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Alberta Transportation defers projects

Red Deer... Alberta Transportation will defer nearly \$290 million from the current fiscal year to help keep the Government of Alberta's budget on track. Of this total, \$280 million will come from the department's capital programs and nearly \$10 million will be drawn from the operational budget.

"We used a balanced approach to identify these funds," said Transportation Minister Ed Stelmach. "We will not be reducing municipal water/wastewater program funds, and we will not sacrifice highway maintenance which includes snowplowing, sanding, line painting and lighting through urban corridors. However, we will be deferring highway construction projects and reducing municipal capital grants on an equitable basis by 15 per cent."

"The 2001 construction season saw a record amount of spending in a single construction season. Approximately \$570 million in highway construction rehabilitation was completed across Alberta," said Stelmach.

Effects of the budget deferrals will include:

- Deferring completion of the rural North South Trade Corridor by two years to 2009.
- The Deerfoot Trail extension to Highway 2 is still planned to be open to traffic by fall 2002. However, the interchanges at Douglasdale, McKenzie, and 130 Avenue S.E. will be deferred to future years.
- In Edmonton, the work on Anthony Henday Drive from 45 Avenue across the Saskatchewan River to Calgary Trail will continue over a longer timeframe with completion deferred to fall 2006.
- Reducing formula based transportation capital grants to municipalities by 15 per cent for the remaining two years of the current business plan.
- Deferring all planned interchanges except Campsite Road on Highway 16 which is co-funded under the federal provincial Strategic Highway Infrastructure Program.
- Extending the disbursement of funds for the Infrastructure Canada-Alberta Program (ICAP) beyond the originally scheduled three years. Progress payments will be made rather than advance payments.
- Deferring completion of some water management infrastructure projects such as irrigation headworks and reservoir projects.
- A revised three-year construction program will be Tabled in the Legislature, as usual, following the 2002 spring budget.

As well, Alberta Transportation will follow the hiring freeze announced by the Government of Alberta, and reduce other discretionary spending.

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