



Legislative Assembly of Alberta

The 27th Legislature
Fourth Session

Standing Committee
on the
Economy

Department of Transportation
Consideration of Main Estimates

Wednesday, March 23, 2011
6:30 p.m.

Transcript No. 27-4-2

**Legislative Assembly of Alberta
The 27th Legislature
Fourth Session**

Standing Committee on the Economy

Bhardwaj, Naresh, Edmonton-Ellerslie (PC), Chair
Chase, Harry B., Calgary-Varsity (AL), Deputy Chair

Amery, Moe, Calgary-East (PC)
Dallas, Cal, Red Deer-South (PC)
Fawcett, Kyle, Calgary-North Hill (PC)
Griffiths, Doug, Battle River-Wainwright (PC) *
Hinman, Paul, Calgary-Glenmore (W)
Johnson, Jeff, Athabasca-Redwater (PC)
Lund, Ty, Rocky Mountain House (PC)
Rodney, Dave, Calgary-Lougheed (PC) **
Taft, Dr. Kevin, Edmonton-Riverview (AL)
Tarchuk, Janis, Banff-Cochrane (PC)
Taylor, Dave, Calgary-Currie (AB)
Woo-Paw, Teresa, Calgary-Mackay (PC)

* substitution for Kyle Fawcett

** substitution for Cal Dallas

Department of Transportation Participant

Hon. Jonathan Denis, QC Acting Minister

Also in Attendance

Anderson, Rob, Airdrie-Chestermere (W)
Kang, Darshan S., Calgary-McCall (AL)

Support Staff

W.J. David McNeil
Shannon Dean

Robert H. Reynolds, QC
Micheline S. Gravel
Corinne Dacyshyn
Jody Rempel
Karen Sawchuk
Rhonda Sorensen

Melanie Friesacher
Tracey Sales
Philip Massolin
Stephanie LeBlanc
Diana Staley
Rachel Stein
Liz Sim

Clerk
Senior Parliamentary Counsel/
Director of House Services
Law Clerk/Director of Interparliamentary Relations
Manager – House Proceedings
Committee Clerk
Committee Clerk
Committee Clerk
Manager of Corporate Communications and
Broadcast Services
Communications Consultant
Communications Consultant
Committee Research Co-ordinator
Legal Research Officer
Research Officer
Research Officer
Managing Editor of *Alberta Hansard*

6:30 p.m.

Wednesday, March 23, 2011

[Mr. Bhardwaj in the chair]

**Department of Transportation
Consideration of Main Estimates**

The Chair: Okay. Good evening, ladies and gentlemen. At this time I would like to call the meeting to order. Welcome, everyone, to the meeting. I remind everyone that the usual rules regarding electronic devices and food and beverages in the Chamber continue to apply.

Members and staff should be aware that all of the proceedings of the policy field committees in their consideration of the budget estimates are being video streamed. The minister whose department estimates are under review is seated in the designated location, and all other members wishing to speak must do so from their assigned seat in the Chamber. Any official or staff member seated in the chair of a member must yield the seat immediately should a member wish to occupy his or her seat. Members are reminded to stand when speaking.

Note that the committee has under consideration the estimates of the Department of Transportation for the fiscal year ending March 31, 2012. For the record pursuant to Standing Order 56(1)(2.1) to (2.3) Mr. Rodney is substituting for Mr. Dallas, and Mr. Griffiths is substituting for Mr. Fawcett.

A quick process review and speaking order. Speaking order and times are prescribed by the standing orders and Government Motion 5, passed on February 23, 2011, and are as follows: the minister or the member of the Executive Council acting on the minister's behalf may make opening comments not to exceed 10 minutes; for the hour that follows, members of the Official Opposition and the minister or the member of the Executive Council acting on the minister's behalf may speak; for the next 20 minutes the members of the third party, if any, and the minister or the member of the Executive Council acting on the minister's behalf may speak; for the next 20 minutes the member of the fourth party, ND, if any, and the minister or member of the Executive Council acting on the minister's behalf may speak; and for the following 20 minutes the member of any other party represented in the Assembly and any independent member and the minister or member of the Executive Council acting on the minister's behalf may speak; any member may speak thereafter. Within this sequence members may speak more than once; however, speaking time is limited to 10 minutes at a time.

A minister and a member may combine their time for a total of 20 minutes. Members are asked to advise the chair at the beginning of their speech if they plan to combine their time with the minister's time.

Committee members, ministers, and other members who are not committee members may participate. Department officials and members' staff may be present but may not address the committee.

Three hours have been scheduled to consider the estimates of the Department of Transportation. If debate is exhausted prior to three hours, the department's estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn; otherwise, we will adjourn at the prescribed time.

Points of order will be dealt with as they arise, and the clock will continue to run.

The vote on the estimates is deferred until Committee of Supply on April 20, 2011.

Written amendments must be reviewed by Parliamentary Counsel no later than 6 p.m. on the day they are to be moved. The amendments to the estimates cannot seek to increase the amount of the estimates being considered, change the destination of the grant, or

change the destination or purpose of the subsidy. An amendment may be proposed to reduce an estimate, but the amendment cannot propose to reduce the estimate by its full amount.

The vote on amendments is also deferred until Committee of Supply, and that is April 20, 2011. Twenty-five copies of amendments must be provided at the meeting for committee members and staff.

A written response by the office of the Minister of Transportation to questions deferred during the course of this meeting can be tabled in the Assembly by the minister or through the Clerk of the Legislative Assembly for the benefit of all MLAs.

At this time I would like to invite the minister to make opening remarks, please.

Mr. Denis: Thank you very much, Mr. Chair. Or should I say: well, Mr. Chair, we're here this evening.

I'm pleased to represent the Minister of Transportation to present the ministry's main estimates for 2011-12. First things first, Mr. Chair. I would like to introduce some of Transportation's executive team here. Seated to my right are Gary Boddez, the deputy minister; Winnie Yiu-Young, the senior financial officer; Bruno Zutautas, the assistant deputy minister of transportation and civil engineering; Shaun Hammond, the assistant deputy minister of transportation safety services; and Alan Humphries, who is the assistant deputy minister of policy and corporate services. Thank you for joining me this evening.

Seated in the gallery are Tammy Forbes, the director of communications – I see she has her BlackBerry in here as well – Angela Paterson, director of financial planning; Dale Fung, director of financial services; Debbie Wallis, the budget co-ordinator; and Vi Yakimovich, the budget co-ordinator. In addition, there's also some of my staff here, Dan Laville and Matt Stepan.

Transportation's mission is to provide a safe and innovative system and sustain a world-class transportation system that supports Alberta's economy and quality of life. The ministry provides Albertans with a system that supports the economy by connecting Albertans to world-wide markets and enabling investment, business, industry, agriculture, tourism, and job creation. It supports society by connecting Albertans to their families, friends, work, school, health care, recreation, and communities across this entire province. This system also supports the quality of our life in our communities by minimizing the environmental impacts of our transportation on land, water, and air.

Pursuant to Transportation's business plan for the years 2011 to 2014, the ministry's first core business is developing and preserving the provincial highway system. The goal is to ensure that Alberta's highway network connects communities and supports economic and social growth. Alberta needs a road network that will provide people with goods safely and efficiently. Transportation is making significant investments in the provincial highway system as well as municipal transportation networks.

It is also important to ensure that Alberta's roads are as safe as possible for all Albertans, Mr. Chair, and the ministry's second core business is managing transportation safety services. This goal is to ensure that Alberta's road system is one of the safest in Canada. The ministry leads the Alberta traffic safety plan and transportation services to promote safe drivers, vehicles, and roads – as the minister has often said, safety is the number one concern – as well as the safe operation of provincial railways and the transport of dangerous goods throughout this province. In addition, the Transportation Safety Board acts in the interest of public safety to remove or keep unsafe drivers off the road.

The ministry's third core business is promoting partnerships in a multimodal transportation network. Mr. Chair, Albertans depend

on the transportation system to access world-wide markets for investment, business, industry, and tourism and to participate in the lives of their communities. The ministry's goal is to ensure that we have a well-connected road, rail, and airport transportation system that supports economic opportunities and the quality of life in all communities throughout Alberta. The ministry works with municipalities and administers grant programs to support them in developing their transportation and other critical infrastructure.

I'm also pleased to advise that Transportation works with the federal government, which is responsible for regulating air and railways, and with other partners in developing a transportation system for everyone in this province.

To provide a few highlights of the ministry's estimates for 2011-2012, Transportation's expense vote is \$1.6 billion, Mr. Chair. This includes \$369 million for highway preservation and maintenance, regular preservation and maintenance, of course, being essential to keeping roads in a safe driving condition.

Under the expense vote approximately \$44 million will support Transportation safety services. This funding supports vehicle and driver safety programs, monitoring of the commercial carrier industry, and of course traffic safety initiatives, including the implementation of a traffic safety plan. This traffic safety plan is a comprehensive strategy to reduce fatalities and injuries on Alberta's roads. All of these efforts are having an impact, and we're pleased with the direction of these statistics. In fact, for the second year in a row we're seeing reductions. I'm talking about a 23 per cent reduction in fatalities over two years and a 22 per cent reduction in injuries over two years. Although this is encouraging, there still is a long way to go, and we're going to continue to work on this critical issue.

Another key part of the expense vote involves the support the ministry provides to communities. This includes significant funding for municipal infrastructure projects. This funding, of course, allows municipalities to set local priorities and meet local needs. In 2011-2012 Transportation will provide more than \$1 billion – that's billion with a "b" – to municipalities. There are a number of grants that are available that meet the various needs of all communities whether they're small, large, urban, or rural. Annual allocation grants include things like the basic municipal transportation grant and the building Canada federal gas tax fund. Note that the basic transportation grant includes various programs like the city transportation fund, the provincial highway maintenance grant, the basic highway capital grant, the streets improvement program, and of course the rural transportation grant.

The project-specific grants include the specific transportation infrastructure program, municipal waste-water program, water for life, Green TRIP, building Canada communities component and major infrastructure component, and the infrastructure stimulus fund. These grants enable municipalities to fund local roads, bridges, public transport, water, and waste-water systems. We know that these infrastructure projects are making a difference all throughout this province, and in fact in the most recent e-newsletter put out by the AUMA, they indicate that they are specifically pleased with the funding levels to the water and waste-water program and the water for life program that, in fact, municipalities receive.

6:40

In 2011-12 the ministry's capital investment vote will be more than \$1.5 billion. Again that's billion with a "b." This year the capital investment vote also includes the equipment and inventory purchases. This ministry's ongoing investment in provincial highway systems and strategic economic corridors is, in fact, an

economic enabler that supports our economy and helps this province move forward.

I would like to highlight a few of Transportation's major highway projects for 2011 and 2012. Here in Edmonton progress is continuing on the northwest leg of the Anthony Henday Drive, which is a \$1.42 billion project. It's a \$21 million leg of the ring road that will open to traffic this fall. It'll be free flow, with no signal lights. That's because of the construction of five interchanges in the southwest at Stony Plain Road, Lessard Road, Callowood Road, Cameron Heights, and Rabbit Hill Road. These will all be open by the fall of this year, and the total investment of these five interchanges from this province is more than \$250 million. That means almost 90 per cent of the Anthony Henday Drive will be complete.

Earlier this month the Premier announced that the province will start construction of the final piece of the Edmonton ring road, the northeast Anthony Henday Drive. This will be Alberta's single largest highway construction project to date, and I said "to date" because next I'm talking about the Calgary ring road.

We will continue work on the Stoney Trail S.E., to extend the ring road from 17th Avenue S.E. to the east side of the existing Macleod Trail interchange. The P3 contract is worth over \$750 million, and the project will be open to traffic in the fall of 2013. This P3 will save Alberta taxpayers about a billion dollars as compared to a traditional-build situation and will be open two years sooner than you'd otherwise see. Now, as a resident of Calgary, of course, and very close to this ring road I couldn't be happier.

On the northwest leg of the Calgary ring road construction continues on the \$42 million Crowchild interchange, scheduled to open for traffic by the fall of 2011, and work will begin on the Nose Hill Drive interchange in 2011. That means the last set of traffic lights on Stoney Trail is gone. This interchange will open to traffic in the fall of 2013.

In northern Alberta the ministry will invest more than \$190 million for ongoing construction on highway 63 and related highways of the northeast Alberta transportation corridor. This is about investing in a region that makes a tremendous contribution to this province's economy, as I'm sure someone from Fort McMurray up there will attest.

We are also moving forward on the next section of highway 63, twinning of the Wandering River. This work includes 46 kilometres of site preparation and 36 kilometres of grading at a cost of \$35 million. In addition, eight kilometres of highway 63 grading work recently began south of Wandering River at a cost of \$20 million. Construction continues on the Thickwood Boulevard interchange, the Confederation Way interchange, and the six-laning north of the Athabasca River. These projects will open to traffic in 2012 at a cost of more than \$160 million but opportunity for much more. Construction also continues on the \$127 million five-lane bridge across the Athabasca River in Fort McMurray. It is expected to open later this year. These are all significant changes, and they will make a big difference in this region.

In conclusion, that is my presentation on the ministry's main estimates on behalf of the hon. Minister of Transportation. I would ask all members here that when they are asking, please bear in mind that this is not my main ministry, and if you do have some questions, it may take me longer than it would in my ministry to answer you. Specifically, if there are other questions I'm not able to answer, I will give you some written responses at a subsequent juncture.

Let the games begin.

The Chair: Thank you very much, Minister.

At this time I would like to invite the hon. Member for Calgary-McCall, hon. Darshan Kang. Mr. Kang, you've got one hour, twenty minutes at a time, 10 minutes for yourself and 10 for the minister. Would you like to combine your time with the minister?

Mr. Kang: Why don't we go back and forth.

The Chair: You want to go back and forth? Thank you very much. Go ahead, sir.

Mr. Kang: Thank you, Mr. Chair. I'd like to thank the substitute minister for all the detailed information on the Transportation budget. I was looking forward to debating the budget with the real minister with real answers. The answers may be real from the substitute minister, but I feel it will not be the same as coming from the Minister of Transportation, charged with the ministry.

As you know, the world economy is still on shaky ground. We see a ray of hope here and there when we look more to China and India to pull us out of the recession. Our economy, I believe, is going to grow by 3.2 per cent or 3.8 per cent this year. With all the investments pouring into the oil sands and with all the unfortunate events happening in the Middle East and with Alberta becoming the safe haven for oil companies to invest in, it will only put pressure on our roadway networks. This is the time to build because the labour costs are low. The construction costs are low. There are some funding increases in the budget, and there are some budget funding decreases, too. That's going to help some areas, and it's going to affect some areas. We're going to see some improvements in some areas, and maybe the other areas will suffer.

In the Transportation budget expenses have increased by about \$36 million, or 2 per cent, from last year. Capital investment increased only 6.8 per cent, or \$97 million, from 2010-11. According to the capital plan we're going to have \$4.6 billion over three years for the provincial highway network, and in 2011-12 \$1.7 billion is provided, \$606 million for construction and rehabilitation of highways, and so goes the list. We have \$362 million to continue construction on economic and trade corridors.

I'm disappointed to see there is no money for the airport tunnel. As the minister was saying, he's happy to see the southeast leg of the ring road finished, and I think he will be much happier if he'd have the airport tunnel finished, too. Then it will be much easier for the minister to travel from home to the airport. As of April 3 Barlow Trail is closing, and, Mr. Minister, you're going to really see the congestion on Deerfoot Trail and even on the ring road. So get the funding for the Airport Trail tunnel.

Under the MSI we see some additions to the funding. Notably, Green TRIP is back. I'm happy about that. There's \$391 million for the municipal transportation grants based on 5 cents per litre of fuel delivered in Calgary and Edmonton. I talked about the Green TRIP, \$120 million.

Now, with all that little bit of good news and maybe a little bit of bad news I'll come to the condition of the highways. We're talking about the physical condition of the highways. Performance measure 1(a) in the business plan, page 114: the minister said last year that the highways are aging and that their condition is deteriorating. The performance measure confirms that highways are deteriorating because the percentage in good condition in 2009-10 was 58.1 per cent, and the target was 56 per cent. In 2011-12 the target is 56 per cent, and in 2012-13 it's 55 per cent. The target is going down. The percentage in fair condition was 26.8 per cent, and the target for 2011-12 is 27.5 per cent. Again, 27.5 per cent in 2012: not much improvement there. Percentage in poor condition: 15.1 per cent, up to 16.5 per cent and 17 per cent and 18 per cent. The performance measures confirm that highways are deteriorat-

ing, with targets for the percentage of roads in good condition decreasing in 2010, '11, '12, and '13.

My questions are: which parts of the provincial highway systems are in the worst shape and which areas need the most work? The second question is: are there safety issues with the poor quality of highways? What liabilities does the government face with such a large proportion of highways being in poor condition? That's in the business plan, page 114.

6:50

With the continued deterioration of highways and more falling into poor condition, what would be the cost of bringing those back into good condition? Should the government be budgeting for the long-term inevitability of repairing the highways that have been neglected? What percentage of collisions were found to have been a result of the road being in poor condition? Will the occurrence of collisions due to poor road conditions increase due to continued deterioration? So I've got about four questions.

Mr. Denis: I want to thank the member for his questions. I have to say that I am somewhat offended by his comments that I'm somehow not a real minister. Perhaps he would rather I talk like this with you guys over there. Maybe that impression might move it forward a little bit for you.

I would ask this member, actually, if he would please cite specific pages. He has asked a lot of questions, and I do want to get the best answers to him.

Now, from sitting in question period the last couple of years, I've observed this member ask about the tunnel. I've often joked that this member has tunnel vision. That being said, though, it is a serious matter to talk about, but just dial down to the facts a little bit. Okay? Since 2005 the city of Calgary has received over \$1.5 billion – that's billion with a "b" – from this government in infrastructure funding. The city received \$163 million last year and is going to receive about the same again for this year.

This is about locally elected officials setting their local priorities and making decisions. In fact, when the MSI program began, it was the city's specific request that there be no strings attached, so far be it from me to get involved and tell the city what to do with their own money. I might have some opinions as a taxpayer but not as a minister of the Crown.

The city recently received \$42 million extra from us. I would have preferred a tax break; they decided to go spend it on the library. That's fine. They also could have put that money towards the tunnel. This is a local issue. We fund the city ample amounts of money. They decide to spend money on these bridges that look like Chinese finger traps in downtown Calgary. If they want to keep doing that, that's fine. I can't tell them what to do, and neither can anyone here, any more than average citizens in and of themselves.

The Alberta government is already making a significant financial contribution to this project, to the MSI funding. My submission to this member on the tunnel: with respect, it's a question that must be asked of local city council in Calgary and the mayor of Calgary. I know the mayor of Calgary supports it, but at the same time we are already funding ample amounts of money in that particular area. The mayor, as I mentioned, is supporting the tunnel.

Just some background here. In November 2010 city council directed its administration to get detailed estimates of the project. That would cost about \$295 million if it was built at the same time as the runway. On February 7 of this year council voted 8 to 7 in favour of building the tunnel. On February 9 the *Calgary Herald* quoted several government MLAs who are in favour of consider-

ing extra provincial funding for the tunnel. I personally think that we've given the city enough money, that they can actually go and make their priorities in and of themselves.

Moving on from the tunnel, the member also mentioned some Green TRIP funding. I'm just going to respond briefly to that as well. As this member likely knows, transit is a municipal responsibility, and locally elected officials are in fact setting their priorities to meet local needs. The Transportation department is currently reviewing applications for the Green TRIP funding, and in fact there are going to be some announcements in the coming weeks.

I'll let you go ahead.

Mr. Kang: Those were just my opening comments. We'll get to the Green TRIP later on, but I'm talking about the condition of the highways, sir. Those were my opening remarks on the budget.

Mr. Denis: I'm sorry. The member had mentioned some comments about Green TRIP, and that's why I was getting to that. I didn't mean to take up your time at all.

The member had talked about the physical condition of highways. Of course, this is a goal to develop and preserve our highway network. Everyone here uses the highway network probably more than the average citizen, and we're probably aware of what some of the positives are as well as the challenges.

Dealing with the physical condition of the provincial highways, we have a measure that represents the percentage of the paved highway network that is in good, fair, or poor condition to support Alberta's commuter, business and commercial, and pleasure traffic. Road segments in poor or fair condition require attention now or in the near future.

There are approximately 30,000 kilometres of roads throughout the province. Paved surfaces have a lifespan of approximately 20 years. That means that 1,500 kilometres require rehabilitation annually.

Now, to get to the crux of his comment, the optimum objective is 80 per cent in good condition, 15 per cent in fair, and 5 per cent in poor. Achieving this objective would eliminate the capital maintenance backlog for pavement. Improving the target for poor condition by 1 per cent actually costs about \$110 million extra. But it's the goal of the ministry to keep the so-called poor highways down to 5 per cent or less.

The Chair: Hon. member, go ahead, please.

Mr. Kang: Okay. I was talking about the safety issues with the poor quality of highways. What liability does the government face with such a large portion of highways being in poor condition? With continued deterioration of highways and more falling into poor condition, what would be the cost? You were talking about the costs. We talked about this last year, too. You just said that we are doing 1,500 kilometres of the highways. What will be the total projected cost for paving all those highways to bring them to, say, good condition? Is the government budgeting for this long-term repairing of highways that have been neglected?

Mr. Denis: Well, there's nothing specifically on the projected costs. If you look at the whole inventory of highways throughout the province, it's probably looking at \$60 billion or \$70 billion to replace the entire highway system. Of course, nobody is going to suggest that we do that, but it does require ongoing maintenance.

As I mentioned earlier, to reduce the percentage of the highways designated as, quote, unquote, poor by 1 per cent costs \$110 million. That's not just a one-time cost, though, because these highways require continual maintenance. We have to continue the

upkeep. We want to ideally ensure that we do not get too many highways over that 5 per cent mark of so-called poor condition.

Mr. Kang: Okay. Coming back to the collisions, what percentage of collisions are found to have been a result of the roads being in poor condition? Will the occurrence of collisions due to poor road conditions increase as road conditions continue to deteriorate? Are we keeping any data about that?

Mr. Denis: We have no specific information about on that particular item. If the member wants, we can actually search for that and take that as a written question.

Mr. Kang: Also, what liability does the government face because the highways are in such poor condition?

Mr. Denis: Okay. When this member starts talking about liabilities, just from my previous training as a trial lawyer I can tell you that the amount of liabilities – there's simply no way to quantify that. We don't know what the potential future loss might be. We don't know specifically what may happen. All that we can expect Transportation to do is to establish a reasonable standard of care. I think that if you look through our business plan for this year, I would respectfully submit to you that we've done that. We've probably even exceeded that a little bit.

Mr. Kang: Thank you.

On page 93 of last year's capital plan total funding for the provincial highway network was \$1.866 billion. This year's 2011 capital plan is \$1.7 billion, page 40 of the fiscal plan. This is a 9 per cent decrease. While the construction costs may still be depressed, this decrease does not keep up with inflationary pressures and decreasing conditions of our provincial highway system and future growth.

With the decrease of \$2 million from provincial highway system maintenance, line 2.1, estimates page 336, and the \$6 million decrease for provincial highway preservation, line 2.2, estimates page 336, and the \$94 million decrease in provincial highway rehabilitation, line 2.7, estimates page 337, it is no wonder that our highways will continue to crumble. My question is: why is the amount of preservation for our highways decreasing at a time when that amount should be increasing? Why has the minister chosen to cut that area of spending?

Mr. Denis: With no disrespect intended to this member, I know that I have a tendency to speak fast, but similarly this member does as well. I'm just having a very difficult time catching my breath and keeping up. If you could just do this one at a time.

I'm just going to respond to a couple of comments that I did catch. Moving back to the previous answer that I had, 90 per cent of all collisions are as a result of driver error. I can speak as somebody who was almost killed in a car accident when I was a teenager. It wasn't in Alberta, so you don't have to comment on that.

The other thing I just wanted to mention: the member had mentioned about keeping up with inflation, about additional funding. I would actually suggest that the measure of success in any department, including Transportation, is not so much the money that you spend but, rather, the results that you get.

7:00

If you look over here, like I mentioned, in many cases our P3 platform has resulted in significant savings to the taxpayer, and we're still making our goal. So I think that you want to measure our performance by the results you have, not necessarily by the amount of money that you have.

As well, if I could just get you to maybe repeat a couple of your questions, maybe one or two at a time, please.

Mr. Kang: Okay. I was talking about the decrease in the capital on page 93 of last year's capital plan. Total funding for the provincial highway network was \$1.866 billion. In this year's 2011 capital plan it is \$1.7 billion, page 40 of the fiscal plan. This is a 9 per cent decrease. While I said that the construction costs may be still depressed, this decrease does not keep up with the inflationary pressures and the decreasing condition of our provincial highway system and future growth.

There is also a decrease of about \$2 million in provincial highway system maintenance, a \$6 million decrease in provincial highway preservation, and a \$94 million decrease in provincial highway rehabilitation. It's no wonder our highways will continue to crumble. You know, we're not spending all that much money on them. My question is: why is the amount for the preservation of our highways decreasing at a time when the amount should be increasing? Why has the minister chosen to cut that area of spending?

Mr. Denis: The member is quite correct, actually. The spending in this particular area has gone from \$1.9 billion to \$1.7 billion this year, but I'd just reiterate my earlier comment. Just because spending may be down doesn't mean that our results are down, in fact just the opposite in this case. We have seized the opportunity of lower construction costs in this province. Through lower construction costs we're able to reduce our budget but at the same time continue to maintain and upgrade our particular highways. As I mentioned, construction and maintenance costs are lower now, so it makes sense to be engaging in these particular activities now as opposed to, for example, if you go back to 2007, when construction costs were much higher.

I wanted to mention as well the \$1.7 billion that this member had talked about. There's \$642 million for continued construction on the Calgary and Edmonton ring roads. There's \$362 million for continued construction on other key, strategic economic and trade corridors and \$661 million for provincial highway construction and rehabilitation. Most importantly, Mr. Chair, no projects have been cancelled. We're simply seizing the day and being able to realize a better bang for the taxpayers' buck, and I think that that's the responsibility of any minister of any department.

Mr. Kang: Thank you, Mr. Minister.

Are we targeting certain highways? Which roads will the decrease in highway rehabilitation funding affect? Are we targeting some highways that we won't fix? Will this reduce the safety? How does the minister choose which roads will be affected by this budgetary constraint? Is there a list of highways that are no longer going to be serviced?

A second question: how much additional funding would the minister need to actually stop the deterioration of the provincial highways? How high would the oil and gas prices or lottery funds have to be in order for you to collect the necessary revenues to commit to that amount of funding? What are the chances in the coming years that the minister will be able to stop the deterioration of these provincial highways?

One more: as these highways continue to deteriorate, will it eventually cost more to rehabilitate them from poorer conditions?

The Chair: Hon. member, the first 20 minutes have elapsed.

Go ahead, Mr. Minister.

Mr. Denis: Thank you very much, Mr. Chair. Again, there's no secret list for highway projects or anything. It's very utilitarian.

It's a needs-based process. It's based on physical condition and cycle of life. We can't predict tomorrow exactly where one highway is going to need repair. We have to just operate on an as-needed basis.

I have some further information for you as well. This year we're investing \$369 million for provincial highway maintenance and preservation, which is a slight reduction compared to last year. Why? Because we can get better deals in a downturn economy than we could in boom time back in 2007.

Highway conditions in Alberta show that 85 per cent of the highways are good or fair and that 15 per cent are in poor condition. Admittedly, we'd like to decrease the amount in poor condition, but this is a moving target. Mother Nature isn't just going to stop because we don't want to go ahead as well.

We also publish a three-year construction program every year with a rolling target so that people can reasonably know where the maintenance schedule is. They can plan around taking alternative routes or know specifically where they're going to have roadblocks and specific delays.

I'll give it back to you.

Mr. Kang: Thank you. In this year's strategic plan, page 118, under priority initiatives:

- 2.1 In consultation with ministries, lead the continued implementation of the 20-Year Strategic Capital Plan to build priority public infrastructure; and develop objectives, timelines and targets for reducing deferred maintenance costs.
- 2.2 Collaborate with Finance and Enterprise to promote long-term fiscal sustainability and develop processes to align spending accordingly.
- 2.3 Project future spending requirements associated with existing programs, approved capital projects and new initiatives to identify fiscal choices through ongoing proactive consultation with ministries.

What ongoing measures are used to evaluate cost-effectiveness and feasibility of P3 financing compared with public financing?

Mr. Denis: We actually weren't able to locate the page you were referring to, but what happens is that an official from the department does a physical drive-over of all highway projects, all the highways, every year. Then the information is put into a computer, and in that way we can best judge or rank what projects need to happen.

If this member really doubts the effectiveness of the highway maintenance program in this province, all I'd do is ask him to just take a drive across the Saskatchewan border. You'll know right away when you hit the border, with the difference between our maintenance and theirs.

Mr. Kang: That's why I'm saying: fix them right so that we have better highways all the time for the coming years, for the future. We're not talking about Saskatchewan; we're talking about Alberta here.

Considering that the contract, including unspecified interest, lasts 30 years, how can you claim the savings for the P3 projects this early into the long-term agreement? What specific projects is Transportation planning to fund under alternative financing? What proposals have been submitted by Transportation for this method of financing?

As the recession has effectively lowered construction costs – I keep coming back to that point again and again – and labour demands have relatively subsided, what implications do these changes have on the current P3 contracts that have been signed or on contracts that are still being negotiated? Will the ministry still pursue P3 contracts in this low-interest environment? What is the

interest rate you are currently paying for P3 projects, and can you give some examples?

Mr. Denis: First of all, I just want to comment about this member's first comments, about fixing roads. You know, there's nothing the government can do to satisfy absolutely every demand. It's a balance between the amount of money that we take in and exactly what we can actually do.

This minister has often said in question period that safety is the number one concern. That is the number one concern. In and of itself, though, we always have to create that particular balance. I invite this member again to just drive across the Saskatchewan border. You won't even need to know where the border is as to our highway maintenance versus theirs.

Now, this member also has asked about our P3 programs. This P3 program is actually a net cost saving for taxpayers. Why? Because it guarantees a fixed price and delivery date, the contractor takes on the risk, the government receives a 30-year warranty, and there's certainty of service levels. In addition, there's a shorter time to construct the asset compared to the traditional method. Instead of paying the full capital costs up front, P3 agreements allow our government to spread the cost of the project over a longer time period.

For road construction progress Transportation will make payments over 30 years instead of paying things up front. It's a time-value-of-money issue. Money is obviously going to be worth more today than it is in the future. We employ a rigorous process to evaluate the private partners' qualifications for their bids. The request for qualifications determines the potential partner's qualifications and shortlists potential partners for these particular programs.

7:10

P3s are only used where there are clear benefits to the government and, of course, the taxpayers. To do this, we use a public-sector comparator, which estimates the cost of traditional delivery vis-à-vis a public-private partnership model. There are some P3 projects – the Anthony Henday, Stoney Trail in Calgary, and a recently announced project to pursue with the P3 model is the Anthony Henday northeast – and I can tell you that the total savings existing for the four transportation P3 projects is \$1.7 billion as opposed to a traditional government build.

This member had asked about the interest rate itself. That is simply set by the market, but we've realized a savings now and in the future by using this model as opposed to government-based construction.

Mr. Kang: Okay. On page 343 it states that Alberta has seen \$423 million in transfers from the government of Canada, which is \$284 million less than what was received in 2009-10. What are the effects of this reduction in revenue? What specific projects were completed with last year's federal cash infusion? What projects will be cancelled due to the changes in this revenue?

Mr. Denis: Well, the federal transfers over the last couple of years, that this member talks about: just like in my own department of Housing and Urban Affairs, they were nice while they lasted, but at the same time this was stimulus money designed over the last couple of years by the feds to actually go and put in some money for a change. Well, guess what happens now? They were only intended for a couple of years, and they have concluded. Neither I nor the minister can be going and asking the federal government to continue programs that were only intended for a short one- or two-year cycle.

I just also wanted to mention on the earlier question about P3s that the previous Auditor General, actually, in the Public Accounts Committee, of which I used to be a member, last year at page PA-275 talked extensively about how P3s benefit the government, benefit the taxpayer. This is an independent auditor. Clearly, the Ministry of Transportation is on the right track in dealing with these P3s as opposed to a government build. It isn't necessarily the best thing for the government to do everything. By having these partnerships, we get things done ahead of time, and it's better in the end result to the taxpayer.

Mr. Kang: Okay. Since you came back to P3s again, I think you're just dodging my questions here. You're not giving us the true cost of the P3s, including the interest. You're saying, "Savings, savings, savings," but, you know, we're not getting the true cost, whatever the cost is, like, 30 years down the road. That's like passing debt on to the coming generations. They will be responsible for the debt, Mr. Minister. What guarantees are there that the companies will still be around and that the taxpayers won't be on the hook for the agreements we're signing today?

Mr. Denis: The P3 component is responsible for the interest charges. This is built in. The interest charges go on a market basis. This member is quite correct that we do have near historically low interest rates right now, and it makes sense to be doing this. These rates are locked in for 30 years. When can you lock in a mortgage for 30 years at these low rates? You can't. This is in the best interests of the taxpayer, and it's in the best interests for safety and for the drivers themselves.

I have answered a lot of this member's questions, but I just want to mention a few things more about P3s. Value is created through design innovation, construction efficiency, life cycle management and, as I mentioned earlier, completion, economies of scale, and risk allocation. The province has reduced the amount of private financing in P3s by providing provincial capital contributions towards the capital cost of the project. This permits the province to take advantage of the lower cost of borrowing. I've cited in black and white how much we have saved through dealing with P3s. With no disrespect to the member, I don't know how I could state it any simpler. P3s save money.

Mr. Kang: Well, you know, you're talking about locked-in interest rates. What rate do we have locked in for 30 years? When I go lock in my mortgage, I know what interest I will be paying, so what interest are we paying on these P3 projects, then?

Mr. Denis: Well, it's up to the proponent to obtain their own financing. They obtain this, and they keep on renewing it over 30 years. Once again, I don't know how to state it any more simply. P3s save money for the taxpayer, and the risk is put on the proponent.

Mr. Kang: I'm just asking you how you are saving the money for the taxpayer. Give me examples. On one hand you're saying, you know, that we have locked in 30 years' interest here, and on the other hand you're saying that it's saving us money. How so?

Mr. Denis: With respect to this member, I have answered this question, but I'm happy to go through this again as well. The design innovation: you get standardized and repeatable bridge and road constructions that can be applied through a project, design innovation on ramp configurations. There's greater construction efficiency; for example, the availability of a very large site to stage the work phases, the ability for the contractor to reuse form

work for bridge construction, and the opportunity to perform manufacturing activities such as girder fabrication.

In addition, of itself, I don't have any notes on this, but I can tell you specifically that if the government does all of its construction on its own – guess what? – you're going to have more depreciating equipment. Let's let the private sector go and take care of that.

In addition to that as well, I want to quote again from Fred Dunn, the previous Auditor General, on Public Accounts page 275. "You should look not just at the comparison between Alberta's ability to borrow versus the private sector's ability to borrow but also look at what Alberta can do with its investments." If you put more money into one thing, there's something called an opportunity cost of not doing something else. I think that dealing with P3s frees up capital today that we can do other things with that are better for the taxpayer.

Mr. Kang: Well, you said that all those things could be traditionally done, too. I was just after the dollar figure, what we will be saving. You know, that's what I was getting at. All those things you were saying, design and everything, they could be traditionally done as well.

Mr. Denis: As I mentioned earlier, the total amount of savings is \$1.7 billion, and these are all audited figures. It's in black and white. It's very difficult to go and refute. P3s save money.

Mr. Kang: With the projections, just give us the real numbers, what we are saving, not the \$1.7 billion we are spending. That's our capital spending. I'm talking about the dollar figure and the interest rate, what interest rate we are locking in.

Mr. Denis: I'll give you some specific items here. Alberta is by no means the only province that is engaging in P3 construction. The federal government is as well. The Anthony Henday southeast: in 2004 dollars the traditional method was \$497 million; P3 was \$493 million, with savings of \$4 million. Stoney Trail northeast: traditional method was \$1.1 billion; P3 method was \$650 million, a savings of \$450 million. That's close to 50 per cent. Anthony Henday northwest: \$1.6 billion; the P3 was \$1.4 billion and saved \$240 million. Stoney Trail southeast: \$1.8 billion; the P3 method was \$769 million, savings just over a billion dollars. The exact amount is \$1.725 billion that we've saved just on these four projects. Clearly, this is the way to go.

Mr. Kang: Okay. Well, I think we'll move on. We'll go in circles here.

On page 420 of last year's estimates transfers from lottery funding were \$184 million. This year there's no budget line for transfers from lottery funding. Why are there no lottery transfers for Transportation, and what effect does the loss of lottery transfers have on your business plan? In other words, is the reason for the decrease in municipal streets improvement and provincial highway rehabilitation a direct result of Albertans not gambling enough or gambling less? Is that why you're not getting any money from the lottery fund?

Mr. Denis: We'll take this as a written response.

Mr. Kang: Okay. Public transit. Page 115 of the strategic plan: develop a 40-year strategic road-rail-air-port public transit transportation plan to support the province's economic and social growth in an environmentally sustainable way. The province is promising to develop a 40-year strategy for public transit. When can we expect this 40-year strategy, with budget cycles only lasting in the short term? How can there be any confidence that this

government will follow a 40-year strategy? How many funds will be attributed to developing and then implementing this strategy, and what budget line will this come out of?

7:20

Mr. Denis: The member had first referred to a strategic plan. I'm not quite sure which item he's referring to, but he did also mention a 40-year plan for Transportation. This is a 40-year plan for the entire system in the province of Alberta. This is, again, the entire system. It's in its infancy, the very, very early stages. This is something that we're working on, and we expect to have some progress this year as well.

Mr. Kang: How much money are we attributing to this plan? How much money are we spending to develop and implement this strategy plan?

Mr. Denis: At the present time we're expecting consulting costs. We're in the process of writing the terms of reference. We will receive some input from stakeholders as well. Again, the bulk in this ministry is capital spending. These consulting costs are very miniscule compared to the entire ministry because it deals with construction. This is also part of what we're doing as a long-range planning system, a normal course of business in this government, and you would also see this in other governments throughout Canada.

Mr. Kang: Okay. Page 115 of the strategic plan, 3.2: administer grant funding programs, including GreenTRIP, to support municipal transportation, water/wastewater infrastructure and other critical infrastructure. I'm coming back to the airport tunnel again here. I think that should fall under critical infrastructure because it's very vital. The Premier keeps on talking about having direct links to the Middle East, to southeast Asia. The minister keeps on talking about cutting down on greenhouse gas emissions, and we are talking about congestion around the airport. That airport tunnel will help us cut down big time on the greenhouse gas emissions. We are spending billions of dollars on carbon sequestration, and we are talking about billions of dollars of spending on Green TRIP. I think funding for the airport tunnel will go a long way to help improve quality of life for Albertans. It will save us lots of money in the future.

Mr. Denis: I'll just mention to this member again that if he has concerns about the tunnel, I think he should call his alderman, which I believe is Mr. Jim Stevenson in ward 3 in Calgary, or call the mayor. That has nothing to do, particularly, with this government specifically, given how much money we actually go and fund the cities, which I think is a good thing. But the cities asked over and over that there be no strings attached. We have no moral or legal authority to be telling the city specifically what they should do with their money. If they want to make those two bridges downtown, if they want to put the \$42 million into the library, that's fine. We have no authority to tell them specifically what to do.

In addition, the member has mentioned transportation in general and greenhouse gas emissions. Maybe in a utopian world we wouldn't burn any fossil fuels, but the reality is that we don't have this magical fuel today. My point is that we need a mix of transportation options. We have LRT service in Calgary and in Edmonton. We have bus service throughout this entire province. But we also do need roads. That's what we need for today and for the foreseeable future. It's critical to Alberta's transportation but also critical to our industries. We live in an export-based economy. I don't want to be trying to shut down the entire economy.

The Chair: Thank you very much, Minister. Our first 40 minutes have elapsed.

Hon. member, go ahead, please, or the minister can continue.

Mr. Kang: Yeah. Continue.

Mr. Denis: Okay. The member had also talked a bit about Green TRIP. Of course, Green TRIP is a \$2 billion multiyear capital grant program. It's the largest commitment in Alberta history to support major public transit initiatives. So while I talked earlier about a mix of transportation initiatives that we actually need, this is a part of this. Public transportation is a part of this.

One thing that I'm hoping to see in my constituency – I've already got five LRT stops. I'd like to see the southeast LRT built, but it may not happen any time soon just because of the funding in the city's particular priorities.

We recognize that transit is a municipal responsibility, and over the next three years a total of \$440 million has been included in our capital plan. That's in addition to the \$70 million that was in the 2010-2011 Green TRIP budget. This investment enables municipalities to advance their region's public transportation infrastructure needs. Applications that have been received to date are being reviewed, and announcements for some approved projects will happen in the next couple of weeks. Please stay tuned. A second opportunity for applications will be made in either late 2011 or early 2012.

The Green TRIP program is on track, but again you need a mix of available transportation options to ensure the continued success of this province.

Mr. Kang: Thank you. Two years ago Green TRIP funding was essentially pulled, and only \$10 million went into it. Have there been any changes in how this program will be operated? Are there different priorities? What will be next year's funding? Will it be cut? Which projects are going ahead this year under Green TRIP? Over the next two years what will be accomplished with this funding? Are there any specific targets to measure the success, and what measures will be used to ensure Albertans are receiving value for their money?

Mr. Denis: Well, first off, I have to respectfully correct this member. Green TRIP has not been cancelled. It's on the books. In fact, this year we expect \$120 million of funding, next year another \$120 million, and \$200 million in the third year.

It's going ahead, but at the same time it's a function of the amount of applications that we actually do receive through our tendering process. Again, municipalities are the ones that are responsible for local transit, so that partnership is essential. I also don't want to go and step over a municipality's jurisdiction by telling them what to do with their money such as with the tunnel, as I mentioned earlier. The money that I mentioned earlier will be a payment in progress.

Mr. Kang: I was talking about how two years ago the Green TRIP funding was essentially pulled, so this is a long ways from the \$2 billion we are spending on this. I was talking about: for the next two years what will be accomplished with this funding? Are there any specific targets to measure the success, and what measures will be used to ensure Albertans are receiving the value for their money under Green TRIP? You didn't answer those questions.

Mr. Denis: The whole idea of Green TRIP is, again, to reduce greenhouse gases, so projects that we do receive aren't just on a

utility basis. We look as to how much greenhouse gases will be reduced. That is a big amount as well.

As I mentioned, transit is a local priority but one way that we can actually encourage a reduction in greenhouse gas production. Again, this is an absolute reduction. If you ride the train or take the bus, that's an absolute reduction. Fewer fossil fuels are burned in that. We will ensure that through each project on a project-specific basis we do receive the best amount of reduction per dollar.

Municipalities are required, in fact, to report annually for 10 years on what they have achieved, so if there's \$120 million coming there, there is an obligation of that particular municipality to report to us over the next 10 years. This is how we ensure that the taxpayers are getting the best bang for the buck.

Mr. Kang: This is going to take me to high-speed rail now. If we don't have the airport tunnel, we cannot take the C-Train the airport and we cannot see any reduction of greenhouse gas emissions

Now, this is going to lead me into high-speed rail. During the Public Accounts meeting held February 10, 2010, officials from the department said that while the feasibility studies have been done for high-speed rail between Edmonton and Calgary, a government review and a decision hasn't occurred yet. Strategic priority 4 in the business plan last year on page 281 states that "as funding becomes available, the ministry will look at and develop options such as high speed rail and transit." How much funding are we talking about? Where is the high-speed rail on your list of priorities? Are there any plans to review and make a decision regarding the high-speed rail this year?

7:30

Mr. Denis: You know, I'm happy that this member brought up the issue of a high-speed rail. I just wanted to mention something. I had the privilege of going to Germany a couple of years ago with several friends. Of course, this is a good trip for me because this is where my family came from originally. I went on one of their high-speed rails. Bear in mind that Germany has about 80 million people, so it's much more dense. With what German I can speak, I went and talked to the conductor and asked him how much these trains cost. The train was full of people. He was telling me about the subsidy that was still required.

Now, I'm okay with some subsidy, of course, for public transit because we do subsidize private transit through road construction. At the same time we have to have the best deal possible for the taxpayers. If you're dealing with a place like Europe, which has a much more compact population than ours, that's one thing. We have to make sure, if we decide to go ahead with a train at some subsequent date, that it is not just a billion-dollar boondoggle and that it's not like the monorail that was on *The Simpsons*, in particular.

I'll give the member some updates just on what's happening on the high-speed rail here as well. We are looking at various options for transportation infrastructure to support Alberta's economy, and part of that, of course, is looking at this option. We haven't made a decision regarding the implementation of high-speed rail in this province yet. I know there's a great interest in this project. From a selfish perspective, if we had it, I might go home to Calgary every night.

But at the same time you have to look at the taxpayers' interests. We'll look at the development of high-speed rail within the context of Alberta's current financial situation. We don't want to be spending more money than we have to in order to do something like this. Any possible future corridor study for high-speed rail would involve public consultation. That's something that we can

absolutely guarantee. I know the Speaker said earlier today that we shouldn't use the word "guarantee," but I can tell you that this is a guarantee that we would have that particular public consultation.

One issue that I have is that we always have to look at how many people would ride it, how much it would cost, and how much it actually would save, really, from a utilitarian standpoint.

Mr. Kang: Is there any projection as to what kind of population we're going to need to support the high-speed rail? Have there been any studies done? What kind of traffic are we going to need to generate any profits for high-speed rail or make it feasible?

Mr. Denis: Well, in July of '09 we released, actually, a market demand assessment study that was commissioned about a potential high-speed rail service between Edmonton and Calgary. This involved data, as I mentioned, about potential ridership. It talked about revenues or demand for high-speed rail service. It also compared the costs and advantages of four high-speed train technologies.

The projected growth of the overall travel market in the Calgary-Edmonton corridor is significant. I can tell you that I already see an increase in the amount of vehicles on the road from three years ago, when this member and I were both elected. It's estimated that a high-speed rail ridership would increase significantly from 2021 onward. Of course, the faster the train, the greater the ridership and the greater the revenues. Moving forward, we always have to do a cost-benefit analysis of what we're going to do.

As part of forward planning, though, we have actually engaged a site in Calgary where a potential hub for the train would be. We recognize that real estate, particularly in the city that this member and I both call home, is very expensive, and it's only going to increase in value in time. We've taken that step for some forward thinking to actually look at where we might put a hub, but there are no specific plans here as well.

I actually was just over at the AAMD and C meeting today. I learned there that they commissioned a study to determine how a potential high-speed rail service in Alberta might impact rural communities. The report doesn't take a position for or against the high-speed rail project, but it does talk about some very important points and various potential impacts that a high-speed rail may have on rural communities. If we as Albertans decide to support a decision to move forward with it, the province has to engage rural municipalities and other stakeholders in the process. This isn't just about Calgary and Edmonton. It would have a significant impact on the entire province.

Mr. Kang: Is there any plan to acquire more land for the high-speed rail, you know, for the utility corridor? Anything in the works?

Mr. Denis: We'd have to obviously go and look at some other land. We would have to acquire land through the entire process and, obviously, compensate whoever would own the land, if it was an individual or a municipality. This is just on a go-forward basis as funding permits. There are no specific plans to date. My concern has always been cost. We have to make sure that we get the best value for the taxpayer if this is to go ahead.

Mr. Kang: Thank you. Page 115 of the strategic plan is regarding the client satisfaction survey, the percentage of municipal clients satisfied with the overall quality of service. How does the client satisfaction survey indicate or reflect any of the success of your strategic initiatives, and how much does it cost to create, adminis-

ter, and analyze these surveys? Is there any value for money in these surveys? That's on page 115 of the strategic plan.

Mr. Denis: Surveying the stakeholders is always of value. It's customer satisfaction. It's like a performance measure. It tells us how we're doing. How are we going to know how we're doing if we actually don't go and survey our stakeholders?

One of the things that this member has talked about is client satisfaction. This deals with the percentage of municipal clients satisfied with the ministry's overall quality of service and management of municipal programs. Municipal clients are defined as chief administrative officers, managers, and other administrators.

To report the 2009-10 results, there were 326 surveys conducted. A total of 185 were completed and returned for a response rate of 61 per cent. That's actually pretty good. On average the results are accurate to 4.5 per cent 19 times out of 20. These surveys are conducted every two years. The next one is in 2012.

I just respectfully submit to this member that knowledge is power. We have to know exactly how we're doing. Neither success nor failure is ever final. It's always a moving target, and we have to continually get this information. It's just like doing a survey to see who's going to win the next federal election. Maybe this member and I can take a bet on that.

Mr. Kang: Thank you. Road safety, page 114 of the strategic plan. A priority initiative is to develop and implement the Alberta traffic safety action plan 2011-15 to reduce collisions, injuries, and fatalities on Alberta roadways. That's strategy 2.1. What exactly is this action plan, and how does it differ from work you have been doing – that is, the 2006 Alberta traffic safety action plan – and how much will it cost?

Mr. Denis: Okay. I'm glad he asked this question. My father actually used to work in transportation back in Saskatchewan, and I'm sure that he finds it ironic that we're talking about his old job here today. One of the things that I remember he would always talk about was the combined fatality and major injury traffic collision rates per 100,000. That's basically the barometer that's used in safety as well. This minister has often said that safety is the number one concern, and I have no doubt that this is the case in this ministry.

Some of the statistics that I'll quote to you: a 24 per cent reduction in fatalities over two years and a 23 per cent reduction in injuries. The strategy is public awareness campaigns, co-ordinated enforcement, effective legislation, working at the grassroots level, and the great work of our safety partners. No one thing does it all, but we are all making a difference together. While these reductions are encouraging, we have to be vigilant, and we can and must continue to do better. This is a moving target; we have to improve every year.

Our message is simple, things like don't drink and drive, buckle up, slow down, follow the rules of the road. Pretty soon we can actually say: don't talk on a cellphone and drive. We remain committed to the objectives of the traffic safety plan and will continue to work with our partners as well.

The cost to society regarding traffic collision and injuries is about \$4 billion per year. It's in everybody's interests morally and financially to try to get this down. Transportation does whatever it can to reduce the cost to society plus the personal cost to families. Some of the cost to families: if you're dealing with someone who's been seriously injured or with life itself – my life was almost taken about 20 years ago in a traffic accident – you can't quantify that in monetary terms. We're working to reduce that and act in the best interests of all users of the roads in this province.

Mr. Kang: Okay. By cost I was saying: how much will it cost to implement this and to develop this plan, and how much funding is being attributed to this plan? When can we expect to see this report, and when will it be implemented? What will be the key indicators of success?

7:40

Mr. Denis: There is about \$25 million spent every year on safety advertising campaigns and enforcement. The idea isn't to just simply go and punish people and collect ticket revenue. Rather, it's actually to encourage good driving habits.

I've had tickets before, just as anyone else here has. Guess what? I pay them myself because if it's me that does the infraction, it's me that should know how to drive better. That's what the whole goal of the actual system is.

When this member refers to the strategic plan, I presume he's referring to the business plan.

Mr. Kang: Page 114 outlines the performance measure for collision rates and shows a reduction target. That is performance measure 2(a), combined fatal and major injury collision rates per 100,000 population. The actual in 2009-10 was 80.8. The target for 2011-12 is 74.7, the target for 2012-13 is 72.7, and the target for 2013-14 is 70.8. What projects are currently in place to ensure that collision rates decrease as targeted in the performance measures? With the decrease of \$2 million for provincial highway system maintenance and a \$6 million decrease again for provincial highway preservation why does the minister believe that collision rates will be reduced?

With increased traffic congestion in Calgary, specifically around the airport area once Barlow Trail closes – I'm talking about Calgary-McCall now because it's right in the centre of the northeast. That area is going to get much busier because Country Hills Boulevard is not a major roadway, so there will be lots of traffic that will depend on Deerfoot Trail. Going north, the traffic will be backed up all the way, probably, to McKenzie Towne, and going south it will probably be all the way to Crossfield. Why does the minister believe that the collision rates will be reduced when we are cutting back, you know, on the funding for the maintenance and preservation of highways?

Mr. Denis: Okay. I just first want to mention something. I know this member loves his constituency, as I love mine. At the same time there are other areas of the city of Calgary that do experience traffic congestion. Just go and ask some of my staff. They will always complain about Calgary traffic. I say that that's the price of living in a very vibrant city. But it's not just about this member's constituency.

Moving forward, there are many things that the Transportation department actually does, I'd say, both from an education standpoint and an enforcement standpoint. Now, anyone that's driven on the Deerfoot Trail – does the Deerfoot Trail go through your riding?

Mr. Kang: Yeah, it goes through my riding.

Mr. Denis: It does. The Deerfoot Trail goes right through his constituency. I'll talk his speak, here. We're looking at following the speed limit and encouraging other people to continue to follow the speed limit. That's tough on the Deerfoot Trail. Sometimes I'm going 110 on the Deerfoot Trail, and I may as well be in the curb lane. You have to go and enforce speed limits. So following the speed limit is key to reducing injuries, fatalities, and collisions. But the good news, I'll say to this member, is that two years in a row we've seen a reduction, not an increase but a reduction, in

fatalities and injuries. I'm pleased with the direction of these stats, but again we can always do better.

The research shows that the collisions that involve excessive speed have a higher rate of fatalities and the injury severity is in fact increased, so there is a co-ordinated effort by all stakeholders to reduce deaths and serious injuries. At the same time, though, to this member I just say that we don't want to end up with a police state, where there's a cop at every corner, like in 1984. It's a balance that we have to actually provide. Ninety per cent of all collisions are, in fact, due to driver error. That's always important to remember.

We're also attacking impaired drivers. I know you didn't specifically mention that, but the message is simply: don't drink and drive. In fact, one time I was driving a friend home late, and I got stopped at a checkstop. Guess what? I thanked the guy.

The Chair: Thank you very much, Minister.

Hon. member, your first hour is used up.

At this time I would like to recognize a member from the Wil-drose Alliance.

Seeing none, I recognize the NDs.

Seeing none, then we'll move on to hon. Dave Taylor, please. You've got 20 minutes, sir. Would you like to go back and forth with the minister?

Mr. Taylor: Thank you. Of course I would love to go back and forth. It's always an honour and a joy to go back and forth with this minister . . .

The Chair: Then go for it.

Mr. Taylor: . . . whether he's representing his own portfolio or somebody else's. So far I'd say you're holding up that side rather well. Good job so far.

There are just a couple of areas that I want to touch on tonight. I will ask my questions, and of course if you can provide answers tonight, great; if you can't, I understand, and I'll take written answers at a later date. There's no problem with that as far as I'm concerned.

I want to focus on a couple of things. Let's start with the ring road in Calgary if we can. I want to get a sense about the progress or lack thereof on the southwest portion of the ring road because that's a great concern for my constituents, not because the ring road will run through my constituency but because of two reasons, really. Depending on the route that's chosen for the ring road, it may have a pretty significant environmental impact on a natural area that I think is pretty near and dear to the hearts of a lot of people who live in Calgary-Currie, and that's the Weaselhead.

Of course, again, depending on the choice of route, to a certain extent, once that southwest ring road is built, while it's not going to be something that's necessarily convenient for my constituents to hop onto, it will be something that will bring people from other parts of the southwest portion of the city into my constituency every morning and again every afternoon as they cut through on their way to and from downtown. Now, I recognize that they will be cutting through on roads that are absolutely not your responsibility or the Transportation minister's responsibility or the province of Alberta's responsibility. They are city roads; they are city streets. Nevertheless, traffic is traffic and excessive traffic is excessive traffic, and that's a concern for my constituents.

So I want to spend a little bit of time on the southwest ring road if we can because it's part of this rather aggressive and ambitious, you know, ring road construction project in Calgary. Where does it stand right now? We've had five open houses laying out differ-

ent options for routing. What kind of decisions are we expecting? What kind of a timeline? Give us a sense of that if you could, please.

Mr. Denis: I want to say thank you to this member for his participation this evening.

I'm always happy to hear from constituents, particularly on this one. The ring road is a topic that has been fraught with controversy, also a lot of delays. As this member probably knows, we respect the autonomy of the Tsuu T'ina First Nation. They had a democratic vote in 2009, and two-thirds of them voted against it. We have been working with the city to discuss alternative routes. I've taken a bit of interest. This is about equidistant from our particular constituencies, and I do get a lot of calls on this.

I'm just going to give some specific information here. The open houses, I would say, have been very valuable as part of our consultation process. It's also important that people understand specifically what's happening. One of the calls I got they said, "Well, no. The aboriginal reserve said no, so we should look at the other way." You know, at the end of the day I think we have to look specifically at all options. The open houses have always had a two-way dialogue, but there are only options at this point, and no decisions, in fact, have been made. We are evaluating the potential impacts on communities as part of the study, and there are many opportunities throughout the year for input.

I would submit to everyone in this House that this government made a fair offer to the Tsuu T'ina Nation, and we have to respect their autonomy as, in fact, a First Nation.

We did have a memorandum of understanding with the city that was signed in November of '09, which talks about the city's planning and scope, that sets out each party's rules and responsibilities during the study phase. There's an engineering consultant that's been engaged. It's expected the study will be completed by December of 2011.

If this member has been to this area recently, it may have appeared like there was some construction. Well, in fact, we're actually just doing some testing in that particular area because the testing is technical. We have to do it at a time of the year when, in fact, it's cold outside because – guess what? – we don't always have July weather here. So we want to make sure that we're ready, and we expect that by December 2011 we'll know what's going on here.

I'll give it back to you.

7:50

Mr. Taylor: Not only do we not always have July weather here; I'm just hoping for some July weather in July this year. That would be a nice change from last year.

So December 2011 for a decision, then, as to the route. I hear from various sources that there's the possibility that the province may undertake negotiations, may reopen negotiations with the Tsuu T'ina again. Can the minister comment on that at all? As far as I know, these are rumours. Can you confirm or deny?

Mr. Denis: Okay. A couple of things. I just want to correct an earlier discussion we were having. The December 2011 date is actually when we expect the preliminary planning to be concluded.

With respect to the negotiations with the First Nations reserve, again, we're always respecting their autonomy. They did say no openly and democratically. At the same time, we are not actually going to go and reopen this, but we can clarify this: they would actually have to come and make a proposal to us at this point.

Mr. Taylor: So the Transportation ministry is open to them doing that, and if they do that, the door will be open for further talks?

Mr. Denis: Yes. The door is not closed on our end. They can come back and come and chat with us. The minister has said many times that he's willing to look at any offer the Nation would bring forward. He does not want to renegotiate a particular deal. So if the chief needs a mandate from band members, I would suggest he does that to start any talks. Again, we want to respect the Nation's progress. We made an offer to the Nation, and that offer in particular still stands.

Just some temporal news as well. March 3, 2011, Chief Sandford Big Plume issued a statement that indicated he plans, quote, in the near future to meet with the Tsuu T'ina people to gauge their appetite to either consider a view of a significantly improved version of the ring road contract that was rejected in '09 or a new route through the Tsuu T'ina that requires less and less impact on the Nation.

The one thing that I've always heard from people I do know on the reserve is that they look for reversion, so if we're using part of the land today – guess what? – in 300 years when we're using jetpacks or something, they can basically go and have the land back. It is theirs.

Mr. Taylor: Thank you for that.

Now, as to some of the other options I may be premature in asking these questions; I don't know. But can you give me some indication if an option were chosen that involved a significant upgrade to an existing municipal road – 37th Street S.W. and 14th Street S.W. are two examples that come to mind – how it all works in co-ordination between the province and the city, then, in terms of who would be responsible for what portions of which roads? This is starting to sound like a complex question, and I don't need that much detail, but just sort of from the 40,000-foot level how upgrading existing transportation corridors like 14th Street or 37th Street connected to Glenmore Trail, undoubtedly, and then connecting to the other parts of the actual ring road would work? Who would be responsible for those roads, the city or the province? Would they be upgraded to full expressway capacity with a speed limit of – I think the speed limit on Stoney Trail right now is 100, if I remember correctly. Would the speed limit be 100, or would they be at a reduced speed? Would they be free flowing? Would they have stoplights? What's the deal?

Mr. Denis: Well, a lot of these are options. They're nothing more than, in fact, options because the First Nation had said no in 2009, and the only option that we had was to pursue options B, C, D, E, right up to Z.

The member had asked a question about who's responsible for these roads. The city would be responsible for these roads unless for some reason it would involve a provincial roadway such as the Deerfoot Trail, of course, or the Stoney Trail. All of these are provincially-operated roadways. So if you look through some of these options like 37th, 14th, all of those places are specifically operated and maintained by the city of Calgary, and that would not change.

Mr. Taylor: Okay. So that, in effect, would create a gap in highway 201, in Stoney Trail and the ring road, in terms of it being a fully provincial full expressway, correct?

Mr. Denis: Well, the whole idea is that you can't have a ring road unless you have it all completed, and that's what's got to continue regardless of who does end up operating it.

Again, all of these are just options that we're looking at. I am cautiously optimistic that the First Nation will come back to us. Some people disagree with me, but that's one option that we have to consider. They would have to, again, come back to us.

If it's built to our standards as a provincial roadway, we would actually take over operation of that particular roadway.

Mr. Taylor: Okay. Of course, more planning, more engineering study needs to be done to determine whether this option or that option or the other option or another option would even be possible.

One option which has been suggested to me by several constituents will certainly change the concept of a ring road as we currently think about it. We're thinking of it as a continuous loop around the city, but when you look at a ring road from the purpose for which it's supposed to exist, rather than to exist as a commuter route to move people from the suburbs into the core or vice versa, it's to get intercity traffic, in other words big trucks travelling from Vancouver to Toronto, around Calgary or around Edmonton. Then the suggestion has been made to me by a few constituents that maybe an option that should be considered is that once you get to Macleod Trail, run the ring road out highway 22X and then up highway 22 to connect with the Trans-Canada there. That would have the effect of taking traffic and routing it around the south end of the city and on westbound or eastbound, depending on which way the traffic is going. Is that an option that the Transportation ministry has considered at all or would be open to considering?

Mr. Denis: First of all, we have considered this. I don't have the specific geographic area, but if you look at a map of the city of Calgary, which I often do, particularly when I'm away from the city, just on the southwest corner the Tsuu T'ina reserve actually juts out a significant amount west of where the city limits are. So any roadway that we'd look at, we would actually have to consider: are people actually going to go out of their way and drive it? I can't say as someone who has lived in Calgary for 11 years now that I wouldn't actually want to go that far away. I would just submit to this member that it's simply too far away.

Mr. Taylor: Well, agreed. If you're building this road to help commuters from Woodbine get into the core and vice versa, you're certainly not going to take that route. However, if you're trying to get big trucks off 16th Avenue going through the city of Calgary and give them a route around when they're hauling goods from, you know, the ports in Vancouver to points east, then that route works just fine. So is it under consideration?

Mr. Denis: The member makes a good point. First off, I want to mention that there are two main purposes for this ring road. Number one is to facilitate the movement of goods and services. When this member talks about getting traffic off of 16th Avenue, yeah, that would serve that purpose. The second purpose is to help the residents of the city of Calgary in their transportation needs. I would respectfully submit that the costs would be high but, also, that you wouldn't serve the second priority there. That's why I don't think that is, in fact, the best option. Look at how the south-east and northeast are being used now. That's just the submission that I would make to this member.

Mr. Taylor: Okay. Just asking on behalf of my constituents. Thank you for the answer. I appreciate that.

Now I'm asking on behalf of all my constituents because this is a concern in Calgary-Currie – and I would suspect it's a concern in a number of other constituencies as well in the area – that there

aren't a lot of good, open routes to get commuter traffic from the hinterlands into the downtown core when you're cutting through the southwest portion of the city of Calgary.

The concern is that seeing what already happens with traffic that's trying to get down from the west side of the city to downtown when Bow Trail and 17th Avenue are jammed up with traffic that's moving along Crowchild and traffic that's moving along Sarcee, there's a lot of cut-through traffic that goes through residential neighbourhoods – Killarney, Glengarry, the Marda Loop area, south Calgary, so on and so forth – trying to find a way to get downtown. It's kind of like when, you know, you turn a tap on, and it overflows the sink. That water is going to find any possible route that it can to get to where it wants to go.

8:00

This is an issue in both morning and afternoon rush hours for my constituents. The concern is that if the southwest ring road is built, regardless of which option is chosen – some may be worse than others or better than others – a lot more traffic from the deep southwest is going to end up wanting to funnel its way through our neighbourhoods to downtown and vice versa. What role does this ministry have to play, or what responsibility does this ministry have to take once that ring road or any ring road is built for the consequences, foreseen and unforeseen, for people who live along residential streets, along city streets that feel the impact of that extra traffic?

Mr. Denis: The member actually raises quite a few good points tonight. I want to say that I appreciate that the Alberta Party is part of this. Unfortunately, I haven't received any questions from the Wildrose or NDP tonight. The member, though, does raise a good question.

I think I would dial down. He is talking about local input and what happens in the event that we have unforeseen problems. Guess what? There are going to be unforeseen problems, and that's why this department continually works with local transportation authorities, in this case in the city of Calgary. We want to have a continual growth process. If there are problems on a provincially operated road that is within the city limits of Calgary, we're not just simply going to stop the consultation process. We continue on with local city planners just on a go-forward basis. Those would be my comments.

Mr. Taylor: Okay. Thank you.

Can we move on to Green TRIP a little bit?

Mr. Denis: Yep.

Mr. Taylor: As I understand it – and I'm not sure that I have full understanding of it – this is not the minister's prime portfolio. This is not the critic's prime portfolio either, so it's the blind leading the blind. Or the bald leading the blind.

In any case, it seems to me that Green TRIP in its application so far has been fairly significantly about bus rapid transit. I see the ICE bus, I think it's called now, from Airdrie coming in and going out, taking people in and out of Calgary at least in rush hours. I understand that there's that component to it, the sort of regional bus transit plan. Going forward, what commitment is there under Green TRIP to LRT construction or extension of LRT lines in both Calgary and Edmonton, if any? Or is this something where the Green TRIP money somehow finds its way into municipal coffers, and then the municipalities have the decision as to how they want to spend that, much like MSI money? I'm under the impression that to get Green TRIP money you're actually sup-

posed to come up with a specific business plan about a specific project. Can you give me a little more information?

Mr. Denis: When this member had talked about the ICE bus, I thought maybe he was on one of those party buses that are notorious throughout our city, but obviously I was incorrect.

Mr. Taylor: I was talking about the ICE bus and not the mix bus.

Mr. Denis: Okay. This member seems to know a lot about these party buses.

All kidding aside, the Green TRIP is not the same as MSI. MSI has no strings attached. In Green TRIP we actually require and we monitor the amount of the project itself but also the amount of greenhouse gases that actually can happen. So the prime objective of a Green TRIP is not necessarily utilitarian. The prime objective is actually to reduce, have a net reduction and an absolute reduction greenhouse gases.

This was announced in 2008. It's designed to take actual vehicles off the road. We're not going to stop vehicles any time soon, but it's to have a net reduction of it as well. The program was launched in June of 2010 after some consultation, and some of the projects funded give Albertans more options for public transit, will help decrease the number of vehicles on roads, will help promote Alberta's growth in a responsible, more environmentally conscious manner.

Since this member is so hot on public transportation, I'd remind him that there are five C-Train stops right near his residence that he can use as well.

Mr. Taylor: Thank you. I didn't need a reminder of that. And one of them is closed right now, by the way, for construction.

Mr. Denis: Which one?

Mr. Taylor: Southland.

Mr. Denis: Oh. I didn't know.

Mr. Taylor: They're extending the platform for four-car trains. See, you learn something new every day.

But my question was actually about Green TRIP money being invested in LRT construction. I'll allow the inclusion of, you know, purchasing additional cars for LRT trains but extending lines, building stations, and that sort of thing.

Mr. Denis: All of those projects would be considered. In fact, I just learned on the news in Edmonton here they are going to be allowing four-car vehicles as well.

The Chair: Thank you very much, Minister.

Thank you very much, hon. member. Your 20 minutes have lapsed.

At this time I would like to recognize the Member for Rocky Mountain House, the hon. Ty Lund. Hon. member, you've got 20 minutes. Would you like to go back and forth with the minister?

Mr. Lund: I would love to go back and forth.

The Chair: Thank you very much. Go ahead, please.

Mr. Lund: As long as he provides a face cloth for it. Thank you, Mr. Chairman.

I've got a few questions. On page 336 of your estimates, the municipal waste-water program, water for life, I see there is a fairly substantial increase in the budget there, from \$113 million to \$257,560,000. I would like to know exactly what this program

does. I assume that it's a grant to municipalities for water and waste water. How do they apply for it, and does it have to be regional, or can individual municipalities apply?

Mr. Denis: The member asked a good question about the Alberta municipal waste water and the waste-water program. This is something that we have talked about in the past, but I can tell this member that waste-water collection does not involve the production, sale, or maintenance of face cloths, unfortunately.

Basically, you wanted it clarified. This program also includes what's called the water for life program. This covers 90 per cent of the capital costs of building regional or municipal water and waste-water pipelines. The increase in the Alberta municipal waste-water program, or water for life, is primarily due to one-time funding provided in this year's budget to upgrade aging water facilities.

The smaller municipalities are able to build upgraded water and waste-water treatment facilities and, where possible, can connect to multimunicipal regional facilities to obtain high-quality drinking water, which, of course, would have to meet the Alberta Environment standards. Regional systems are reducing the need for highly trained operators at many of the smaller treatment facilities.

Just briefly, water for life addresses the large multimunicipal water or waste-water systems and provides service to multiple communities. In addition to municipal water the waste-water program addresses the individual water and waste-water systems for communities with populations of less than 45,000, which, I do believe, does include Rocky Mountain House.

Mr. Lund: Thank you very much for that answer. Would a project installing new distribution qualify for any kind of assistance?

Mr. Denis: I don't believe that distribution systems qualify for any assistance, but I will take that away under advisement and give you a written response, member.

Mr. Lund: Good. Thanks.

On the next page, 337, I see the capital for emergent projects is back at \$75 million. I didn't realize it was \$80 million last year. Back a few years ago, when this program was first budgeted for, different departments could apply if they had an emergent need for funding that was not budgeted in the regular budget process. Does that still apply, or is this now spent primarily or exclusively in Alberta Transportation?

Mr. Denis: In a word to this member I would say that this line item is designed to anticipate things that we cannot directly anticipate today, a \$5 million increase on that. At the end of the year, again, we'll go through the Auditor General's reports through Public Accounts. You always have to have these types of contingencies. Like businesses have allowances for uncollectable accounts because they don't know exactly where it's at, we wanted to budget for this as part of better budgetary managing processes.

8:10

Mr. Lund: I didn't really get the answer to my question. My question was: is this exclusively used within Alberta Transportation, or do other departments have the ability to apply for some funding if, in fact, an emergent comes up within their department but they don't have budgeted money for it?

Mr. Denis: No. This is just for this department only, in this line item. It has nothing to do with any other department.

Mr. Lund: I think probably within Infrastructure there is also a

somewhat similar line item. You don't know anything about that particular number?

Mr. Denis: Unfortunately, we don't have any capacity to answer for another department. I would suggest the Infrastructure estimates could answer your question.

Mr. Lund: When we go over to page 343, just for some clarification – I'm sorry if you may have already dealt with this – in the infrastructure stimulus funding there were quite a few projects that weren't totally completed last year. These numbers I see in the infrastructure stimulus funding: last year some \$258,400,000 was budgeted; this year \$250,000. Now, the projects that were not completed last year: where did the funds go? Are they sitting with the municipality that didn't complete it, or is it in Alberta Transportation? Where did those funds go? They came from the federal government, but where did they end up?

Mr. Denis: The funds, actually, that are not used are simply carried over. Some specific line items here as well: the infrastructure stimulus fund that I had talked earlier with the Member for Calgary-McCall about. There is \$250,000 in that item. It commenced in 2009, and it was completed the following year. It was extended later by the federal government. There is \$250,000 for the administration of the Canada-Alberta municipal-rural infrastructure fund. For premiums, fees, and licences, the majority of revenues are from highway fees and permits for overweight and overdimensional vehicles. I think I've probably answered the member's question, but basically it's just carried over to the subsequent year.

Mr. Lund: But if you want to go on with that because I was curious what the other funds there, that \$66.4 million, come from?

Mr. Denis: I think this member is referring to the 2011-12 budget, \$6.5 million. There is tourism highway signage there. There was a credit recovery and revenues recorded from private tourism operators. The cross-government initiative converts existing signage to new standards that are consistent with other North American jurisdictions. The others include Indian and Northern Affairs Canada. That's the Garden River project, \$2.3 million. That was a credit recovery revenue. There is also credit recovery revenue from various projects, budget 2011-2012, for \$2.7 million. This is essentially that various agreements exist where credit recovery revenue is recovered from the private sector and municipalities for contribution towards water management, infrastructure, roads, bridges, and in fact interchanges.

Mr. Lund: Thank you.

Mr. Chairman, I think that that pretty much completes it, but I am very disappointed to hear that the parameters for the spending of the emergent fund have changed over time because originally other departments had the ability to apply to that fund if an emergency came up in their department. I remember getting some money out of that fund for a spillway on one of the dams. So I am disappointed that that's not available.

The Chair: Okay. At this time I would recognize Mr. Kang, please. You've got 20 minutes. Would you like to go back and forth again?

Mr. Kang: Yeah. Thank you, Mr. Chair. In last year's business plan strategy 2.8 makes reference to developing approaches to address new types of off-highway vehicles, page 284. Some people are very interested in using Segway personal transporters, but

according to a June 2009 publication Segways are still banned from public spaces. What is the current status of legalizing these personal transporters? Why would the minister remove this from the business plan as other forms of transportation may arise?

Mr. Denis: This is actually a question I was not expecting tonight. I can tell you about these personal transporters. There actually is a pilot going on in Edmonton. Speaking from my personal standpoint, in other countries that I've visited, I've seen them to be popular, but not every country in the world has the harsh climate that we do, and that's just something to consider when we deal with the feasibility. Stay tuned, and we can advise at a later date as to how the feasibility study continues.

Mr. Kang: So those feasibility studies are still going on? We haven't had any feedback from those pilot projects yet? I for one would be interested in using a Segway to go door-knocking. You know, that would really help me big time because I've got knee problems.

Mr. Denis: I'm happy that this member would use them for door-knocking and not through his tunnel.

But all kidding aside, we will go forward and provide information as to how the test study goes. It's still in its preliminary stages. I don't believe anywhere else in Canada has approved them either.

Mr. Kang: Well, I think it would be fun to go through the tunnel, too, once the airport is connected to Stoney Trail from the Deerfoot with a tunnel. It would be great to have the Segway to go have fun.

On page 13 in the 2009-10 Transportation annual report, coming back to impaired driving now, the percentage of drivers involved in injury collisions who had consumed alcohol has been increasing. In last year's business plan the targets for the drunk driving performance measure proved to be ambitious given the department's lack of success. In last year's public council meeting officials claimed that the increase is due to improved checkpoints and due to the increase in population. Why was the impaired driving performance measure removed from this year's business plan? Is this not a priority for the ministry? Is removing this performance measure an admission of the failure of this government in this regard?

Mr. Denis: First, I want to commend this member for talking about the dangers of impaired driving. I remember that a couple of months ago I was driving some friends home. It was about 11 o'clock at night, driving home on Macleod Trail south, where I live in my constituency. There was a checkpoint there, and the gentleman said, "Have you been drinking?" I said, "Yeah," and I held up my Diet Coke. He laughed. But I said to him, "Thank you for keeping the roads safe." Enforcement like that is important. But at the same time it's also changing human behaviour, which takes a long period of time and is very, very complex. There's a mix of education but also a mix of enforcement that we have as well.

The ministry has talked very clearly about the dangers of drinking and driving. We actually review the strategies aimed at reducing impaired driving, including the legislative approaches taken by other provinces, and we evaluate those approaches that improve public safety. We also work with Justice and Attorney General on the legal aspects of impaired driving and with the Solicitor General and the public safety department on enforcement. In Alberta how the law is right now is that if you're charged with an alcohol- or drug-related offence, you lose your licence immedi-

ately for at least three months. You receive a six-month suspension if your offence involves an injury or death.

Enforcement is a big part of what we do. Our traffic safety plan focuses on a combination of education, communication, enforcement, engineering, and community mobilization. I can tell you that I have seen a real change in attitudes about drinking and driving in the 20 years or so that I have been driving just from people that I talk to. At the same time one death is one too many.

We also need a measured approach. It may sound good that we want to put labels on bottles, that we want to do these things, but you always have to ask yourselves how much something is actually . . . [interjection] Yes, hon. Member for Calgary-East. I'm sorry; I did vote against your motion.

We also have to ask ourselves what the cost benefit is. We always want to rely on evidence. What is actually going to reduce the instances of drinking and driving? Again, that's a balancing act that we have to go and play.

8:20

Mr. Kang: According to the most recent publication from the national strategy to reduce impaired driving program, STRID, Alberta is undergoing a review of the 24-hour suspension program. Is this review being conducted under your ministry? What is the status of this review? How are you going to meet these targets considering that right now you aren't even close?

Mr. Denis: We're actually looking at tracking people who get 24-hour suspensions because we do want to intervene early. The idea is that if somebody receives a 24-hour suspension, you know, they may be at a risk to reoffend. Maybe the person, unfortunately, might have an alcohol problem, one way or the other.

The other thing to look at, too, is that we have engaged the use of breathalyzers in vehicles for people who have had offences with drinking and driving. These type of breathalyzers require a positive blow, for lack of a better term, from the driver before the vehicle actually starts. Those are done, then, as a condition often. It's actually called an interlock program, and that started on July 1, 2008. I think that that's a way of actually balancing if somebody needs their vehicle to earn a living but also the rights of society in encouraging greater safety on the roads.

Mr. Kang: I think those are steps in the right direction. What happens is that innocent people get killed, and the drunk drivers just walk away. I think we should be, you know, putting more emphasis on catching these drunk drivers. We should have strict laws, where they get punished.

Okay. I'm talking about seat belts now. In 2006 Alberta was below the national average of all occupants of light duty vehicles in urban communities using seat belts. Does the minister expect that Alberta will still be below the national average? What is being done to prevent that from happening?

I'll ask the second question after.

Mr. Denis: Thank you very much for splitting that up. You know, I remember years ago that when my family and I would come to visit another family in Alberta, we would laugh that at that time there was no seat belt legislation in this province. Well, this came through in 1987. I'm very happy about that. The national average is at 95 per cent, and Alberta's compliance is 93 per cent. We have gone up from 89 per cent over the last couple of years. So there's still a little ways to go, but we're not that far off the national average in seat belt compliance.

Mr. Kang: Okay. Now I'm talking about seniors driving. Alberta has an aging population. What measures or programs are there

currently or are there being planned to ensure that mature drivers continue to practice safe driving skills. That's my second question. I know I'm getting there, too, a few years down the road.

Mr. Denis: That, actually, is a good question. There are concerns that are raised about the driving skills of older drivers, for lack of a more politically correct term, and drivers with medical conditions. We want to ensure that motorists at every age have the ability and skills to safely operate a motor vehicle. We recognize that mobility is important to the quality of life of everyone, so again it's about finding that balance.

There are strong licensing practices in this province. Anyone, regardless of age, who holds or applies for a driver's licence is required by law to disclose any medical condition or disability that might interfere with the safe operation of the vehicle. The medical reports are reviewed, again, on an individual basis, and the terms and conditions of licensing are based on the medical information provided at the time.

It's important to remember that driving is not a right in this country; it is a privilege. Again, it's about creating that balance, and I think this member's question is well taken.

Mr. Kang: Thank you. I want to talk a little bit about the Calgary regional plan for transportation. We talked about it last year, too. Again, how far have we gotten on that, and how much funding has gone towards the study of the Calgary regional plan?

Mr. Denis: I'll take that away for a written answer.

Mr. Kang: Thank you.

Budget estimates, page 336, line 1.4: strategic services is increasing by \$340,000. Why has that increased, and what additional services are being provided for that money?

Mr. Denis: Member, are you referring to page 336, the strategic economic corridor investment initiative?

Mr. Kang: Line 1.4, page 336, strategic services: it's increasing by \$340,000. Have you got that?

Mr. Denis: Yeah. I'm happy to take that answer for you. The \$340,000 increase is in order for the division to maintain effective service delivery and to ensure that the ministry meets its legal and financial obligations. These are things like annual reporting, financial reporting, and auditing.

Some more specific points. Policy and corporate support services provides shared services and support, including strategic policy, legislative planning, FOIP, which I'm sure this member is well acquainted with, and finance and information management to the ministries of Infrastructure and Transportation. HR provides support to the office of the minister, the deputy minister, and the department. This co-ordinates the development and implementation of HR policies, programs, and strategies within the department.

Mr. Kang: Okay. Line item 4.2, program services: what exactly is covered by these program services, and why is this line item increasing as well? What additional services will be provided with that funding increase?

Mr. Denis: The \$1.1 million increase is primarily to address ongoing human power and operational pressures. This area is responsible for planning, programming, and delivery of provincial highway construction or rehabilitation projects and numerous special-needs projects such as the north-south trade corridor. This department manages highway maintenance activities throughout

the province. It's responsible for management of municipal transportation, water, waste-water, and other grant programs such as the basic municipal transportation grant, the infrastructure stimulus fund as well as construction, rehabilitation, upgrading of management facilities, and nonoperational maintenance of provincially owned water management infrastructure.

Mr. Kang: Okay. Coming to page 337, line 2.6, the debt servicing costs for the strategic economic corridor investment initiative is increasing by approximately \$15 million. Why is it increasing by so much, and what additional benefits are taxpayers receiving for this \$15 million? Is it because of P3 borrowing?

Mr. Denis: Member, are you referring to line 2.6, page 337?

Mr. Kang: Yes, the strategic economic corridor.

Mr. Denis: I just wanted to be sure before I begin to answer your question. This involves the northeast Alberta transportation corridor, a total of \$191.5 million. There's an interchange at highway 63, actually two of those. There's bridge work on highway 63 and bridge work on the Athabasca River bridge on highway 63. There are also other economic corridors: grade widening on highway 58, grade widening on highway 59, grade widening on highway 9, and paving also on highway 9.

Mr. Kang: Thank you, Mr. Minister. I think that will be it for my questions. I'll try to dig up some more.

I tried to get the funding for the airport tunnel. I'm sorry that I didn't succeed. I hope, you know, we get the funding for the airport tunnel, and everybody will be happy. That will be good for our province. That will be good for the country. With the expansion of the Calgary airport there will be 350,000 flights coming there, so we need the airport tunnel. It's very vital for the northeast, it's very vital for Calgary, and it's very vital for southern Alberta. I hope this government will consider the funding for the airport tunnel. I heard that we had MSI funding. I know that the funding was committed. This would be a one-time-only shot in the arm, and I hope the province will consider giving money to the airport tunnel.

Thank you very much.

8:30

Mr. Denis: I really appreciate this member's passion for the airport tunnel in his constituency, but at the same time I have gone through the MSI money that we've given. The city has consistently requested that there be no strings attached. We have no moral or legal or financial authority to get involved there. If the tunnel is built, though, I'm wondering if this member will still have his tunnel vision.

Mr. Kang: Well, my passion is for the province and the city – that's where my passion is – as well as Calgary-McCall.

Thank you very much.

The Chair: Okay. Thank you very much, hon. member, Minister.

At this time I would like to recognize the Member for Airdrie-Chestermere, the hon. Rob Anderson. You have 20 minutes, hon. member. Would you like to go back and forth?

Mr. Anderson: Sure. That would be fine.

The Chair: Thank you very much. Go ahead, please.

Mr. Anderson: I'd like to thank the hon. Member for Calgary-McCall. He always does a very thorough job in his questions, and

he's always advocating very strongly for his constituents. He's actually my constituent. Many people don't know that, but he actually is a constituent of mine in Chestermere, so I hope I can earn your vote next time.

Mr. Kang: If your leader succeeds, you should build the airport tunnel. You might stop questions on the airport tunnel.

Mr. Anderson: That's right. We're absolutely in favour of the airport tunnel over here. We hope the city of Calgary will see it in their wisdom to build that.

I've listened to the questions from the previous member on what some of this money is going to be used for on this key strategic economic and trade corridor's piece of \$352 million and so forth. What I'd like to talk about or discuss today is regarding how we allocate the money that we budget for transportation and for road improvements and capital improvements but specifically, obviously, with Transportation, road improvements.

I think that the hon. minister would consider himself a fiscal conservative. I think that he would make that claim. So from a business perspective – and I'm assuming he's run a business or he's been involved in a business before. I have. What you do when you have a business is that you have a budget usually. You have to look at the revenues that are going to be coming into your business. You take a look at those revenues, and you put them on the ledger. You say: okay; what are we going to do with these revenues? Well, obviously, you've got to pay some bills and some operating expenses and all that sort of thing. Then usually, hopefully, if your business is doing relatively well, there's a chunk of money that you have that you want to take and invest into your business. Some years that can be larger than others.

What you do then: once you've determined what your capital amount is going to be – you call this your capital budget; your investing-in-your-business capital – then, of course, you have to determine what your priorities are. So you're going to have your A, B, and C priorities. You're going to have your A priorities, which is, of course, the stuff you need to have. If we're going to be able to grill more burgers and serve more customers, we need a new grill. So you make sure that whatever the absolute essentials are, you take care of them first. We have to repair that break, the water issue that we're having in the bathroom so that customers can use the facilities. Those are your A-list priorities, and you make sure that there's capital going into there.

Then there are the B-list priorities, and these are the things that you really would like to have. You would like to have that new neon sign out there that will attract more business. You'd like to have different things. Maybe you want to change the plates, or you want different dish ware because you want to kind of make your restaurant classier or something like that, but you don't have the money in your capital budget. You say: okay; those are my B priorities, so those are the things I'm going to put off until a later date, until I have the money to invest in those types of things.

Then, of course, there are your C priorities, which are essentially not really needed at all, so you're going to put those off. Maybe one day you might think about it, but for the short and medium term you're not going to deal with that.

I use this analogy to bring it around here to Transportation. I'm assuming that you would agree that when you have a capital budget, you need to prioritize. You have a road budget here, \$4.6 billion over the next three years for the provincial highway network, including \$1.7 billion for capital projects in 2011-12, okay? You have this chunk of money that you're going to spend on roads. I guess the first question is: what objective criteria do you

have? How do you make the determination of where to spend that money? How do you make that determination, Mr. Minister, to prioritize? How do you take that money and break it down to where it's supposed to go?

Mr. Denis: I'll endeavour to answer this member's questions, and then if he has some follow-up, he can go over it with me. The member is quite correct. I have been involved in many businesses in my career: real estate, communications, legal, as he has as well. I appreciate his comments specifically on how businesses operate. Of course, government is always a little bit different because we do provide things like health care, education, roads, things that are basically of public good. I would submit to this member that any and all capital investments in this system actually end up going and improving the quality of life for everyone in this province. Where we can make a capital investment, for example in a local situation like the city of Airdrie, where this member resides, we do provide grants in particular to some of the local municipalities as well.

Now, to answer his specific question, he talked about prioritizing. It's always a balance that we want to make. It's always a balance between new construction and maintaining existing assets. One of the goals we have in this department is to have no more than 5 per cent of the roads listed as "poor," which I'll get into a little bit later. What happens every year is that there is a physical road drive across every highway, and it identifies issues, identifies priorities. But, most importantly, this road drive is put into a system, a very sophisticated computer system so we can prioritize by way of comparison to the amount of money that we actually have. Of course, there's no end to the amount of money that you could spend on transportation, but there's a balance that we have.

I know that this gentleman is a native Albertan, but I would suggest that he look at the difference in road maintenance. Just drive a little east of Medicine Hat, and you'll know right away when you hit the Saskatchewan border, and it's not from a road sign. The road maintenance here is significantly better than in other provinces.

We also do put money into traffic safety. The member defined me as a fiscal conservative and he would purport to be the same. I'm proud that you can see this year that the minister has been able to bring the budget down marginally. It's not the 36 per cent, of course, that other people have been able to find, but at the same time he has brought the budget down. One of the reasons he is able to do this is because we have invested in road construction during times when it's more economical to do so. If you're looking back from 2007, at the peak of the market, versus now, you're looking at a substantial savings. So it is in the taxpayers' interest to be doing this now as opposed to later.

There also is a lag time. I think it's very, very important that we have an active transportation system. Probably one of the most important things in this province is having a good transportation system. Why? We have an export-based economy, and we want to be able to get people to have their products taken to the market as soon as they can. So there always is some government outlay here, but I also look at the cost of not having a good road system and just the backlog that that would create through our resource-based, export-driven economy.

I'll serve it back to the member if he has further questions.

Mr. Anderson: Well, good information there. So apparently there's a computer program that you can put a dollar figure into, and out pops a list of what you can do that year. Could you clarify that point?

Mr. Denis: It's a corporate module. It's called RODA, which is

rationalization and optimization decision application. It does a best cost-benefit analysis as to what we can do and what's the best thing to do with the budget that we have.

Once again, I'm sure this member would agree with me, you know, that there's no end of money you could spend on roads, but at the same time it's the best balance. This member has had a lot of roads built in his constituency like for the CrossIron Mills, et cetera. I'm sure that he will agree that there have been some benefits to his area as well.

8:40

Mr. Anderson: CrossIron Mills: the expansion there to the road was actually built by the developers and paid for by the developers. Anyway, that's fine. There have been roads built to my constituency, that's for sure.

This computer program, RODA: does that apply to just road improvements, or does that take into account new project needs, new transportation needs, or is it just existing? Here's a better way to ask. I'll use the Department of Transportation's own words: provincial highway maintenance and preservation. Then you have other highway construction and rehabilitation, \$661 million, and then you have other key strategic economic corridors. Some of this stuff, I'm assuming, is road maintenance. Then there are road improvements. You're doubling. You're putting two more lanes on the same road. There's road maintenance, where you're improving the existing road. Then there are new projects entirely, like the ring roads. Which does this RODA computer program do? Is it just the maintenance, or is it maintenance and road improvements, or is it maintenance, road improvements, and brand new projects like the ring roads entirely?

Mr. Denis: First, I want to apologize to that member. I didn't know, actually, about the CrossIron Mills interchange. But I can tell you that I drive past Airdrie probably twice a week, and there have been a lot of improvements there. I'm sure he would agree that that has had a positive impact on his community.

Relating to the member's existing question regarding the computer program for prioritization, for which I've indicated the acronym is RODA, actually it deals with both new construction and existing maintenance. There's always that particular balance throughout this entire province between new construction and existing road maintenance. We'll go and prioritize the priorities there as to what, again, is in the best interest of the taxpayer, where to get the best bang for the buck. I hope that answers his question.

Mr. Anderson: So how does this program work exactly? What information goes in the system? I'm assuming that it doesn't just map the province of Alberta and spit out, "Okay; we have \$2 billion to put in this year; oh, we need a new ring road" or something like that. How exactly does this program work? How does it figure out when you need a new road somewhere, when that's going to be the most cost effective, the best bang for your buck? How does the computer figure that out? Are you saying that there's absolutely no political or, I guess, human observation about what's needed? Is it just left entirely to the computer?

Mr. Denis: What actually happens is that there is a physical drive of every kilometre of the roadway, and it looks at the life of the road. Most highways have a 20-year life, give or take a little bit. For roughly 30,000 kilometres of roads we're just looking strictly on an amortization basis. About 1,500 kilometres per year do require some work. There's also a human look, and we also look into some stakeholder comments. If we're getting lots of comments from one particular area of the province, that's something

that we always will consider. We'll also look at traffic volumes and some other extrinsic factors.

Mr. Anderson: Essentially, you take traffic volumes and stakeholder consultations and you do a physical drive, and then you pump all this raw data into RODA and out pops: "For \$2 billion this is going to be the best bang for your buck. You need this new road. You need to upgrade this road. You need to repave this road." Is that sort of thing what comes out the end?

Mr. Denis: That's essentially correct, just in a layperson's terms. We also consider things like injury rates. For example, if there's an injury so-called hot spot in a particular area, we will also look at the human cost of that. It's quite a tool in planning transportation throughout the province.

Mr. Anderson: All right. If we have all this raw data going in, that's impressive. If you physically drive every road, I'm assuming you're rating the roads. You know, obviously, that's the purpose of physically driving them. So you're going to rate the roads, and you're going to do stakeholder consultations. Somehow you put all this into the computer, and it burps out whatever you need to get done for your \$2 billion.

When that happens, I'm assuming that if you add another \$500 million or something like that – well, what is it this year? It's \$1.7 billion this year for road projects in total. You say: "Okay. The magic number is \$1.7 billion. That's what Treasury Board has given us." You put that in, and it pops out: this is what we need to do. What if it changes? What if you go to \$2.5 billion instead of \$1.7 billion? I'm assuming that additional road projects would come out of the back end of the computer. Is that right?

Mr. Denis: There would be a sensitivity analysis design. I'm not suggesting the budget should be \$2.5 billion – I'm presuming this member is not either – but let's say that it was. There obviously would be more options that would go through there as well.

I just also wanted to talk about how roads are graded in this province. We have an optimum objective of 80 per cent in so-called good condition, 15 per cent in fair condition, and 5 per cent in poor condition. Every percentage of the "poor" condition that you want to bring up costs about \$110 million to go and improve that. This is a moving target as to where you're at because Mother Nature doesn't just stop one day because we don't want to improve the roads. It's a moving target that we have to do every year. So the combination between the physical drive, the RODA system, but also the human analysis is good; plus, having a computer system like this actually provides some objectivity to the whole process.

Mr. Anderson: Absolutely. Objectivity is good.

Well, here's the kicker. I guess I have two questions. First of all, would there be an opportunity for members of the media or the opposition or anybody, the public, to actually come in and see a demonstration about how the RODA program works and what information goes in, just in the interest of transparency, just to see kind of the process of, you know, what information goes in and then kind of what gets burped out of the back end? Would it be possible to have any kind of look at this, even if it was just members of the opposition or anybody like that? If we could go in, it would just be good. I tell you, I'd feel a lot better as a citizen of Alberta if I knew that such objectivity was, in fact, in place. That would be very good to see.

The second thing is that if it is so easy, that we have this transportation computer program, you know, could we make the magic number, say, \$15 billion and then just see what the priorities are

for all new projects and all road expansions and all maintenance so that we could just see a public list? We'd know that because it came out of RODA, it is completely objective. That way we could see as of today that these are the priorities for road infrastructure for the Alberta government. It can obviously change as you do your walk-throughs and your drive-throughs and all that sort of thing. But is there any way we could see the priority list for all roads, new projects, maintenance, et cetera as it stands today? Would that be possible to do, Mr. Minister?

Mr. Denis: Well, first off, this is not a secret system. It's been developed by our IT programmers for a number of years. I can tell you positively that other provinces actually have been looking at the system that we have, and the minister's department has really been leading many other provinces in a system like this. There are also some in the United States.

There is no secret list, Mr. Chair. I say respectfully to this member: there's no secret list here. In fact, there is a three-year construction schedule that is published right after every budget. I'm happy to give you a copy of that if you don't already have it. That's on a rolling basis, so the next year you'd have a year tacked onto that. I'm not quite sure what this member is implying, but I'm happy to provide him with the three-year construction process if he doesn't already have it.

Mr. Anderson: Sure. Well, that's fine. I mean, there is a list in there. It's not completely clear exactly. I would love to see the full list, if you could undertake to give me the full list, for the \$369 million for provincial highway maintenance and preservation as well as the \$661 million for other highway construction and rehabilitation, the \$362 million for continued construction on the key corridors. And the ring roads: that's pretty self-explanatory. But for those other three – those are very broad categories – I would love to have it, if you could undertake to give me down to essentially the dollar, exactly what is being spent. I really would like that list if it exists. I didn't see it in the estimates. I saw some different projects, but I didn't see specifics.

Again I do want to ask, though, that since other provinces are looking at your system, is it possible for the loyal opposition to have a run-through, have the folks over there take the opposition through, and show us how it works, and give us a look inside? You know, if other provinces are looking at it, I would hope that we could look at it. Would that be possible?

8:50

Mr. Denis: When I mentioned that other provinces are looking at it, I meant that other provinces are examining it, looking at acquiring a similar system for purposes of planning, purposes of their particular engineering.

I will give this member a copy of the three-year construction list. The reason that there is a three-year published list is to avoid political interference. It's published. It's open. It's transparent, for everyone to actually go and see. I have not seen the particular RODA system myself as a government member, but I can tell you that I will chat with the Minister of Transportation the next time I do see him.

Mr. Anderson: Perfect. I would like that undertaking. It would be great to see that program.

Mr. Denis: I'm sorry, Member. I did not give an undertaking. I said that I would chat with the minister.

Mr. Anderson: Absolutely. Thank you. I appreciate you chatting about it.

The Chair: Thank you very much, hon. member, Minister. Your time is used up.

At this time I would like to recognize the Member for Calgary-Mackay, the hon. Teresa Woo-Paw.

Ms Woo-Paw: Thank you, Mr. Chair.

The Chair: You have 20 minutes. Would you like to go back and forth with the minister?

Ms Woo-Paw: Sure. I just have two or three questions.

The Chair: Thank you very much.

Ms Woo-Paw: I see that one of the priority initiatives outlined in the ministry's business plan is to develop Alberta's highway system and strategic economic trade corridors such as the north-south trade corridor and the Asia Pacific gateway corridor. The goal for these trade corridors is to support Alberta's economic prosperity as well as the complementary development of land and transportation infrastructure. My first question is: what accounts for this \$5 million, or 63 per cent, increase in estimated costs associated with the strategic economic corridor investment initiative? I believe this is on page 338 of the 2011-12 Transportation estimates.

Mr. Denis: Thank you very much to the member for her question and particularly for referring to the particular page. This is a rather voluminous task, dealing with this, and I appreciate her specificity here.

To answer your question about the increase in estimated costs associated with the strategic economic corridor investment initiative, in 2008 this ministry entered into a contract with Northwest Connect, which is a consortium of companies for the design, finance, build, and maintenance of the P3 Anthony Henday Drive and northwest ring road project here in Edmonton, and this is scheduled to be completed by fall of 2011. Upon completion of the project, the ministry will begin making payments and pay down the book liability. These payments are determined based on the principal repayment schedule. The \$5 million increase on page 338, to which this member has referred, relates to approximately five months of principal payments for the northwest Anthony Henday ring road project.

Ms Woo-Paw: My second question is: what specific measures are in place to ensure that our province's economic transportation corridors remain efficient and viable?

Mr. Denis: Thanks again to that member for that question. The strategic economic corridors are developed so that Alberta can sustain economic prosperity. I mentioned earlier to the Member for Airdrie-Chestermere as well as to the Member for Calgary-McCall just the importance in an export-based, resource-based economy of having a good transportation corridor, and that's what the goal of this department and everyone here is.

Basically, the strategic economic corridors are designed so that Alberta can sustain economic prosperity and to place Alberta in a position to compete globally by enabling the transportation of goods and services getting quickly to markets and the transportation of people in a safe and efficient fashion. There are a number of indicators that are used such as the reduction in congestion, reduction in collisions, the accommodation of growth along the highway system, and the growth of trade amongst our trading partners. I think the Minister of Transportation would say himself, though, that safety is the number one concern.

Ms Woo-Paw: Speaking of safety, I have a few questions around that. On page 337 of the Transportation estimates a number of capital projects see rather significant estimated increases or decreases in costs. At line 2.7 provincial highway rehabilitation is estimated at only \$183 million whereas in past years we saw a lot higher investment, say, \$240 million or more. What accounts for such a decrease?

Mr. Denis: I think that this member is referring to the provincial highway rehabilitation 94.4 per cent spending cut. This is primarily due to additional funds approved in 2010-11 which were helping to address the cumulative rehabilitation work. The provincial highway rehabilitation allows highway pavement and bridges to be restored to their original condition at the most cost-effective time as well as to avoid irreparable deterioration, which can cost a lot of money. When you get to irreparable deterioration, you simply have to get a new project constructed as opposed to going through the maintenance, so timely rehabilitation results in a substantial cost savings over the long term. I think that that's what this ministry is about: trying to deliver adequate transportation infrastructure but also at the best possible value to the taxpayer.

Ms Woo-Paw: But would this increase impact safety on our highways?

Mr. Denis: The ministry doesn't allow highways to deteriorate to a point of jeopardizing safety but, rather, targets maintenance and preservation activities to keep the roadway surfaces safe. Less investment in capital projects will have the effect of increasing the requirement for maintenance and preservation as well as increasing the amount of highways that are in so-called poor condition.

As I mentioned earlier to the Member for Airdrie-Chestermere, there are really three qualifications, and the goal is at all times to keep the amount of highways in a so-called poor grade condition to 5 per cent or less. It does cost \$110 million to go and reduce that by one percentage point. As I mentioned earlier, that is a rolling target because our transportation infrastructure does require constant maintenance. As I've said before, safety is the number one concern.

Ms Woo-Paw: On page 337 you have a category called emergent projects. This is at line 4.1. It is projected at \$75 million for 2011-12. What specifically are these emergent projects, and how do they impact Albertans?

Mr. Denis: That, also, is a good question. The program that this member mentions addresses small, emerging capital needs that can't be accommodated in the current budget. The projects approved are critical to the communities involved. Urgent projects are classified as projects which address safety and environmental issues. Eligible projects include government-owned or -supported infrastructure such as highways, local roads, or water or wastewater needs. Projects are charged as capital grants to the expense vote if they are for supported infrastructure; conversely, projects are charged to the capital investment vote if they are for government-owned infrastructure. That does exist in every province, and that particular distinction is germane to the task of planning in this department.

Ms Woo-Paw: On page 115, goal 3 of your business plan states that "the ministry works with municipalities and administers grant programs to support them in developing their transportation and other critical infrastructure." I'm curious what budgetary consideration has been given to the initiative to support municipal transportation infrastructure in this budget. The reason I'm asking

this is because I spent two and a half months travelling the province, doing consultations on the temporary foreign worker program review. I understand that the lack of public transportation is a great big issue for some of the smaller centres in the province, especially for workers and newcomers in terms of their participation economically and socially, so there is a huge need for public transit systems in our smaller centres. I'm just wondering whether there is any budgetary consideration given to this area in this budget.

Mr. Denis: First of all, that is a good question. It is important to have a mix of transportation facilities available in any economy, particularly in ours, but again it's always about the balance that we want to go and create. If we had a budget of \$20 billion per year – I'm not suggesting that we do – just hypothetically if we did, you could easily spend it all on transportation, encouraging people to have better transportation options.

Things like rail transit are very expensive. Calgary and Edmonton both have the rail systems, but they are very expensive. We always have to look to balance the interest of the taxpayer as well. I don't believe that at this point we have in any of the five smaller centres an actual need to have a light-rail transit system like you do in Calgary and Edmonton, to be quite frank. There are bus systems available.

We also do have what is called the Green TRIP system available. That is designed to create options for public transit. But one of the caveats to that is it has to be done in a manner that actually results in a net reduction in cars on the road and a net reduction in greenhouse gases. It's different than MSI funding. In fact, MSI has no strings attached. This one does have some strings attached in that, again, it has to be a net reduction in the amount of greenhouse gases that we put out.

9:00

I personally would love to see the southeast LRT in Calgary. You know, that would go right through my constituency, but that's up to the city to decide. If the city wants to go and apply to this Green TRIP funding, well, we also have to see that it's in the best interest of the particular taxpayers. While public transportation is important, as this member does quite correctly mention, it always is a balancing act between the interests of the taxpayer but also what type of priorities we can offer in this particular budgetary cycle.

Ms Woo-Paw: I would just like to add that Calgary-Mackay would also love to see the LRT go there.

My next set of questions is around revenues. On page 343 Transportation estimates outline the revenue generated by the Ministry of Transportation. It refers first to the transfers from the government of Canada. What accounts for the decrease in estimated revenue generated by the infrastructure stimulus funds from more than \$250 million last year to a mere \$250,000 this year? Was that simply one-time funding?

Mr. Denis: Just as a supplement to the last one, I'd like to see more LRT throughout the entire city, too, but again I think the member should go and ask her alderman about that particular topic because that is a municipal issue.

She asked a question about the infrastructure stimulus fund. This commenced in 2009-10, and it will be substantially complete in this current budgetary cycle. Transportation has received one-time funding from the federal government to address short-term objectives for economic stimulus. The federal government recently extended this program to October 31, 2011, for projects that require an extra construction season to complete the construction.

So the \$250,000 line item in this particular year's budget is for the administration of the program.

I also just wanted to add that the sources of revenue that fall under the other category relate primarily to grants, contributions, donated tangible assets, and things like cost recoveries as well. This includes cost-shared agreements between the department and third parties whereby we agree to share the costs in certain projects; to give you an example, an agreement with Indian and Northern Affairs Canada, locally referred to as INAC, for building a reliable, all-weather access road system to connect to the community of Garden River on highway 58 outside of Wood Buffalo national park.

This category also includes the donation revenue related to the assets that are transferred to the ministry by a third party such as the transfer of the Suncor interchange in 2009-2010 from Suncor Energy.

Ms Woo-Paw: On the same page, what specific sources of revenue fall under the other category?

Mr. Denis: I think I just answered that question. The sources of revenue that fall under the other category are basically grants, contributions, donated tangible capital assets, cost recoveries, things like that. Typically every ministry has an other category, or sundry items. It's almost impossible to account for absolutely every miniscule item, so that's kind of a catch-all that this ministry sees, and that is in my ministry and in others as well.

Ms Woo-Paw: Why is the other revenue category estimated to be only \$6 million in 2011-12 when last year's forecast was more than \$36 million?

Mr. Denis: Mr. Chair, I think this member might have missed her calling in being an accountant or an auditor with some of the precise questions that she's asking tonight. The estimated \$6 million in 2011-12, this upcoming budgetary cycle: it relates to multiyear cost-sharing agreements between the department and, in fact, third parties. The ministry only budgets for those agreements that are already in place with third parties. The 2010-2011 forecast increased to \$36 million from a budget of \$4.7 million for the simple reason that the department entered into multiple provincial highway systems and safety cost-shared agreements with third parties. This agreement with Windermere Lands Ltd. for the north and south access ramps connecting Anthony Henday Drive and Rabbit Hill Road would be an example of that in the city.

Ms Woo-Paw: Thank you.

The Chair: Thank you very much, hon. member and Minister.

At this time I'd like to recognize the hon. Member for Airdrie-Chestermere. Thank you very much.

Mr. Anderson: Thank you, Mr. Chair. Just to continue where we left off, I appreciate that you'll undertake to ask the Transportation minister to give the opposition MLAs a look, a tour, so to speak, a RODA 101 tutelage of some kind, a tutorial that we can take a look at and just see what's there. That would really help, I think. You know, it would just help satisfy, I think, opposition parties and Albertans, frankly. I mean, you should come, too, because you haven't seen it either. It would be good if we all went down there, hopefully at different times, and had a look at it. I think that would be a very good process, a very good piece of transparency. Thank you for asking him that.

The second part that I'd like to get to I'd better get to quickly because the Member for Fort McMurray-Wood Buffalo would not

be happy with me if I did not ask about highway 63. I know about the amount of money. You've already said the money you're going to spend on highway 63 this year. What I would like is a clear, defined goal from this ministry about when you are going to complete the twinning of highway 63 to Fort McMurray. That is a critical piece of infrastructure in the province. I mean, that's the golden goose up there. It's very difficult, you know, to build anything on that muskeg, but if we can just get that thing twinned. It's going to obviously take more than one year or two years or five years, frankly. How long will it take? When is the goal of the ministry to get it done?

Mr. Denis: I appreciate the member's question. I've spent a lot of time in Fort McMurray the last few months, and I'm well acquainted with their mayor, Melissa Blake. Just a bit of witticism, though. The member talks about undertaking, and I have as well. I think that's what we might say in the Court of Queen's Bench. I'm not quite sure what exactly the phrase is here, but I will ask the hon. Minister of Transportation about your request.

Dealing with highway 63, one of the issues that we had there is land acquisition. To twin a highway involves a significant land acquisition. My family's homestead is just east of the Alberta-Saskatchewan border, and for many years, roughly from Maple Creek to Swift Current, you would see just a two-lane highway. Actually, it was on Christmas Eve '97 that I witnessed a head-on collision there. I know a lot of these two-lane highways can in fact be dangerous, but it's, again, a matter of priorities that we're dealing with here as well.

I recognize that highway 63 is an important corridor. In Budget 2011 this ministry is providing \$190 million to keep moving forward with the construction on highway 63, or the northeast transportation corridor. Right now crews are actually working on 44 kilometres of highway 63, which means 36 kilometres of grading work north of the Wandering River, and we just started the Wandering River this past January.

I often say in this House that it's not so much what you spend; it's the results you get. I'm proud to actually say that there have been some results on this one as well. Thirty-three kilometres of highway 63 twinning have been done. That's 17 kilometres north of Fort McMurray and 16 kilometres south of Fort McMurray. We've repaved 70 kilometres of highway 63 north of highway 55. We've widened and repaved five K of highway 63 from highway 69 to Beacon Hill. We've added a total of six kilometres of passing lanes in two locations on highway 63. In total, we've actually invested \$425 million over the past three years in the northeast Alberta transportation corridor. So that is some good news that we have here as well.

Another major investment the province has made on the corridor has been the completion of 236 kilometres of highway 881 paving, which provides an alternate paved highway to Fort McMurray.

To be quite frank, Fort McMurray isn't just the economic generation of this province; it's the economic engine of Canada. I think that we want to continue along this particular cycle.

How much will this eventually cost? I imagine this member might ask. Twinning from highway 55 to highway 881 would cost about \$800 million in current dollars.

The construction of the Thickwood Boulevard and Confederation Way interchanges and service roads: that's under construction, and we hope we have that in 2012. I'll let the member talk.

Mr. Anderson: Thank you. That's great. That's not what I asked, though. When is the ministry's goal to have highway 63 done?

What's the year? Just give me a year. When are we going to have her done? Is it going to be 10 years, 20 years, 15 years, 13 years? There's got to be a long-term plan. I'm assuming that there's a long-term plan for highway 63. When is it going to be done? Just a short answer, please. If you don't know, just say: I don't know.

9:10

Mr. Denis: Okay. There is a desire to have the highway twinned, but there are also a lot of things there like land acquisition. I know this member is not a fan of expropriation and things like that. The land acquisition is a big issue as well, also the engineering. This is something that we'll look at on a go-forward, three-year plan, but there is not a specific date. We do have the desire.

Mr. Anderson: No. That's fair enough.

Mr. Denis: I hope that was brief enough.

Mr. Anderson: Yep, that was brief enough. Thank you.

Going back to the list, you talked about RODA and hopefully, you know, an upcoming tour of the RODA mainframe, the mother ship. I'd like to get at here what I would like to see, actually, from this computer program if you can. When I say a priority list, what I'm referring to – let me give you an example. You probably know about this, but Calgary has on their website essentially an infrastructure list. It's their three-year plan. It goes down in details to the dollars and cents. Edmonton has an even more detailed one, actually, called Building a Great City. Anyway, it just goes through the capital projects. It's very specific.

For example, in highlights of 2010 construction programs it will go, you know, here's your neighbourhood reconstruction: Rio Terrace, Meadowlark Park, Lendrum Place. It will go exactly: okay; these are the places we are going to do reconstruction, arterial rehabilitation, major growth projects, neighbourhood overlay. I mean, they go down, and they give exactly what they're going to do in 2010 and 2011. The city of Calgary goes even a step further. Not only do they go into that kind of detail; they actually go right now to the dollar of what they're expecting to spend on road maintenance all the way through 2018.

I think that's a responsible way to govern because what it shows to me, hon. member, is that there is an objective, well-thought-out priority list of projects that they're going to try to get to. Now, budgets may change, and obviously if they do, then you have to either spread those projects out or you have to move them up. But just to know that there is an actual priority list and to see that from right here, right now, from 2011 going forward, that this is the priority for road projects in this province – if we need to spread it out further, we will. If we need to speed it up, we can do that. Here's the priority list, and it will change as you look at your roads. There will be changes. But Albertans would feel a lot better. I think they might actually believe that these decisions are made objectively.

The relatively new bridge they just did by Innisfail, for example, which was completed prior to the one in Airdrie: what was the reason for that? You know, it would be nice if there was a list that we could look at and know that this is the priority; these are the objective criteria. We could be totally transparent and accountable and all hold hands and sing *Kumbaya*. I mean, it would just be absolutely awesome to have that kind of transparency. It's not that I'm asking to hold your hand, hon. minister, but would you be able to supply a list? Would your temporary ministry there be able to supply that type of long-term priority list for all the world to see, just like Calgary and Edmonton?

Mr. Denis: Well, Mr. Speaker, I want to thank this member for

the chuckle tonight. I'm not sure he and I will be singing *Kumbaya* anytime soon.

There are a couple of things here that I just want to mention. He mentioned that the city of Calgary has a list up to 2018. I believe his quote was: to the dollar. I remember my introductory statistics class that I took in undergrad in 1993. I'm dating myself here. One thing I always remember is that the further you go in the future, the higher your margin of error is. Today is 2011. To go seven years in the future, we don't know exactly what's going to happen. Like, I don't even know if there's a point in actually going and trying to have that specific a plan. Again, I haven't seen the site, but that's that as well.

Now, there is the three-year plan that I mentioned, and actually it's available for everybody to see, open and transparent, on Transportation's website, which I believe is transportation.alberta.ca. It's not on YouTube or anything, but it is something that you can look up there, and anybody who has access to the Internet can go ahead and do this.

Now, this member had mentioned that some sort of bridge was completed in Innisfail prior to Airdrie. I would hazard: is this member trying to suggest that there is political interference here? If he is, I think he should put it on the record in open *Hansard* here, and let's just go and deal with that.

Mr. Anderson: Well, for the record I absolutely do think that there's political interference. I was on Treasury Board for a while. There's no doubt. I've actually seen with my own eyes ministers get their projects moved up the list without anything other than political interference. So I would absolutely put that on the record and have no problem doing so. But that's in the past, right? That's a year ago.

What I would like to know is that on a go-forward basis these decisions are made completely and totally objectively because, hon. minister, you know, despite your words I don't think that they are. I think that there might be some objective criteria used on some of these things. When I see an overpass built in a town – there can't be more than 10,000 people in Innisfail. They get their second overpass in Innisfail. Then I see that there's virtually almost no development around it and that it's the home of the Minister of Transportation. I see a beautiful four-laner up to Sylvan Lake.

Then I see what we don't have going up to Fort McMurray. Then I see that same overpass in Airdrie for a city of almost 42,000 people just being built last year. When I see those types of things, it doesn't – and it's actually kind of a running joke in Airdrie. The mayor, whenever they come up to visit Edmonton, not the current mayor, the former mayor, would always say, "Oh, look, there's our bridge" as they were going by Innisfail because it just so obviously shouldn't have been built before Airdrie's overpass. Frankly, neither should that four-laner going to Sylvan Lake have been done before highway 63 to Fort McMurray was done. That's the type of political interference that I see happening.

When I was on the Treasury Board, for example, you know, I saw hospital projects all of a sudden get put off and on the table, and I was only there for, like, a month and a half. A month and a half, and I still saw that. I mean, it's just so clear that there is political interference with regard to how projects are divvied out.

It doesn't just happen in the Ministry of Transportation. It happens in the Ministry of Education with capital projects for schools. How do you have 10 schools built in Edmonton when the student population goes down over a four-year period, yet in Airdrie it goes up by a thousand and you get zero? How does that happen? How does the Edmonton public school board go down in population and get the same amount of schools as the Calgary Catholic

school board, which went up in student population? It doesn't make sense, and that's because these are political.

It's funny. I actually talked to the executive assistant for the Minister of Education about it when I was still with the government. I said: how did this happen? He rolled his eyes up at me, and he said: politics. The numbers don't work. They don't work. You can put the little game out there about: oh, this is so objective. It's not objective. It isn't, and everybody knows it in this Chamber. It just defies logic that we actually, you know, can sit here and have this kind of charade game that we play. At least admit to it.

What I would like to see – we've been sitting in this House all evening tonight. We have asked the Minister of Transportation, the Minister of Infrastructure, the Minister of Education repeatedly for a priority list that would go 10 years, 15 years, 20 years out, five years out, frankly. Just give us a priority list. What is coming first? In other words, if there is another \$50 million on the table or a hundred million dollars on the table right today, how does it get spent? How does it get spent today based on that objective criteria? And we haven't been given it.

9:20

Every single time we ask for it, it's not given to us, and then we are asked and other opposition parties are asked: "Well, you want to spread the budget over five years instead of three years or six years instead of five years, whatever. Good grief. What would you cut? Would you cut just everything that we're going to do?" We say: "Well, Minister, why don't you show us the list? We'll sit down, and we'll talk about what should be spread out. What should we extend five years? What can wait an extra year? What doesn't need to happen right today?" We can have that discussion, and then we can do what a good fiscal conservative government would do and balance the budget without having to resort to draconian cuts.

You see, that's the great thing about fiscal conservatives. They know and understand the importance of living within one's means. They understand that, and they make sure that they make choices that aren't just thinking about the here and now but are thinking about future generations of taxpayers. They're thinking about my kids and about my neighbours' kids and about the kids and grand-kids of the hon. members over there. That's why we do what we do.

That's why the Wildrose, for example, is so committed to balancing the budget. It's not because we hate infrastructure. It's not because we don't think infrastructure is needed. It's because we don't want to mortgage the future of our children on the wants of today. That's not something we're prepared to do. We can have everything; we just can't have everything right now.

I mean, you being from Saskatchewan, you talked about the old family homestead. I have a homestead, too. That's just good, old-fashioned teaching from rural Alberta. You can have everything you want; you just can't have it all at once. You've got to be patient.

When I look at the lack of ability for this government to prioritize, when I see hospitals in southeast Calgary going up that are going to be empty – they're going to be opened, and they will be empty or near empty. I mean, you don't even have a budget for it yet. You don't even have the staff even if you did have the budget. You know, when I see a hospital going up in Sherwood Park when we're still not going to be able to staff the one in southeast Calgary . . .

The Chair: Hon. member, can we stay on Transportation, please.

Mr. Anderson: Well, there are roads that go to the hospitals. It's important to realize that.

All I would say, hon. minister, is that, you know, we were trying to have a good conversation here. But when you stand up and pontificate about things you have no clue about because you've never been on Treasury Board . . .

Mr. Denis: Excuse me. Point of order, Mr. Chair.

Point of Order Allegations against a Member

Mr. Denis: Under 23(h), (i), and (j). This member's comments are regarding allegations against another member, he talks about false motives, and I would say that he's using insulting language in describing how this matter is being dealt with. I think that he should withdraw his comments and stay on topic.

The Chair: Okay. The hon. member.

Mr. Anderson: On the point of order?

The Chair: On the point of order.

Mr. Anderson: Okay. On the point of order. Let's talk about the point of order. It was section – which one was it? Anyway, does it even really matter?

The fact of the matter is that I will stand by my comments that this minister continually pontificates about what he has no idea about. He's never even seen the RODA program. He sits here and talks like he's an expert about it, yet he hasn't even seen it, Mr. Chair. He doesn't even know, frankly, what the program does except for what's been handed to him by his support team over there. I look at that, and I say: jeepers, you know, that's pontificating about what one does not know about.

Mr. Denis: What are you doing right now?

Mr. Anderson: Well, I'm trying to explain the point of order, just trying to get my side of the story out on the point of order.

I don't think it's necessary to withdraw. I've made no slurs. I've just said that he's pontificating about things that he doesn't know anything about.

I'm speaking to the point of order, so I await your decision on the matter, Mr. Chair.

The Chair: Okay. Hon. member, I don't have a copy of the transcripts in front of me, but from the comments I've heard, I would respectfully ask you to withdraw your comments, please.

Mr. Anderson: Well, no. Then we'll have no further questions because I won't withdraw those comments. That's not a point of order, and he knows that.

Mr. Denis: Mr. Chair, with respect, you have made a ruling, and the member has refused to abide by your ruling.

The Chair: Hon. member, are you withdrawing your comments?

Mr. Anderson: I'm withdrawing any comments that you might have felt for some reason violated some point of order.

The Chair: Thank you very much.

Mr. Denis: Thank you.

Now, I want to make some comments here.

Mr. Anderson: I was still speaking.

The Chair: I think your time is all used up, hon. member.

Debate Continued

The Chair: At this time I'm going to invite the Member for Battle River-Wainwright, hon. Doug Griffiths, please.

Mr. Griffiths: Thank you, Mr. Chairman. I just had a couple of brief questions. Specifically, I spent the majority of the early part of my tenure as an MLA working on rural development and firing up rural communities. It seems to me that there has sometimes been a challenge with policies that the department has to build fast roads that go by a lot of our small communities while they're struggling and trying to grow, which means they need to attract traffic off the highway. How does the department reconcile its obligation to have smooth, fast traffic going by while also having a duty and an obligation as a department to help our communities grow and be prosperous, not just run between Edmonton and Calgary and on to Saskatoon and Victoria?

Mr. Denis: I want to thank the member for his question. There simply isn't enough time for me to go and address everything, so I will provide you with a written response and just encourage that you're dealt with.

While I do have the floor here, I just want to go and address a few things. The Member for Airdrie-Chestermere had seemingly made some allegations against the . . .

Mr. Anderson: Point of order. Mr. Chair, what he's saying is not addressing the question that was asked to him. He's taking the time to refute me. Obviously, it's not relevant. Clearly, he should be addressing what this hon. member has asked him. That would be appropriate.

The Chair: Okay. Thank you very much.

Mr. Denis: On the point of order. The member has failed to mention any rule, and as such there is no point of order.

Mr. Anderson: Is relevance not a rule, Mr. Chair?

The Chair: I think, hon. members, we've got about three minutes remaining. If we could simply continue back and forth with the Member for Battle River-Wainwright, hon. Doug Griffiths, please. [interjection] We're just going to continue with the conversation.

Go ahead, please, hon. minister.

Mr. Denis: The Member for Battle River-Wainwright has raised a very good point. I know that he supports good transportation in this province. Moving forward, you know, I'm happy to show him our three-year list about how we're accountable, how the Minister of Transportation provides that on an open and transparent basis.

I would challenge the Member for Airdrie-Chestermere to show me the list that he would cut. We've asked for it over and over, Mr. Chair. We have never received anything from this member about the list that he would cut. Which road would he cut? Which highway would he cut? What maintenance would he cut? In fact, this member purports to be a fiscal conservative, but I'll tell you: he's a conservative in name only. He's a conservative only when it comes to things outside of his riding. All he talks about is: more schools, more and more highways in my area. When it comes to his riding, he's anything but conservative.

If he wants to look at real conservatism, look at some people, like in my budget: a 36 per cent reduction over two years. He talks

about pontificating. That is what he has done this entire time. He should be getting onboard and supporting us, getting the economy back on the road, and also building better roads, building more roads, and also providing good value to the taxpayer.

Mr. Chair, that is what every member here beside me in the Transportation department actually goes and does. I'm very proud of all of their efforts, and he should be as well.

Thank you.

Mr. Griffiths: Well, I appreciate the diatribe, Minister. I really look forward to an answer because for me there are 420 communities besides Edmonton and Calgary. Perhaps take away the five bright lights, and there are still another 417 communities in Alberta that can't grow if they're just being raced by on the highway with little access and little ability to draw people off. Just a lot of opportunities to leave.

Mr. Denis: You know something? When I came to this province from Saskatchewan, people said to me: are you the last one out to turn off the lights? May it never be that Alberta has that same moniker. You know, this province generates over 60,000 new citizens every year. I agree with this member that transportation in rural Alberta is important. One of the things we do is that we have a municipal program with a budget which is over \$1 billion, and

over the next three years that's over \$3 billion. That helps grants through local municipalities and counties to go and help them continue on with their road process.

We live in an export-based economy. The member here comes from a farming community although I know he's a teacher by profession. He knows the value of farming and the value of exports. If we don't have adequate roads in every corner of this province, guess what suffers? Our export-based economy and along with it jobs. This member is exactly correct, Mr. Chair.

The Chair: Hon. member, you've got 11 seconds.

Mr. Griffiths: I'm good. I'm satisfied. Thank you.

The Chair: Okay. Thank you very much.

I apologize if I interrupted anyone, but I must advise the committee that the time allotted for this item of business has concluded.

I would like to remind the committee members that we are scheduled to meet next on April 12, 2011, to consider the estimates of the Department of Advanced Education and Technology.

Pursuant to Government Motion 5 the meeting is now adjourned. Thank you very much.

[The committee adjourned at 9:30 p.m.]

