of technical expertise to ensure that facility solutions take into account program delivery needs, life-cycle costing, new technologies and building designs, and efficient operating costs. Effective preservation of existing infrastructure is also paramount in this goal.

Strategies

- 6.1 Partner with program ministries and stakeholder boards to implement approved projects identified in the 2006-09 Capital Plan. Major projects to support research and development and increase medical instructional capacity include the Health Research Innovation Centres at the Universities of Calgary and Alberta, and the Health Sciences Ambulatory Learning Centre in Edmonton.
- 6.2 Work with program ministries, school boards, post-secondary institutions, and health regions in updating long-term capital plans by providing expertise in areas such as life-cycle costing, new technologies, design standards, and detailed project costing.
- 6.3 Offer a wide range of technical expertise and project management services to clients to ensure the most appropriate facility solution is implemented to support program delivery needs.
- 6.4 Work with Education to continue to assess the facility solutions required to implement the recommendations flowing from Alberta's Commission on Learning, particularly class sizes and new classroom technologies.
- 6.5 Provide support to Seniors and Community Supports and Health and Wellness in responding to the facility-related recommendations from the Task Force on Continuing Care Health Services and Accommodation Standards. In consultation with stakeholders, update existing building standards for long-term care facilities, seniors' lodges and publicly funded supported living facilities.
- 6.6 Implement health infrastructure and innovation strategies to support health system improvements.
- 6.7 With program ministries, redefine roles and responsibilities to implement the new framework of sharing common responsibility for implementing capital projects.
- 6.8 Undertake facility evaluations to monitor and report on the condition of schools, post-secondary institutions and health facilities to support the planning process and identify the preservation needs to ensure taxpayer investment is protected.
- 6.9 Finalize space classification data with post-secondary institutions and Advanced Education for use in the planning process.
- 6.10 Update and maintain guidelines for costs and space for supported facilities to reflect the impact of construction cost escalation.

Performance Measures	Last Actual (2004-05)	Target 2006-07	Target 2007-08	Target 2008-09
6.a Health Facilities – Physical Condition:				
Percentage in good condition	71.0	72.0	72.0	72.0
Percentage in fair condition	25.0	24.0	24.0	24.0
Percentage in poor condition	4.0	4.0	4.0	4.0
6.b Schools – Physical Condition:				
Percentage in good condition	61.0	65.0 ^a	70.0 ^a	75.0
Percentage in fair condition	36.0	32.0	28.0	23.0
Percentage in poor condition	3.0	3.0	2.0	2.0
6.c Post-Secondary Institutions – Physical Condition:				
Percentage in good condition	54.0	55.0	55.0	55.0
Percentage in fair condition	35.0	35.0	34.0	33.0
Percentage in poor condition	11.0	10.0	11.0	12.0
6.d Client Satisfaction Survey – Level of satisfaction indicated by Boards (based on a scale of 1 to 6)	4.8 (2003)	n/a	5.0	n/a

Notes:

^a Targets have been restated from the 2005-08 Business Plan.

Targets are based on the following assumptions:

- Required additional funding will be secured for infrastructure maintenance.
- This funding will be directed toward upgrading existing capital infrastructure.
- The current process being used to re-evaluate school facility condition will continue, and further schools will be evaluated.

n/a Client Satisfaction Survey is conducted every two years and is based on calendar year.

A review of the physical condition methodology will be undertaken to develop improved planning assessment tools for building infrastructure.

A post-secondary facility utilization measure is under development to measure the gross supported space per full load student within the post-secondary system.

GOAL SEVEN **7** Provide cross-ministry leadership and support to priority government programs and initiatives

What it means Supporting the Government of Alberta's Vision and Strategic Business Plan involves working with other ministries on initiatives of mutual interest and government-wide infrastructure needs. Infrastructure and Transportation leads the Capital Planning Initiative in developing a long-term capital plan for the province. Also, as part of its role in overseeing government's facility and land portfolio, the Ministry works with client departments, and some boards and agencies, to lease required space, acquire properties, divest surplus underutilized properties, and provide real estate and land planning services.

Strategies

- 7.1 Lead the Government of Alberta's top priority, Building Infrastructure for Our Future, and coordinate prioritization of all capital needs that become part of future government Capital Plans.
- 7.2 Collaborate with stakeholders to explore opportunities for multi-use facilities and continue to pursue alternative financing opportunities, such as public-private partnerships, where cost effective and feasible.
- 7.3 Acquire or lease property as appropriate to client needs.
- 7.4 Sell or divest surplus and underutilized properties and take a lead role in providing services for the disposal of properties for all government ministries.
- 7.5 Plan, develop and administer the Edmonton and Calgary Transportation and Utility Corridors.
- 7.6 Enhance environmental protection in the province by supporting the creation of a single-regulator system for developments affecting land, water or air.
- 7.7 Contribute to the water strategy and climate change initiatives.
- 7.8 Support the Government of Alberta's top priority of Building Aboriginal Self-sufficiency by providing opportunities for Aboriginal people to participate in Ministry projects undertaken on their lands; aid in development of traffic safety strategies appropriate to their needs; and provide accommodation needs to support delivery of programs.
- 7.9 Support government priorities for Albertans through delivery of key initiatives such as the Natural Gas Rebate Program.

Performance Measure	Last Actual (2003)	Target 2006-07	Target 2007-08	Target 2008-09
7.a Client Satisfaction Survey – Real estate quality of service rating (based on scale of 1 to 6)	5.0	n/a	5.2	n/a

Note:

n/a Client Satisfaction Survey is conducted every two years and is based on calendar year.

GOAL EIGHT



Efficiently manage the government's air and vehicle fleets

What it means Infrastructure and Transportation is responsible for delivering safe and reliable transportation services to government ministries, boards and agencies. This involves partnering with private sector service providers for light-duty vehicles, as well as managing the remaining government-owned light-duty vehicles. The Ministry also manages government aircraft and continues to provide safe, responsive and cost-effective air transportation services.

Strategies

- 8.1 Continue to work with the private sector vehicle fleet service provider to meet the transportation needs of government departments, boards and agencies and effectively plan for future retirement or replacement of vehicles.
- 8.2 Continue to evaluate and incorporate new safety systems and technologies into aircraft fleet and maintenance and ensure training methods for maintenance and flight crews reflect those of best industry practice.
- 8.3 Determine the needs of government and evaluate fleet requirements based on those needs. If necessary, develop and implement a strategy to replace or upgrade aircraft to deliver long-term, safe and fiscally responsible air transportation.

Performance Measures	Last Actual (2003)	Target 2006-07	Target 2007-08	Target 2008-09
8.a Client Satisfaction Survey – Vehicle users quality of service rating (based on scale of 1 to 6)	5.1	n/a	5.0	n/a
8.b Client Satisfaction Survey – Air transportation passengers quality of service rating (based on scale of 1 to 6)	5.6	n/a	5.6	n/a

Note:

n/a Client Satisfaction Survey is conducted every two years and is based on calendar year.

Core Business Four: Represent Alberta's interests in transportation policy

GOAL NINE

9

Work with stakeholders and other jurisdictions to develop and promote policies in support of efficient transportation

What it means Through partnering with other levels of government and stakeholder groups, this goal supports development of a national transportation strategy; commercial carrier standards; continuation of barrier-free transportation initiatives; and other program and policy initiatives related to all modes of transportation.

Strategies

- 9.1 Work with stakeholders and municipalities to ensure appropriate transportation infrastructure investment to maintain efficient and integrated networks and supply chains.
- 9.2 Develop access routes and inter-modal trade corridors to better connect Alberta shippers to the United States and other world markets.
- 9.3 Continue negotiations with the Tsuu T'ina Nation to extend the Southwest Calgary ring road.
- 9.4 Work with partners and stakeholders in developing strategies to improve access for persons with disabilities and seniors, including transportation facilities and systems and barrier-free access in all planned infrastructure construction projects.
- 9.5 Work with the federal government to deliver the Strategic Highway Infrastructure Program and Canada Strategic Infrastructure Fund to support the development of trade highways in Alberta.
- 9.6 Develop a Strategic Transportation Vision providing a long-term (up to 30-year) view of transportation in Alberta and Western Canada, taking into account projected urban and rural growth patterns, safety, resource development and intelligent transportation systems research and planning.
- 9.7 Develop transportation infrastructure in support of northern economic development.
- 9.8 Collaborate with the aviation industry and federal government to provide input to the National Aviation Strategy.
- 9.9 Work with stakeholders and other jurisdictions in negotiating and developing effective and harmonized motor carrier regulations across Canada.
- 9.10 Pursue a regional safety weight threshold for the inclusion of commercial vehicles in the National Safety Code.
- 9.11 Continue efforts to harmonize vehicle weight and dimensions with western provinces, territories and Alaska.
- 9.12 Participate in developing a comprehensive multi-modal national transportation strategy to improve international competitiveness.

Performance Measures

Notes:

A barrier-free performance measure has been piloted and baseline data is being collected to indicate the effectiveness of Infrastructure and Transportation's programs as they relate to barrier-free projects.

A stakeholder satisfaction survey is being developed to assess the level of satisfaction with how well stakeholder interests are being represented in federal negotiations.

CORPORATE STRATEGIES

The Ministry is committed to a positive and healthy work environment, and strengthening business practices through continuous improvement and excellence in service delivery. Successful delivery of the Ministry's core businesses depends on building and maintaining a strong and flexible organization and infrastructure with the knowledge and capacity to respond to changing business needs. The Ministry's Corporate Strategies support achievement of all Ministry goals, and include:

- Conduct business reviews and develop workforce planning strategies to fully integrate Ministry functions, achieving organizational synergies within a regionalized environment, and meet current and future needs through a competent and committed workforce.
- Collaborate with clients, partners and stakeholders to clarify roles and accountabilities.
- Integrate Ministry information technology systems to ensure systems support critical business needs, and continue to assess where new technologies can be utilized to enhance programs and service delivery.
- Continue to develop and improve the Building and Land Infrastructure Management System to enhance planning and management of ministry owned and supported facilities.
- Develop a Risk Management Framework to identify and manage risk in all business areas.
- Develop a long-term Strategic Plan to guide Ministry activities for the next 10 years and beyond.
- Expand the Environmental Management System for the Ministry to identify and manage environmental impacts associated with the Ministry's products, services and activities.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable					
	2004-05 Actual	2005-06 Budget	2005-06 Forecast	2006-07 Estimate	2007-08 Target	2008-09 Target
Manage provincial transportation safety programs	31,911	31,007	34,854	38,439	37,899	37,899
Plan, develop and manage government-owned and leased infrastructure	1,194,875	1,259,176	1,749,678	1,431,304	1,373,441	1,470,823
Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs	432,584	1,060,691	1,132,323	1,078,527	1,131,647	1,138,747
Represent Alberta's interests in transportation policy	2,849	3,463	3,470	3,097	3,077	3,077
MINISTRY EXPENSE	1,662,219	2,354,337	2,920,325	2,551,367	2,546,064	2,650,546

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable					
	2004-05 Actual	2005-06 Budget	2005-06 Forecast	2006-07 Estimate	2007-08 Target	2008-09 Target
REVENUE						
Internal Government Transfers	195,083	180,000	180,000	175,000	175,000	175,000
Transfers from Government of Canada	26,445	92,691	124,426	124,800	111,300	95,400
Premiums, Fees and Licences	21,009	13,920	15,920	13,920	13,920	13,920
Other Revenue	55,979	45,686	45,118	34,608	28,204	28,170
MINISTRY REVENUE	298,516	332,297	365,464	348,328	328,424	312,490
EXPENSE						
Program						
Ministry Support Services	47,209	46,599	47,308	45,488	43,488	43,488
Government Operations	282,161	278,793	302,040	312,009	312,009	312,009
Provincial Highway Systems and Safety	351,250	346,119	355,680	334,327	333,160	427,495
Strategic Economic Corridor Investment Initiative	-	-	-	3,800	3,800	-
Municipal Support Programs	380,796	1,017,180	1,088,501	1,042,200	1,096,200	1,103,300
Other Programs and Services	329,516	345,596	803,296	468,671	388,671	388,671
Non-Cash Items	271,287	320,050	323,500	344,872	360,772	357,372
Total Program Expense	1,662,219	2,354,337	2,920,325	2,551,367	2,538,100	2,632,335
Debt Servicing Costs						
Department	-	-	-	-	7,964	18,211
MINISTRY EXPENSE	1,662,219	2,354,337	2,920,325	2,551,367	2,546,064	2,650,546
Gain (Loss) on Disposal and Write Down of Capital Assets	10,120	-	-	-	-	-
NET OPERATING RESULT	(1,353,583)	(2,022,040)	(2,554,861)	(2,203,039)	(2,217,640)	(2,338,056)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable					
	2004-05 Actual	2005-06 Budget	2005-06 Forecast	2006-07 Estimate	2007-08 Target	2008-09 Target
Ministry Revenue	298,516	332,297	365,464	348,328	328,424	312,490
<i>Inter-ministry consolidation adjustments</i>	(198,473)	(183,908)	(183,240)	(178,530)	(178,530)	(178,530)
Consolidated Revenue	100,043	148,389	182,224	169,798	149,894	133,960
Ministry Program Expense	1,662,219	2,354,337	2,920,325	2,551,367	2,538,100	2,632,335
<i>Inter-ministry consolidation adjustments</i>	(3,390)	(3,908)	(3,240)	(3,530)	(3,530)	(3,530)
Consolidated Program Expense	1,658,829	2,350,429	2,917,085	2,547,837	2,534,570	2,628,805
Ministry Debt Servicing Costs	-	-	-	-	7,964	18,211
Consolidated Expense	1,658,829	2,350,429	2,917,085	2,547,837	2,542,534	2,647,016
Gain (Loss) on Disposal and Write Down of Capital Assets	10,120	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(1,548,666)	(2,202,040)	(2,734,861)	(2,378,039)	(2,392,640)	(2,513,056)

CAPITAL INVESTMENT BY CORE BUSINESS

(thousands of dollars)

	Comparable					
	2004-05 Actual	2005-06 Budget	2005-06 Forecast	2006-07 Estimate	2007-08 Target	2008-09 Target
Manage provincial transportation safety programs	914	1,464	1,464	1,484	1,504	1,504
Plan, develop and manage government-owned and leased infrastructure	645,048	818,175	865,354	1,275,482	1,004,781	1,631,855
Partner with municipalities, boards and other government departments and agencies to plan, develop and implement infrastructure that meets local and government needs	1,737	2,999	2,999	2,969	2,989	2,989
MINISTRY CAPITAL INVESTMENT	647,699	822,638	869,817	1,279,935	1,009,274	1,636,348

CAPITAL INVESTMENT BY PROGRAM

(thousands of dollars)

	Comparable					
	2004-05 Actual	2005-06 Budget	2005-06 Forecast	2006-07 Estimate	2007-08 Target	2008-09 Target
Ministry Support Services	9,694	9,870	9,870	11,870	13,870	13,870
Government Operations	157,268	215,166	239,911	144,193	96,053	111,901
Provincial Highway Systems and Safety	174,016	146,185	175,504	375,958	169,758	326,523
Strategic Economic Corridor Investment Initiative	259,060	339,433	321,248	450,748	538,240	1,125,707
Municipal Support Programs	314	1,050	1,050	1,000	1,000	1,000
Other Programs and Services	39,347	27,634	38,934	147,766	74,253	57,347
Alternatively Financed Projects	8,000	83,300	83,300	148,400	116,100	-
MINISTRY CAPITAL INVESTMENT	647,699	822,638	869,817	1,279,935	1,009,274	1,636,348