



Legislative Assembly of Alberta

The 29th Legislature
Third Session

Standing Committee
on
Resource Stewardship

Ministry of Transportation
Consideration of Main Estimates

Thursday, April 6, 2017
9 a.m.

Transcript No. 29-3-3

**Legislative Assembly of Alberta
The 29th Legislature
Third Session**

Standing Committee on Resource Stewardship

Loyola, Rod, Edmonton-Ellerslie (ND), Chair
Hunter, Grant R., Cardston-Taber-Warner (W), Deputy Chair

Babcock, Erin D., Stony Plain (ND)
Clark, Greg, Calgary-Elbow (AP)
Dang, Thomas, Edmonton-South West (ND)
Drysdale, Wayne, Grande Prairie-Wapiti (PC)
Hanson, David B., Lac La Biche-St. Paul-Two Hills (W)
Kazim, Anam, Calgary-Glenmore (ND)
Kleinstauber, Jamie, Calgary-Northern Hills (ND)
Loewen, Todd, Grande Prairie-Smoky (W)
MacIntyre, Donald, Innisfail-Sylvan Lake (W)
Malkinson, Brian, Calgary-Currie (ND)
Nielsen, Christian E., Edmonton-Decore (ND)
Rosendahl, Eric, West Yellowhead (ND)
Woollard, Denise, Edmonton-Mill Creek (ND)

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Law Clerk and Director of House Services
Trafton Koenig	Parliamentary Counsel
Stephanie LeBlanc	Parliamentary Counsel
Philip Massolin	Manager of Research and Committee Services
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

Standing Committee on Resource Stewardship

Participants

Ministry of Transportation

Hon. Brian Mason, Minister

Barry Day, Deputy Minister

Ranjit Tharmalingam, Assistant Deputy Minister, Corporate Services and Information

9 a.m.

Thursday, April 6, 2017

[Loyola in the chair]

**Ministry of Transportation
Consideration of Main Estimates**

The Chair: I would like to call the meeting to order and welcome everyone. The committee has under consideration the estimates of the Ministry of Transportation for the fiscal year ending March 31, 2018. I'd ask that we go around the table and have all MLAs introduce themselves for the record. Minister, please introduce the officials that are joining you at the table. I'm Rod Loyola, MLA for Edmonton-Ellerslie and chair of this committee. I'll hand it off to my deputy chair here to my right.

Mr. Hunter: Thank you, Mr. Chair. Grant Hunter, the MLA for Cardston-Taber-Warner and deputy chair.

Mr. MacIntyre: Don MacIntyre, MLA for Innisfail-Sylvan Lake.

Mr. Loewen: Todd Loewen, MLA, Grande Prairie-Smoky.

Mr. Drysdale: Wayne Drysdale, MLA, Grande Prairie-Wapiti.

Mr. Mason: Brian Mason, the Minister of Transportation and Infrastructure. This is Ranjit Tharmalingam; Barry Day, my deputy minister; and Dale Fung from the financial branch of the department.

Mr. Nielsen: Good morning, everyone. Chris Nielsen, MLA for Edmonton-Decore.

Ms Woollard: Denise Woollard, MLA, Edmonton-Mill Creek.

Mr. Rosendahl: Good morning. Eric Rosendahl, MLA, West Yellowhead.

Ms Babcock: Good morning. Erin Babcock, Stony Plain.

Mr. Dang: Good morning. Thomas Dang, Edmonton-South West.

Ms Kazim: Good morning. Anam Kazim, MLA for Calgary-Glenmore.

Mr. Kleinstuber: Good morning, folks. Jamie Kleinstuber, MLA, Calgary-Northern Hills.

Mr. Malkinson: Brian Malkinson, MLA for Calgary-Currie.

The Chair: I do believe that we have Mr. Clark joining us by teleconference. Mr. Clark, are you there? If you could introduce yourself, please.

Mr. Clark: I am. Good morning, everyone. Greg Clark, MLA, Calgary-Elbow.

The Chair: Please note that the microphones are operated by *Hansard*, and the committee proceedings are being audio and video live streamed. Please set your cellphones and other devices to silent for the duration of the meeting.

Hon. members, the standing orders set out the process for consideration of the main estimates. Before we proceed with the consideration of main estimates for the Ministry of Transportation, I would like to review briefly the standing orders governing the speaking rotation. As provided for in Standing Order 59.01(6), the rotation is as follows. The minister or the member of 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 may speak. For the next 20 minutes the members of the third party, if any, and the minister may speak. For the next 20 minutes the members of any other party represented in the Assembly or any other independent members and the minister may speak. For the following 20 minutes private members of the government caucus and the minister may speak. For the time remaining, we will follow the same rotation just outlined to the extent possible; however, the speaking times are reduced to five minutes, as set out in Standing Order 59.02(1)(c).

Members may speak more than once; however, speaking times for the first rotations are limited to 10 minutes at any one time. A minister and a member may combine their time for a total of 20 minutes. For the final rotation, with speaking times of up to five minutes, once again the minister and a member may combine their speaking times for a maximum total of 10 minutes. Discussion should flow through the chair at all times regardless of whether or not the speaking time is combined. Members are asked to advise the chair at the beginning of their speech if they wish to combine their time with the minister's time. If members have any questions regarding speaking times or the rotation, please feel free to send a note or speak directly with either the chair or the committee clerk about the process.

A total of three hours has been scheduled to consider the estimates of the Ministry of Transportation. With the concurrence of the committee I will call a five-minute break near the midpoint of the meeting; however, the three-hour clock will continue to run. Does anyone oppose having a break? Seeing no opposition, we will have a break at the midpoint.

Committee members, ministers, and other members who are not committee members may participate. However, only a committee member or an official substitute for a committee member may introduce an amendment during a committee's review of the estimates.

Ministry officials may be present and at the direction of the minister may address the committee. Ministry officials seated in the gallery, if called upon, have access to a microphone in the gallery area. We will have pages available to make deliveries should any notes or other materials need to pass between the gallery and the table. Members' staff may be present and seated along the committee wall. Space permitting, opposition caucus staff may sit at the table; however, members have priority for seating at the table at all times.

If debate is exhausted prior to three hours, the ministry estimates are deemed to have been considered for the time allotted in the schedule, and we will adjourn. Otherwise, we will adjourn at 12 p.m.

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

Any written material provided in response to questions raised during the main estimates should be tabled by the minister in the Assembly for the benefit of all members.

Again I will remind all meeting participants to address their questions and responses through the chair and not directly to each other.

The vote on estimates is deferred until consideration of all ministry estimates has concluded and will occur in Committee of Supply on April 19, 2017.

If there are amendments, an amendment to the estimates cannot seek to increase the amount of the estimates being considered, change the destination of a grant, or change the destination or purpose of a 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 deferred until

Committee of Supply convenes on April 19, 2017. Amendments must be in writing and approved by Parliamentary Counsel prior to the meeting at which they are to be moved. Twenty copies of amendments, including the original, must be provided at the meeting for committee members and staff.

I will now invite the Minister of Transportation to begin his opening remarks. Over to you.

Mr. Mason: Thank you very much, Mr. Chairman, and thank you to all members of the committee for this opportunity. I'm pleased to present the Transportation department's estimates for 2017-18. I've introduced already my deputy, Barry Day, as well as Ranjit Tharmalingam and Dale Fung, who's the Transportation senior financial officer. We have a number of other officials in attendance as well.

On March 16 our government released Budget 2017, with a \$29.5 billion four-year capital plan focused on investing in infrastructure, creating jobs and a diversified economy, which will help to make life more affordable and protect and improve the services that Alberta families count on. All these priorities are represented in Alberta Transportation's \$7.8 billion capital plan. It's a plan that demonstrates that we are working to make lives better right across the province. We're making investments that look to the future, and the future is one that will require a transportation network that is multimodal, innovative, and adaptive to new technologies. With this budget we're also investing in roads, bridges, and critical municipal infrastructure projects, creating jobs today as we build the basis for tomorrow's economy. All of our capital plan projects will set a solid foundation as we turn the corner to a stronger economy.

We listened to Albertans when building this budget. It's designed to meet our shared priorities of improved provincial highways, enhanced public transit, better access to clean drinking water, and upgraded waste-water facilities. We're focused on providing Albertans with a safe, modern, and effective transportation system and are supporting critical water and waste-water infrastructure as well as investing in public transit expansion in towns and cities, both large and small, right across Alberta.

I'd like to talk a little bit about some of the highlights of our Transportation budget. First of all, I want to commend all of the staff of the department that have worked very, very hard on this budget, as they do throughout the year, on making sure that the transportation needs of Albertans are met. They help to improve the quality of our provincial highway network, they work with municipalities on grant funding for local transit, water, and infrastructure projects, and they conduct extensive planning work. They look to the future needs of our transportation system while meeting the demands of today. So I want to thank them very much for their dedication and hard work.

To highlight some of that short- and long-term planning, I need only turn to our significant support for transit development, which is a \$1.3 billion commitment over the next four years. This level of support can only happen when all three orders of government share a common goal. In this case there is strong support from our federal and municipal partners to work together to develop improved public transit systems in Alberta. Our government's actions to support public transit initiatives clearly demonstrate our long-term commitment to environmentally sustainable transportation options for Albertans as part of our larger climate leadership plan.

There are many advantages to investing in transit. Support for transit encourages more people to get out of their cars; it supports Alberta families, seniors, and others who rely on public transportation to get to work, school, medical appointments, grocery stores,

shopping; it alleviates congestion; and it helps people get home from work faster. It reduces greenhouse gases.

9:10

Our trigovernment collaboration has also resulted in dozens of new municipal water infrastructure projects, which benefit from the increased funding from both the provincial and the federal governments. Our government is providing local municipalities with nearly \$475 million for projects that will provide Albertans with what we think are very basic services, clean drinking water and good waste-water treatment facilities. When you include \$191 million in funding from our federal partners, we are providing more than \$665 million for water projects.

We're also showing our leadership in supporting indigenous communities by providing \$100 million in the budget over four years to help bring clean drinking water to First Nations in our province. We'll continue to work with the federal government to turn this commitment into action so that indigenous communities can finally have what most of the rest of us take for granted, which is reliable access to clean drinking water.

It's also important to talk about our collaboration with and support of industry here in the province. You need only look at our three-year provincial construction program map to see the dozens of projects we've planned for both our important trade and industrial and overdimensional highway corridors. This is all part of our goal of creating a seamless multimodal transportation network, which will help get Alberta's goods from production to market. We're taking a strategic approach in our investments in transportation infrastructure, which will help contribute to our province's overall economic vitality. Any investment in our network helps to improve safety as well on our highways, which is one of our top priorities, probably the top priority. I should clarify that.

Last year I talked to the committee about the culture shift within our department, one that began with our renewed commitment to be open and transparent with Albertans and with our partners. They are the municipalities, the federal government, and industry groups such as the Alberta Motor Transport Association, the Alberta Roadbuilders & Heavy Construction Association, the Consulting Engineers of Alberta, the Canadian Urban Transit Association, and, of course, our indigenous community leaders.

I'm pleased to share with you the success of this culture shift. We are no longer just a department of roads and bridges. The days when this was really just a highways department called the Transportation department are gone. We are an innovative, collaborative, cooperative transportation department for Albertans right now and for years to come. We're shifting our focus to the future and to a long-term, multimodal vision, so all aspects of transportation, not just road transportation but rail, air, ports: all of those are part of our strategic thinking as a department. We emphasize a seamless connection between modes, trade corridors that facilitate economic growth, and a system of hubs built through strong partnerships. Innovation, access to markets, global competition, economic diversification, changing demographics, social accessibility, and environmental responsibility are all reasons why Alberta Transportation is changing the way we do business.

While we look to the future, we've not lost sight of our number one priority, the safety of all road users. Our approach focuses on safe road users, safe vehicles, safe speeds, and safe infrastructure to help reduce the number of injuries and fatalities due to traffic collisions on our roads. We will continue to work with our partners across the province, including municipalities and law enforcement agencies, to improve safety on our highways.

We're also focusing on safety when it comes to wildlife corridors. Budget 2017 dedicates \$20 million over the next four years for wildlife protection projects across the province. We also provide motorists and commercial drivers with information on road conditions through 511 Alberta, the province's official roads report program. Our government's Budget 2017 supports all of this work.

As I mentioned, Mr. Chairman, Alberta Transportation has put forward a \$7.8 billion four-year capital plan, which includes more than \$5 billion earmarked for Alberta's provincial highway network. Of this, we're planning to invest more than \$3 billion for roads and bridges, which breaks down as follows: \$1.7 billion for the Calgary and Edmonton ring roads, primarily for major construction on the southwest Calgary ring road; \$109 million for northeast Alberta strategic projects, the bulk of which is to upgrade highway 63 within the urban area of Fort McMurray; and \$1.1 billion for provincial highway construction projects, including twinning, widening, and expansion and interchanges, intersections, and safety upgrades.

I'd like to highlight that we are moving forward on economic development opportunities for many of these projects and not simply on the traffic counts that are done by our engineers. For example, the 212th Avenue interchange in Calgary is a project that will create new access points for residents, visitors, and workers to three southeast Calgary neighbourhoods and bring economic benefits estimated at more than \$5 billion, with 25,000 jobs expected during development of the area.

I see I'm running out of time, so I want just to mention that we've invested more than \$2 billion for rehabilitation and bridge construction through our capital maintenance and renewal envelope. In our budget we are providing nearly \$2 billion in capital grant funding to municipalities, a \$191 million increase over the same four years in Budget 2016. It's in addition to \$511 million from the federal government for water and transit projects.

How's my time?

The Chair: Ten seconds, Minister.

Mr. Mason: Okay. I'm now happy to take questions.

The Chair: Thank you very much, Minister Mason.

For the hour that follows, it'll be members of the Official Opposition. Would you like to set 20-minute marks?

Mr. Hunter: Actually, if you could do 40, please.

The Chair: Forty and then the 20?

Mr. Hunter: Yeah.

The Chair: Okay.

Mr. Hunter: Through the chair, I'd like to thank the minister and his staff for coming and answering some questions today. There are a lot of questions that I do have, Minister, and I appreciate that in the past you have been brief, not verbose, in your answers. I hope that we can still have that same brevity in your answers today so we can get through the questions that need to be asked.

The first question, Minister, is on page 258 of the estimates, line 5.1, provincial highway maintenance. Now, you're reducing the maintenance of the highways by a little over \$10 million this year, to \$254 million. This is an over \$16 million reduction from the actual spent in 2015-16. In 2014-15 the actual spending on maintenance was around \$300 million, so you have reduced spending on the maintenance here by about \$46 million over the 3 years. Now, I'd like to know if you could give us an answer, please. What maintenance are you reducing this year: crack sealing, grass

mowing, pothole filling, sign installation? Where are the savings found, then?

Mr. Mason: Well, there's a variety of things, hon. member. One of the things that I've asked the department to ensure is that there's no compromise on safety. We have been looking for ways to save money, ways to reduce spending. We gave it a shot with the weed control. That didn't really work very well. It produced quite a bit of backlash, and we've corrected that matter. We heard from the rural municipalities loud and clear, and we've restored that funding.

But we are under considerable pressure to try and find some savings in our budget. We believe that this is an area where we can safely reduce expenditures without compromising safety. It won't affect our winter highway maintenance or grass cutting or weed control, as I mentioned. It will mean a reduction in the frequency of some activities like pavement patching and crack sealing.

We're actually increasing funding in each of – the four-year capital plan for highway rehab projects, for major repaving projects will help to provide long-term benefits. We're investing in 2017-18 \$382 million; \$422 million in '18-19; \$456 million in '19-20; and \$468 million in '20-21. There is on the capital side a significant increase in the highway maintenance that we're doing, but the more routine stuff has been cut back. People will perhaps notice some impact in terms of the comfort of the drive, but it won't impact the safety of the people using the highways.

Mr. Hunter: Okay. Thank you, Minister.

Now, Transportation manages a little over 31,000 kilometres of highway, the highest number of kilometres per capita in Canada. Now, conspiracy theorists might think that this maintenance reduction is part of an operation to turn many of these underutilized triple-digit highways from asphalt back to gravel and then maybe degazette and download to the municipal districts. Of course, I'm not a conspiracy theorist . . .

Mr. Mason: Of course not.

Mr. Hunter: . . . but what do you think about this issue?

9:20

Mr. Mason: Well, I will tell you that there are serious challenges. The previous government at some point took over a large number of secondary roads from, you know, rural municipalities, so we have far and away more paved roads in Alberta per capita than any other province. It presents financial challenges to maintain those roads. There's no question about it. Do we have an answer to that problem? No. Are we planning to just turn them all into gravel roads? No. But we are wrestling to find a way to maintain all of the paved highways in this province. It is a big expense.

Mr. Hunter: Okay. Thank you.

Is it your ministry's new directive to turn more roads back to the municipalities?

Mr. Mason: They have to take them. I've offered lots of roads, hon. member, to municipalities. They usually want them fixed up to pristine condition and to have some sort of a grant to maintain them. No, there's no overriding program to turn the provincial highways back to municipalities. But, you know, if they want them, we're certainly prepared to consider.

Mr. Hunter: Thank you, Minister.

Let's turn to page 60 of the 2015-16 annual report. This was asked at Public Accounts, but it relates here. Of the 107 claims totalling over \$5.6 billion made against Alberta Transportation, how many are related to accidents on our highways where insufficient

maintenance like grass mowing had been performed, resulting in car-on-car or car-on-animal accidents?

Mr. Mason: I don't have the annual report with me, hon. member. I came prepared to answer questions about the estimates. I'm sorry, but we can probably get that information to you.

Mr. Hunter: Could you provide that to this committee?

Mr. Mason: Yeah.

Mr. Hunter: Thank you, Minister.

You've got 14 highway contract maintenance areas expiring on July 31, and I'd like to know: when will those tenders for jobs go on the market for bids?

Mr. Mason: Those are being extended by two years because we're doing a review of our highway maintenance activities with a view to improving efficiency. I've asked the department to do a review of the highway maintenance contracts. In conversations with stakeholders like the Roadbuilders & Heavy Construction Association I've assured them that we're not fundamentally going to change the way these services are delivered, but we want to sharpen our pencils, and because of the difficult economic times we want them to sharpen their pencils, too. We want to make sure that we're getting the best value for money from these contracts. The ones that are expiring have been extended for a two-year period while this review is completed.

Mr. Hunter: Minister, based upon our economic position right now, have you extended those contracts at past rates, or are they renegotiating those contracts?

Mr. Mason: No. We've extended them at past rates.

Mr. Hunter: Okay.

Mr. Mason: There's one that was struggling, hon. member, and as part of the renewal we've increased a slight increase to their contract for the extension, but it's not a large one.

Mr. Hunter: Was that Carillion?

Mr. Mason: Carillion, yeah.

Mr. Hunter: Now, Carillion has responsibility for over 50 per cent of highways until, well, two years from now. Now that it's unionized, do you anticipate their cost-competitiveness will decrease?

Mr. Mason: No. Do you?

Mr. Hunter: You're the minister.

Mr. Mason: I don't know. I don't know the answer to that. I know that we have a competitive bid process. I know that the extension has been negotiated with a slight increase, but they have had difficulty with that contract all along because their bid was very low.

Mr. Hunter: All right. Minister, if we could turn to page 258, line 7.5, please, and the Alberta community transit fund.

Mr. Mason: Line 7.5?

Mr. Hunter: Yes, on page 258. Is this your rural bus program that the NDP promised in the election?

Mr. Mason: No, no. That is a replacement fund for the GreenTRIP program, which is ending. The rural bus program is still under consideration. We've done quite a bit of consultation with rural municipalities and other stakeholders with respect to that. We've met with various service providers and so on. We're still trying to find out where we're going to land as to the best way to deal with that.

Initially, what we thought was that we would just sort of provide an operating subsidy to the operator, Greyhound in this case, that had closed a number of rural routes. But we looked at the load factors, hon. member, for those routes, and they were, like, one or two or three people a day, so it didn't make sense to us. We went back to the drawing board, and we're trying to find – and there are a number of different proposals, very interesting ones. I mean, just sort of a rural Uber is one of the things that came up. We've had representations from municipalities about focusing on a more medical-based transportation model. We're continuing those consultations, we're continuing those discussions, but to be very honest with you, we haven't been able to land it yet.

Mr. Hunter: Okay. Will the existing buses like the Rocky View handibus now have access to capital and operating dollars?

Mr. Mason: Are you still talking about the rural bus program? What are you referring to?

Mr. Hunter: Yeah. If you decide to go forward with this rural bus program.

Mr. Mason: That hasn't been determined. Those are all factors that are under consideration.

Mr. Hunter: I guess the follow-up question to that as well is – and you say that you're thinking about this. Existing municipalities funded like FCSS-funded services: will they be subsidized? Will they be able to continue to go, or will they be in tandem with what you are doing?

Mr. Mason: Well, one of the functions or the purposes of the consultation is to try and find out, from our municipal partners in particular and other service providers, the best way that we can leverage what limited money we can put into such a program in order to complement what's already there. In terms of any specifics, as I mentioned, they're yet to be determined.

Mr. Hunter: Okay. Well, let's move to talk about the GreenTRIP. Line 7.3 on page 258 of the estimates talks about the GreenTRIP program. Now, obviously, folks grew some big eyes when they saw \$484 million for the program this year, but I see on line 9.1 that the federal public transit infrastructure fund is there and surmise that you need so much GreenTRIP money in order to cost share with the federal government. Is that correct?

Mr. Mason: Yes.

Mr. Hunter: Minister, can your department staff outline for the committee how much money is left from the original \$2 billion promised for GreenTRIP to be allocated to Edmonton, Calgary, and rural Alberta?

Mr. Mason: I will ask the department staff to respond.

Mr. Tharmalingam: The funding is pretty much committed. Close to \$2 billion has been already committed. Now, that doesn't mean it's all spent. It's all been committed to municipalities and to various projects through the third call.

9:30

Mr. Hunter: You said that it's all committed, sir?

Mr. Tharmalingam: Yes.

Mr. Mason: Is there any left over?

Mr. Tharmalingam: There's about \$67 million left.

Mr. Mason: There's \$67 million still uncommitted. The rest is committed.

Mr. Hunter: Okay. Thank you, Minister.

Mr. Mason: We used that to leverage federal money, too, the maximum that we could.

Mr. Hunter: Right. I understand.

Is this GreenTRIP money being raised from the carbon tax?

Mr. Mason: No.

Mr. Hunter: Where does the money come from?

Mr. Mason: It's in the capital budget. It was a program of the previous government.

Mr. Hunter: Is any money coming from the carbon tax?

Mr. Mason: Not at this time. Do you mean the levy?

Mr. Hunter: I apologize. This oversight is going around Alberta right now.

How much of this new additional GreenTRIP money is going to the Calgary green line this year?

Mr. Mason: Specifically . . .

Mr. Hunter: Specifically Calgary.

Mr. Mason: Specifically GreenTRIP money?

Mr. Hunter: Yes.

Mr. Mason: Okay. I'll get that information for you. All right. This year for the green line LRT project: \$92,377,876.

Mr. Hunter: Is that matched with the federal public transit infrastructure fund?

Mr. Mason: It's \$21,250,000.

Mr. Hunter: Does anything in the federal public transit infrastructure fund take away from former federal minister Kenney's commitment in 2015 of the \$1 billion towards the green line, or is this how the funding is being delivered?

Mr. Mason: We don't know what the federal government commitment is specifically. The new federal budget has committed \$25 billion for light rapid transit across the country. I don't believe the precise amount has been allocated. I believe the federal government is continuing with a significant commitment to the green line in Calgary.

Mr. Hunter: Okay. Thank you, Minister.

Let's move on to line item 7.2, page 258 of the estimates. Minister, you have \$35 million in the program this year, and that money is going to be split across community airports, local road

and bridge programs, resource roads, and local municipal initiatives. Can you detail the total dollar amounts received in applications for these program components for this year? How do you think Albertans should deal with that deficit?

Mr. Mason: How should we deal with what?

Mr. Hunter: How do you think Albertans should deal with the deficit in these programs?

Mr. Mason: The deficit in the sense of rural Alberta's infrastructure requirements that are unmet?

Mr. Hunter: Correct. Yes.

Mr. Mason: Yes. Well, I mean, this was a very, very popular program. Certainly, when I was in opposition and I met with the AAMD and C, this was at the top of their list, especially for the bridges. I think they have 2,000 or 3,000 bridges in need of work or replacement, you know, many of them small, culvert-type things. Clearly, the decision previously to defund the program – the previous government didn't eliminate the program, but they didn't fund it for a couple of years. So we've refunded it, and it's extremely popular. We have had approximately 170 applications, totalling about \$140 million. So \$140 million in requests for a \$35 million budget item: it gives you a sense of the need and the demand there.

Mr. Hunter: Minister, I guess my question is: being oversubscribed, what is your plan in order to be able to affect this deficit? Is it just going to be \$35 million each year? How does that work?

Mr. Mason: Well, you know, this is not uncommon in terms of infrastructure programs. Alberta is by far the most generous funder of municipalities of any province, and much of that goes into the municipal sustainability initiative, the MSI program, which gives more or less a free hand to municipalities for their capital projects. We need to take that into account as well. That's available to them not just for transportation projects but for capital projects generally. There is always more demand than there is money, and the municipalities recognize this, and they acknowledge it. They know that we've made progress in terms of providing funding to them. Is it enough? No. Will it ever be enough? Probably not.

Mr. Hunter: All right. Thank you, Minister.

Let's turn to line 8, please, on the same page. I note with interest and curiosity the United Nations declaration on the rights of indigenous peoples funding for access to regional drinking water systems at \$25 million. We've heard too many sad stories in the news about the sorry state of drinking water on reserves, but I'm confused. A cursory review of water for life and what it was intended to do shows that it, too, had opportunity to provide water to indigenous people on reserves. Were reserves being excluded or not invited by our municipal partners for regional water project applications? How did we get to this point, Minister? This is my question.

Mr. Mason: Well, you know, that's a complicated question and largely outside of my area of responsibility and expertise. I think there are cases where there wasn't as much regional co-operation as we would have liked. In many cases it's not a regional issue; it's a specific issue. So our objective is to try and get the waterlines to the boundary of the First Nation, and we understand that the federal government is quite prepared to work with us to get the line from the boundary to the people that need it. We're working with the federal government on this. Obviously, it's an interjurisdictional

issue. In the past that interjurisdictional issue has prevented progress. We're trying a new approach, and I'm very hopeful that we're going to make a significant difference over time in the quality of life and the health of many of our indigenous citizens.

Mr. Hunter: I applaud you for your efforts on this.

Were reserves not even applying for water for life funding?

Mr. Mason: I think that in a lot of cases no.

Mr. Hunter: Was there a separate federal program that was a counterpart to it?

Mr. Mason: I'm not familiar with the federal program. I know that federal funding has been provided to First Nations for water and waste-water facilities, but often they have been located on the reserve and only provided for the reserve rather than an integrated system. There are lots of reasons why we want to have integrated systems in the province, not the least of which is environmental. The fewer waste-water treatment plants you have that are dumping the treated water back into watercourses, the better. Municipalities and experts have recognized that sort of a more centralized approach, which may include, you know, lines from a smaller municipality to a larger one for treatment, is really the way to go. We'd like to integrate First Nations where that's appropriate in that kind of approach.

Mr. Hunter: Thank you, Minister.

Can you advise when the remaining funding for the federal clean water/waste-water fund at line 9.2 will be announced?

Mr. Mason: I think they've got to get it through Treasury Board, the federal Treasury Board. So, no, I don't know the answer.

Mr. Hunter: So it would be fairly soon, then?

Mr. Mason: We're hopeful, yeah. Then, you know, we're going to be negotiating a federal-provincial agreement for the use of that money.

Mr. Hunter: All right. Minister, I'd like to talk to you really quickly about the Taber water/waste-water project that I talked to you about at a different meeting. We had a situation in Taber where the town's waste-water project for commercial and industrial was denied provincial funding due to the industrial component of the water treatment. The grant procedures manual for the Alberta municipal water/waste-water partnership and water for life are not clear in stating that water/waste-water projects for industrial applications are not eligible though it is implied. Can you table for the committee a declaration from your policies where it states explicitly that industrial water/waste water is not eligible for provincial funding, please?

9:40

Mr. Mason: Well, I will table what we have, and if you want a clear statement on how that policy is applied, we can provide you with that as well.

Mr. Hunter: Thank you, Minister.

Are you committed to making water/waste-water funding simple by committing to the 50 per cent federal/40 per cent provincial/10 per cent municipal funding across the board?

Mr. Mason: No.

Mr. Hunter: Does the federal program dictate those terms, or is this dictated . . .

Mr. Mason: No, no. You know, I think it depends on the financial position of the government, among other things. We would like to be as generous with our municipalities as we can, but as people sometimes remind us in the Assembly, we have a deficit and a debt that we're trying to manage. So it's important, I think, that we take that into account. Obviously, on a very large project like an LRT system a simple formula might not do the trick. But we've committed in the previous program, sort of phase 1 of the new program, to funding 25 per cent, which still means that the municipalities' contribution is 25 per cent instead of 33 per cent. So the municipal position is improved. Moreover, often municipalities use MSI money for their share, and the actual amount of money that comes from property tax revenues of the municipality is often 10 per cent or less.

Mr. Hunter: Well, I guess the question that I have here, Minister, is that if municipalities don't know what the formula is – they have to budget. They have to plan for these projects.

Mr. Mason: Well, we've indicated that we're prepared to cover 25 per cent.

Mr. Hunter: This is set in stone. It's going to be 25 per cent from now on?

Mr. Mason: No, it's not set in stone, but that's been communicated.

Mr. Hunter: Can the municipalities expect 50 per cent from the feds and 25 per cent from the province?

Mr. Mason: Generally, yes, that's the case.

Mr. Hunter: I'll leave it to the municipalities to, I guess, chat with you about the generalities of that comment.

Mr. Mason: Okay. Yeah.

Mr. Hunter: Do you have an accurate accounting of what the total water/waste-water deficit is across Alberta right now?

Mr. Mason: I don't think it's actually been quantified. It would require, I think, you know, quite a bit of work on the part of municipalities as well to come up with that number. As I mentioned, the request, the demand for provincial funding has far exceeded the amount that we've been able to make available. I think you can infer from that that there's a significant infrastructure deficit in that area as in other areas.

Mr. Hunter: I guess I'll go back to a similar question I asked before. Has this government, your government, established a go-forward position where you have indicated to the municipalities that you have a plan to be able to knock down that deficit?

Mr. Mason: Well, we're proceeding, as I mentioned, hon. member, with the most generous program for municipalities of any province in terms of capital funding. You know, while we've enhanced that in certain areas, that was certainly the case under the previous government as well. We are doing what we can given our financial position. We always need to take our financial position into account, and we cannot meet everybody's wants and needs. We do our best to meet the needs.

Mr. Hunter: Minister, when will you be able to table the list of water/waste-water projects for the 2017-18 fiscal year?

Mr. Mason: The ones that are approved under the program, you mean?

Mr. Hunter: Yes.

Mr. Mason: Yes. That is also a matter of waiting for the federal approval on those things, but otherwise we're pretty much ready to go.

Mr. Hunter: Okay.

Mr. Mason: I'm hoping soon.

Mr. Hunter: Thank you, Minister. We will look forward to that list. On an issue closer to my heart, Cardston county has a special grant request for a regional waterline. Do you know where that's at?

Mr. Mason: It's under consideration. We don't have an answer for Cardston, but I think that out of respect for the municipal government we'll give them the answer first.

Mr. Hunter: All right. Thank you, Minister.

Can you please elaborate on the problems with acquiring federal or provincial funding for the waterline from Calgary to Okotoks?

Mr. Mason: On acquiring federal funding? There's a licensing issue, apparently, that needs to be dealt with. There are no more licences to draw water, so it's a matter of negotiating, I think, between Okotoks and Calgary. I don't have a current update. If we do have more information, I'll provide it to you and other members of the committee.

Mr. Hunter: Okay. There are no other technicalities other than the licensing issue?

Mr. Mason: I believe that that's the main hurdle, yes.

Mr. Hunter: Okay. Thank you, sir.

Minister, you had about \$6.3 million in water for life not spent last fiscal year. Did you not have another project to fund? Was it undersubscribed?

Mr. Mason: I don't think so. Hon. member, we pay on progress, so that money will be disbursed as the work is completed.

Mr. Hunter: Okay. So all of the funds were allocated to projects?

Mr. Mason: Yes. It was fully allocated and oversubscribed, like all the rest.

Mr. Hunter: So it was just an accounting issue, where it just flows over to the next year, then?

Mr. Mason: Yes. Basically, the money gets disbursed when the work is done.

Mr. Hunter: Okay. Thank you, Minister.

Minister, now, I understand that this is the responsibility of the Department of Infrastructure and that you will normally answer those questions when you have your Infrastructure team with you, but . . .

Mr. Mason: Are you on the committee for Infrastructure?

Mr. Hunter: I am not.

Mr. Mason: Okay. Well, then, I'll do my best to answer your question.

Mr. Hunter: I have to ask. If you don't ask, you don't get. It's my understanding that there's around \$476 million left in the BCF national and regional projects component. A large chunk of this went to fund Edmonton's valley line LRT. There were some flood mitigation projects funded as well as the expansion to Fort Edmonton Park from this money. Can you tell me how much of this pool of money is sprinkled throughout the capital projects on page 259 of the estimates and which line items it is in?

Mr. Mason: No, but I'll try and have that information for you at Infrastructure estimates.

Mr. Hunter: I figured you'd say that.

Mr. Mason: If I'd have known, I would have told you.

Mr. Hunter: Minister, I note with interest that in the Legislature you mentioned that the Springbank dry dam will be funded out of the building Canada fund money, but which pool of funding: the national and regional projects or the national infrastructure component?

Mr. Mason: Okay. That application was made by Alberta Environment and Parks. It's an odd situation. They basically select a project and so on, and then they hand it off to us for construction, so we manage it during that period of time.

Mr. Hunter: Is it there now, then? Is it to that stage now?

Mr. Mason: No. It's an application.

Mr. Hunter: It's still an application.

Mr. Mason: It's an application to the federal government, and I am not aware of which particular subprogram that's under.

Mr. Hunter: Okay. I'll have more questions about that, but let's move on to line 15 on page 259 of the estimates, water management infrastructure. I have here the list of proposed water management projects to be conducted over the next three years. There are a lot of projects here for this year's \$39 million plus, but the Springbank dry dam is not here. It's not on there. Is that Transportation trying to say that it won't be done in the next three years, or what are they saying?

9:50

Mr. Mason: No. It's in the environment department's budget.

Mr. Hunter: It is in environment's budget?

Mr. Mason: Yeah.

Mr. Hunter: Okay. I note with interest that there are a number of agricultural purposed projects on the list. Has Agriculture transferred any responsibility for irrigation district infrastructure projects to Alberta Transportation?

Mr. Mason: I don't think so, no. Not that we're aware of, no.

Mr. Hunter: Okay. I see there are also a number of flood mitigation projects here on line 15, but there does not seem to be anything to resolve High River's concerns. Are High River's flood mitigation concerns being addressed in line 16 with the \$18 million that is allocated?

Mr. Mason: It's not there. The estimate is due to the modification construction schedules to meet irrigation demands and environmental requirements for the Women's Coulee canal, Deadfish pipeline

replacement, and delays with the Lethbridge Northern headworks. That's what that is.

Mr. Hunter: Okay. Now, another issue. My colleague from Innisfail-Sylvan Lake notes that highway 54 downstream from the Dickson dam is in danger of being washed out. I note that on page 31 of the three-year provincial construction plan there is work to be done on the Dickson dam, but will there be anything to remove the silt buildup so storage capacity grows and flooding downstream is mitigated?

Mr. Mason: Let me see if someone has an answer for you.

Mr. Hunter: Has there been an application by Environment and Parks to have you do this?

Mr. Mason: Not that we're aware of, no.

Mr. Hunter: Were you aware of this issue?

Mr. Mason: I'm not. I'm sure somebody in my department is, and I'm sure Environment is.

Mr. Hunter: Okay. The Elbow River crosses the Tsuut'ina Nation twice, and the proposed Springbank dam will be in the middle of those territorial crossings. I understand the project directly impacts First Nations lands due to flood mitigation work that will be needed in Redwood Meadows. Is that correct?

Mr. Mason: No. There is flood mitigation that is required in Redwood Meadows, and there's money in the Environment and Parks budget for that work. Work to provide flood protection in Bragg Creek is also under way, and that is in the Environment and Parks budget as well. The Springbank reservoir is downstream from the Tsuut'ina Nation, and it is our view that, subject to the work that's being done on the environmental impact assessment, there should be no impact to Tsuut'ina land as a result of the Springbank project. I'm not sure that we have convinced our friends in the Tsuut'ina Nation of that at the present time, but we're in the middle of a process, an environmental impact assessment. We've completed now a full-year, four-season study for a submission to the joint panel that is reviewing this as part of the environmental impact assessment, and we will be able to provide that to them sometime this summer. I think we'll shed a great deal of light on the issue, and I'm hopeful that it will alleviate some of the concerns that have been expressed.

Mr. Hunter: Now, from what we understand, with the potential diversion gate failure resulting in the flooding river backing up into Redwood Meadows, affecting the First Nations land, it would be my guess that consultation with the Tsuut'ina is insufficient in this case and that much more rigorous and protracted negotiation will be required for consent for the entire Springbank project. Would you concur with that statement?

Mr. Mason: No. There has been good engagement with the Tsuut'ina up until now. There have been, I think, three or four face-to-face meetings. I've had two face-to-face meetings on this matter, one with the previous chief and most recently last week in Calgary with the new chief. I was very encouraged by the discussion. There's a lot of work that we need to do. There have been at least 10 site visits by the Tsuut'ina to the area covered by Springbank.

So we brought all of that information to the attention of Chief Crowchild, and we've undertaken to have a very rigorous, ongoing consultation to include them. We are providing them with all of the studies that we have done with respect to that for their review, and

we've committed to further conversations. We want to make sure that the engagement with the Tsuut'ina is satisfactory to them – you know, we're very hopeful that we can meet that – and that it will meet all of the requirements that have been set out in the Supreme Court decision with respect to consultation of First Nations.

Mr. Hunter: Minister, in those studies that you did, did Justice provide a legal opinion that indicates that the Tsuut'ina have a treaty and constitutional right on this project?

Mr. Mason: We can get that information to you. I don't think our legal counsel on that is present, but we can certainly get you that information.

Mr. Hunter: I guess the real question that I have is on the difference between consultation and consent. In your opinion, you only need consultation versus consent. Is that what you're trying to say?

Mr. Mason: I'm not qualified to provide you with a clear answer on that. I think that would be something that, you know, either the Premier or the Minister of Justice might be more qualified to respond to.

Mr. Hunter: Has the Premier had a chief-to-chief meeting, as our brothers and sisters in the Tsuut'ina Nation would call it?

Mr. Mason: I don't believe that has occurred.

Mr. Hunter: Will that happen, Minister?

Mr. Mason: That is not my call, Member.

Mr. Hunter: All right. The Minister of Finance promised in his budget speech to twin the highway 15 bridge in Fort Saskatchewan, with planning and design work to get under way this year. You and the Premier had a formal announcement on March 23. Now, this would be line 13, bridge construction projects, on page 259 of the estimates, correct?

Mr. Mason: No. That's under, actually, line 12.1: highway twinning, widening, and expansion.

Mr. Hunter: Okay. Thank you for that clarity.

On page 5 of the 2017-20 provincial construction program – I note it is a tentative list – there are three projects in the Fort Saskatchewan area contracted this year: intersection improvement at Lamoureux Road, 5 kilometres of repaving between Edmonton and Fort Saskatchewan, and bridge substructure repairs on the North Saskatchewan River bridge. If you are repairing the substructure this year, I guess that means that the twinning will not be happening on the existing bridge structure and that we'll be going down to one lane on that bridge. Is that correct?

Mr. Mason: No. It's underneath it. It won't interfere with the traffic.

Mr. Hunter: Okay. Given that this twinning project is nowhere to be found on the tentative three-year construction program, are you going to add a caveat here to your promise to Fort Saskatchewan that this bridge twinning is subject to budget availability?

Mr. Mason: We're going to make the budget available, with the approval of the Assembly, of course. That is included, as I mentioned, under the highway twinning, widening, and expansion item, which is \$393.5 million. Following the announcement it was added to our construction program.

Mr. Hunter: Minister, this next part will be a little lengthy as I describe it, but I'd like to be able to describe the situation here as I see it.

Mr. Mason: Are we still on the Fort Saskatchewan bridge?

Mr. Hunter: Yes.

Mr. Mason: Okay. Sure.

Mr. Hunter: Our sources have told us for years that any twinning of the Fort Saskatchewan bridge would require the purchase of land with homes. Is that correct, or is there sufficient land in the right-of-way that a remaining wall can be built to ensure that those 20 homes backing on the road won't slide into the road below?

10:00

Mr. Mason: That was sort of the story that I got, but, you know, we went out there – I asked the department to go out – and, actually, we believe that with the construction of retaining walls, the purchase of additional residential properties will not be needed.

Mr. Hunter: Okay. That's good news.

Mr. Mason: I just want to say with respect to this project that I have been unable to find out why this project wasn't in the capital plan a long time ago. We have a threshold for the widening or twinning of bridges. This particular location is double the threshold that would normally trigger the inclusion of a project like this in the capital plan, and we exceeded the threshold over 10 years ago. For some reason there was no movement on doing this bridge.

We are currently doing a study for a bridge at another location that probably won't be needed – and it doesn't solve Fort Saskatchewan's problem because it's between Fort Saskatchewan and the new river crossing at the Henday. It probably wouldn't be built for 15 or 20 years, and to expect the people of Fort Saskatchewan and the surrounding area to wait that long after all of the time that they have waited for that bridge – and the safety issues that have resulted from traffic being blocked. Essentially, if there's an accident, the traffic stops. Otherwise, you know, you're waiting an hour or more during rush hour to make the crossing in many cases. So it's beyond me why this project wasn't included in the capital plan a long time ago.

Mr. Hunter: I would concur with that, Minister. I think it's important that we address this issue.

Will this project also raise or bury the city of Fort Saskatchewan's 99th Avenue overpass and pedestrian footbridge to accommodate overdimensional loads?

Mr. Mason: I mean, we're just starting the detailed design, and the engineering hasn't been done, so those questions will be answered as a result of that work.

Mr. Hunter: Okay. The planning study for the proposed river crossing southwest of Fort Saskatchewan is just getting under way. Why did it take so long to get that done?

Mr. Mason: I don't know if it did. It was brought to me – I held it up a whole six weeks while I reviewed the terms of reference of the study. That's the northeast river crossing, affectionately known as NERC. It's being led by the city of Edmonton. The financial participation of four municipalities and 50 per cent of the cost of the study is being picked up by Alberta Transportation.

Mr. Hunter: Okay. What impact will Doug Visser's application for a conservation easement for his farm have on putting a four-lane

divided freeway from the intersection of highway 28A and highway 15 south across the river to highway 21?

Mr. Mason: Well, I don't have the answer to that at my fingertips, which may not surprise you, hon. member, but we'll get you the information.

Mr. Hunter: Okay. I appreciate you getting that to us.

I'd like to kind of maybe do a follow-up question to that as well. Does a conservation easement mean that the Crown can no longer acquire the land through sale or expropriation for the public good?

Mr. Mason: We'll get you the answer to that, too.

Mr. Hunter: Did a cost benefit recommend the current bridge twinning project over building the highway 28A extension and river crossing southwest of Fort Saskatchewan?

Mr. Mason: There are a number of reasons, mostly common sense, why the plan to twin the existing bridge makes far more sense. First of all, that's where the crossing is. Secondly, the existing bridge is coming near the end of its design life. At somewhere between five and 10 years from now at the latest, it's going to have to be completely rebuilt, which means bringing the number of lanes down to one for an extended period of time. It would make more sense to twin the existing bridge before you have to do that work because then you can at least have a lane in each direction or maybe two lanes in one direction and one in the other. That's where the congestion is. That's where the issue is.

There's no convincing evidence that I've seen that building a bridge at the other location, NERC, will meet the needs of commuters in Fort Saskatchewan. I see that there are benefits in terms of the economy of the region, particularly the Industrial Heartland people. I think there are potential benefits of that bridge there, but in terms of the commuter congestion in Fort Saskatchewan I don't think that bridge is particularly the solution that would be most effective.

Mr. Hunter: Minister, because of our time I'm going to have to go quickly through these here. I appreciate your answers to these questions. Thank you so much.

As part of this bridge twinning project will there be a proper systems interchange built at highway 15 and highway 21 to eliminate the traffic light? If so, who will foot the bill, the province or the city?

Mr. Mason: We're not planning that right now.

Mr. Hunter: Okay. Back on line 13, bridge construction projects: what investigations have been carried out with respect to building a bridge from highway 643, adjacent to Agrium, over to township road 562, adjacent to Shell Scotford, in order to accommodate industrial and oversized loads into Alberta's Industrial Heartland?

Mr. Mason: We're doing a comprehensive study, hon. member, of the entire high-load network in the province. There are a number of issues, including a Saskatchewan River crossing, that are being considered in that. All of that is under study. I'm hopeful – we're expecting that sometime by the end of this year we'll have that report.

Mr. Hunter: All right. Thank you, sir.

Minister, could you provide a dollar amount of the Alberta Transportation 2017-18 capital plan by each Alberta Transportation region and district?

Mr. Mason: Yes. Not now.

Mr. Hunter: I love the brevity of that answer.

Sir, line 12, provincial highway construction projects, on page 259 of the estimates: highway twinning, widening, and expansion is up. Way up, in fact: \$227 million to \$393 million year over year. Why isn't Ray Gibbon Drive, the highway 2 bypass of St. Albert, on the three-year list?

Mr. Mason: Well, you know, I've had conversations with the mayor and with the MLAs representing St. Albert. I understand the desire for that. It's a pretty big-ticket item, and we didn't feel we had the financial wherewithal to move on that. It is on the unfunded capital priorities list, and it is something we would like to do. I have reviewed the St. Albert plan. It involves, ultimately, making that the provincial highway and transferring the existing road through St. Albert to the municipality. That's, I think, where the city would like to go in the long run with respect to that. They have a very different vision for the existing road through the centre of their city, which I think has lots of merit, but it's a very expensive project and one that we're taking, I guess, a bit longer term view of.

Mr. Hunter: Well, considering it's on the unfunded list, we'll move on, sir.

Does industry have the capacity to deliver almost \$394 million in projects this year?

Mr. Mason: Yeah. Pretty sure.

Mr. Hunter: Have you got \$394 million worth of tenders sitting on the shelf waiting to go?

Mr. Mason: I'm told that we're tendering as we speak.

10:10

Mr. Hunter: My point is: can you spend it all this year?

Mr. Mason: I hope so.

Mr. Hunter: Just let me finish this question here. You've had some significant lapses in spending over the past two or three years. You recorded a capital program lapse of \$125 million in 2015-16. In 2014-15 you also had a lapse of capital programs of \$343 million. If you can't spend it, why vote on it?

Mr. Mason: Well, there were some particular aspects that we had very little control over, very wet weather and the fire in Fort McMurray. But we're also, I think, working to improve our own processes to make sure that we can get the projects done. There were problems as well with the new building Canada fund, which was the previous government's fund, which was being basically wrapped up by the new federal government. The process for approval that the previous federal government had put in place was complex and onerous and required approval of business plans. That took a lot longer than we expected as well, so that also had an impact on delaying these projects. Can we do better, hon. member? We're going to try and do better this year. I think we're working to improve our work as well with respect to this, and I'm very hopeful that we'll be able to do that. It depends on the weather.

Mr. Hunter: I guess the question wasn't really so much about weather, Minister; it was more about the capacity and the ability of industry to be able to – do we have enough construction companies that are able to do this?

Mr. Mason: I believe so. I think from my conversations with the heavy construction association that they're very, very pleased with

and receptive to the increased capital program that our government has put in place, and I think they're confident that they can meet the demand. I don't think the issue was a shortage of capacity in private industry. I think, you know, overcoming some of the bureaucratic problems, the weather, the fire: all of those things contributed.

Mr. Hunter: The department's bureaucratic problems, did you just say?

Mr. Mason: No, no. As I mentioned, it was to do with the approval process of the new building Canada fund more than our folks. We always strive to do better, and we will.

Mr. Hunter: Thank you, Minister.

With such a massive jump in line 12, provincial highway construction projects, \$232 million in two years to over \$454 million, is funding coming out of here for the 50th Street CPR crossing grade separation in Edmonton, or are we waiting on federal BCF for that? Which federal BCF pot will that come out of?

Mr. Mason: We're waiting on that. That will be the second phase of the federal infrastructure program. I've had discussions with the mayor, with the federal minister with respect to this project. It's our intention to bring it forward when we have the details of the new federal infrastructure program, their phase 2. There's going to be a category for trade and transportation, and that is what we're expecting to apply for.

Mr. Hunter: Okay. Minister, it wouldn't be Transportation estimates if I didn't ask a question about highway 3.

Mr. Mason: Yes. And you wouldn't be the MLA for Cardston-Taber-Warner.

Mr. Hunter: That's correct. The outstanding constituency of Cardston-Taber-Warner.

Mr. Mason: Absolutely.

Mr. Hunter: Now, there are massive amounts of spending in line 12, yet there's still no mention of any kind of twinning of highway 3. How did you come to that decision?

Mr. Mason: Well, you know, we certainly think that the highway 3 project has a great deal of support. I met a year or so ago with, I think, just about every mayor from every rural municipality and urban municipality along that route. It's pretty clearly an important priority. There's significant economic development, as you know, especially around the agriculture value-added industry in the Lethbridge and Taber areas. We've got the new project that was approved there, and we're hopeful that that will go ahead. I think there are very good economic reasons, but we also need to quantify that, and we need to have a clear idea of what the economic benefits are and what the needs are to support that economic growth.

Mr. Hunter: Minister, I think I only have one minute left or even less.

Mr. Mason: Okay. Sure. Sorry.

Mr. Hunter: Just really quickly, Minister, I think that in terms of stability of markets, stability and strength of growth of the industries, the southern region of the province has been just a Steady Eddie in terms of growth and development, and we've seen continual pressure on that highway 3 and the need for it to be twinned in order for us to get our product to market. I think that this has been explained ad nauseam to not just yourself but past

ministers as well in Transportation. It's important for me to say at this point, at this juncture, that there is an absolute need and a very good reason why we need to twin that down there. But just to be able to show a little bit of love, it would be wonderful if we could get a realignment of highways 2 and 3 at Fort Macleod.

Mr. Mason: Okay. Have you got something in mind? There are three projects in the unfunded list, and I just will go through them. Can I take some of my time to do that? [A timer sounded] I guess I don't have any time.

The Chair: No time left. Thank you very much, Minister. We're going to move on to members of the third party.

Mr. Drysdale: Thank you, Mr. Chair, and thank you, Minister and your capable staff, for being here this morning. I know first-hand that you have lots of good staff supporting you and doing good work. I thank you and them for being here.

My first question. You know, under Strategic Context in your 2016 business plan you explained that the government

is finalizing a transportation strategy for Alberta based on input from public consultation and engagement with key stakeholders. This strategy will cover all forms of transportation and the different ways to connect people and communities, as well as move products to market to promote and attract investment. The strategy will further encourage regulatory harmonization, enhance safety and security and investigate and integrate innovative delivery methods.

A good strategy. I see in this year's business plan that that has disappeared. I'm not sure if that's the same plan we were working on, the 50-year plan, that I've never seen being released. It was ready to go. You know, can the minister tell us if this strategy was developed last year, and what input, specifically, did you use for this strategy? I'm looking through your business plan for 2017, and I don't see where you outline the strategy that you developed.

Mr. Mason: Okay. There are a number of reasons. I reviewed the work that was done on the 50-year plan, and I think the concern that we had, hon. member, had to do with the ability to plan transportation for 50 years in the technological environment that we now find ourselves in. One of the things that concerned me when I became the minister is that we needed to enhance our planning function as a department in order to take account of new and emerging technologies.

I guess the concern is that if the plan is a plan which I will call a more old-fashioned approach to building highways, ring roads, that sort of thing, and doesn't address the overriding tidal wave of technological change that's just about to break over us, we're not going to be well prepared even five to 10 years from now. The deputy has made changes in the department to enhance our ability to grapple with the impact of emerging technologies on transportation. Many of these technologies are disruptive technologies. In other words, they create considerable unpredictable change in the economy and in social life. Uber would be a good example of that kind of technology, and there are more coming all the time.

10:20

I guess the question really is, you know: how do you deal with, for example, autonomous vehicles? I mean, electrical vehicles are already here and will be widespread within five years, but also autonomous or computer-controlled vehicles are coming very quickly behind that. Already, I think, in the trucking industry some are prepared to and would like to move ahead with driverless vehicles in the form of convoys. Those changes will come very quickly, so how do you design transportation for that? Do you plan

urban transit in the same way? What about your highway transportation of goods and services?

Then there's the whole question of drones. Drones are rapidly expanding as battery technology advances very, very quickly. We're going to see an increase in the size and utilization of pilotless aircraft, electrical, battery powered. I saw an article last week in the paper that in, I think, Dubai they're already beginning to experiment with drones that carry passengers.

This kind of thing will really radically transform our transportation system, so how do we plan for that? How do we position ourselves so that we can deal with unpredictable and even unknowable changes in development in the technology of transportation? The department is just beginning to grapple with that. That capacity a year ago wasn't present in our Transportation department in a way that it needed to be, and we're just beginning to get that organized.

That's why there's no 50-year plan. There is an ongoing effort to work in the department to revise the work, and a lot of really excellent work was done in the department on a 50-year plan. I certainly don't mean to throw, you know, the baby out with the bathwater, because there's really excellent stuff around safety, transit, all of those things, but we need to put it in a context of unpredictable and rapidly accelerating technological change. When we've come to grips with that, we will bring forward the plan.

Mr. Drysdale: Thanks. So I guess the plan is scrapped, then, or we're not going to see a strategy.

Mr. Mason: No, it's not scrapped. We're backing up and taking another look at it.

Mr. Drysdale: You know, I don't know if you're going to keep up with technology. I mean, you could say the same thing next year, that technology changed, so we'll never come out with a strategy. I hear what you're saying about these truck convoys that are driverless or whatever, but we're still going to need the roads and the transportation. Drones are good, but I can't see them hauling grain and lumber to the port. We still need access to our port, and I can't see drones taking all that stuff there.

Mr. Mason: No, no. There's no question.

Mr. Drysdale: I get what you're saying, but we should still have some kind of a transportation strategy. But I'll leave that for now. I know there was a lot of work done on that, and I'd just hate to see it lost.

Mr. Mason: It won't be. We're going to keep it.

Mr. Drysdale: Thanks.

The next question. I'm not trying to be confrontational; I'm not sure how to phrase this. We go back to your unfunded transportation list. When the roles were reversed, you were always going on about the sunshine list and that everybody would know when their projects would get built exactly and all this. I know you've already stated that the sunshine list will never see the light of day – I get that – but to go from a sunshine list not seeing the light of day to being completely in the dark here: that's a big leap. All of a sudden you've got this unfunded transportation list, and I'm not sure what that means. There are projects on there that aren't funded, but there are a whole lot of other projects that aren't on the unfunded list. And then you've got a list of funded projects, but then this year we've seen a few projects come out of the blue from nowhere and get funded. So, really, what does the unfunded list mean? Like, the 212 interchange in Calgary wasn't even on the unfunded list last year.

Mr. Mason: No, it wasn't.

Mr. Drysdale: Is it on the capital list this year? I assume so. It was announced.

Mr. Mason: Yes.

Mr. Drysdale: They are good projects – I'm not saying that – but then what good is the unfunded list? There are two or three of them now, like the twinning of the bridge, that just show up on the funded list.

Mr. Mason: Yeah, and fair enough. You know, I sort of expected this might be a question here. The point of the unfunded capital list is to place before the public all of the projects that have been evaluated, that are considered desirable, considered to be valid, good projects but that we don't have the money for. We try to put the stuff that fits that criteria on that list. Now, is that list perfect? No. Are there other reasons why we might move ahead? It's beyond me, as I mentioned, why the Fort Saskatchewan bridge wasn't on the unfunded projects list.

Mr. Drysdale: Well, we didn't have an unfunded list.

Mr. Mason: Yeah. But why wasn't it even built? Not as a criticism, but it was so badly needed, yet it wasn't on the unfunded capital list. We just had to do it.

Mr. Drysdale: But there was a bridge to cross the Fort Saskatchewan. Is this new twinned bridge going to take heavy loads and wide loads? Is it going to fit in that corridor?

Mr. Mason: I mean, I think that it is. That doesn't mean that we won't eventually build something as part of the rationalization of that network, build another bridge at some point.

Mr. Drysdale: You said that it wasn't on. We did have a bridge that crossed the Saskatchewan just a few miles before that. Why take all those wide, heavy loads right through the middle of Fort Saskatchewan? You're talking about lights now. You could have diverted a lot of that traffic out of Fort Saskatchewan and crossed the river and hooked into 28, which was the plan we had. We didn't have a plan – you're right – for twinning that bridge, but we had a plan for this other bridge.

Mr. Mason: You're talking about the NERC bridge, are you? You're referring to the NERC bridge?

Mr. Drysdale: Yeah. How many bridges are we going to build? We just finished the big one that we drove on last winter, which is good, and they want one on the other side.

Mr. Mason: I'll remind you that the intention for the NERC bridge – the preliminary engineering study is under way, but the intention for that was always to build that, you know, 15 years out or 20 years from now. That was the information that was provided to me.

Mr. Drysdale: We were partnered with industry. Industry was going to build it, and we were going forward with it. Don't say there was no . . .

Mr. Mason: That study may show the necessity for that project, and if there's private funding, of course, that can help us accelerate the project in the plan. That's not gone, but it doesn't meet the needs of the people of Fort Saskatchewan when they try to get to work in the morning.

Mr. Drysdale: Most of that traffic is coming from Edmonton and going through Fort Saskatchewan. There are not that many people living in Fort Saskatchewan. If we can divert it before it gets there – anyway, I'm not going to argue about that.

Mr. Mason: I'm not sure that I agree with you, hon. member.

Mr. Drysdale: A lot of people go down 21 and through Fort Saskatchewan. You know, you'll find that out with these heavy loads with traffic lights and footbridges. Anyway, it's not that we weren't planning. I just hope – the Industrial Heartland needs a heavy-load, wide-corridor bridge.

Mr. Mason: They're supportive of this approach, and they also know that we're not walking away from the study that's under way on the other bridge.

Mr. Drysdale: That's what they supported, when we were there, the other bridge. You know, I'm not begrudging that. I think it's good that you're twinning that bridge. I'm not confident it's going to accommodate the Industrial Heartland with the wide, heavy loads. We'll leave that for now.

Mr. Mason: They seem to be supportive of the project.

Mr. Drysdale: Then you had projects last year like highways 19 and 43 that never got done, so they've moved to this year. Where did that money go from last year that never got spent? I think it all got spent.

Mr. Mason: It was moved forward into this year so that the work can continue.

10:30

Mr. Drysdale: But you spent your full budget last year. Okay. That's what I thought. That's why the contingency fund wasn't fully used, because it didn't come out of there. I didn't see a surplus in your budget, but there were some projects that never got done.

Mr. Mason: Yeah. Well, as you're aware, when a project is being built over several years and you don't get all the work done that you want to in one year, you reprofile the money forward and you keep going next year.

Mr. Drysdale: Okay. You know, it concerns me today when I hear that we're just going out for tender on some projects. If you haven't gone yet – lots of times you wait until budget, so by the time these tenders go out and get evaluated and approved, it's a really poor time to be putting tenders out. In May and June your prices are going to be high, and they won't get done, like highways 19 and 43 last year. The best time to tender these big projects is January, February, and you know that. I know where it's at, but hopefully you can try and get the projects done sooner next year because you'll get a lot better prices in January and February than you will in May and June. I can tell you that.

Mr. Mason: My deputy will answer that question.

Mr. Day: Sure. Thanks for the question. We are moving forward as quickly as we can with tenders. As the minister indicated, there were some projects last year that didn't progress as we had anticipated, so that money has been carried forward. We're still experiencing good tender prices on the work that is being tendered now as well. As the minister said earlier, we are looking at streamlining processes in the department to move tenders through the process more quickly. Industry has indicated to us that they have the capacity to deliver on the full capital program.

Mr. Drysdale: Yeah. I have no doubt that industry can deliver. I just know they're going to charge you a lot more now. But, you know, you try and improve that, and I think you're aware of that.

Going back to the 214 interchange in Calgary, that came out of the blue. I agree that that's a good project and should be done as well. I think it's good that you're moving forward on it. I think it's a partnership with the city and the developer to do that.

Mr. Mason: Yes. That's right.

Mr. Drysdale: Is it a third/third/third?

Mr. Mason: Yes.

Mr. Drysdale: That's good. It's kind of like a three-way partnership. I won't call it a P3.

Mr. Mason: No. It's not a P3.

Mr. Drysdale: I don't know what you'd call it nowadays.

Mr. Mason: Well, I call that industry making a contribution to a government project. It's a little different than the government making that to an industry project.

Mr. Drysdale: It's a good idea.

Mr. Mason: It's a good project. I met with the developer. They made a convincing case about the economic benefits of proceeding now with that project, and we analyzed their information, their data, and found it to be quite sound. In terms of the number of jobs . . .

Mr. Drysdale: Like I say, it's a good project, and I support it. I think it's good that you partner with industry to get things built. That's good.

One other thing that maybe you can explain . . .

Mr. Mason: Overall in terms of the commercial and residential development, it's one that's going to result in 25,000 jobs over a period of time.

Mr. Drysdale: Like I say, it's a good project that we're looking at.

Mr. Mason: Yeah. Traditionally we've used sort of engineering approaches to decide if a section of highway or a highway or a bridge or whatever is warranted, traffic numbers and so on. We're trying to broaden that to take a bigger look at, you know, the economic impact that it might have, to look at partnerships, as we've seen in this particular case. That's why it was advanced, because it meets those requirements.

Mr. Drysdale: Okay. I'll just try to move on there. I won't go through the list, but there's quite a list of projects that were on the unfunded list, and now they've been dropped off of that list. Are they funded, or are they just on the way?

Mr. Mason: Well, we periodically review all of the projects that we have, and if they are no longer considered priority, then they're removed.

Mr. Drysdale: Like, I assume some of them are funded or will be funded, but you can't tell from this whether they're going to be funded or they're going to be scrapped. I don't want to go through the list. I've got quite a few. So I won't go through the list, but generally some are scrapped, and some are going to be funded. Is that right?

Mr. Mason: Basically, if it was on the unfunded list and it's not been moved into the capital plan and it's no longer on the capital list, it's because it's no longer considered a priority.

Mr. Drysdale: But we don't know if they've been moved into the capital plan yet.

Mr. Mason: Well, yeah, we do.

Mr. Drysdale: Well, you might. I guess that's what I was getting at. I'd like to know which ones have been dropped off and which ones are determined. I guess that will come out sooner or later.

Mr. Mason: That's a fair point, hon. member. I mean, you know, within some of the budget categories there are specific projects that have yet to be announced, so it's a kind of a stay-tuned message, I guess.

Mr. Drysdale: You're saving those for announcements, but could you tell us the ones that were dropped off?

Mr. Mason: Do we have that list? Can we get it to him? Yeah. We can compile that and get it to you, hon. member.

Mr. Drysdale: Another one that's just a little strange and you probably have a good answer for it . . .

The Chair: Thank you very much.

We're going to take a very brief health break, and if we can have everyone back in their seats by 10:42.

Thank you.

[The committee adjourned from 10:37 a.m. to 10:42 a.m.]

The Chair: Mr. Clark, are you on the line?

Mr. Clark: I am indeed.

The Chair: Okay. Just so you know, we're going to get started with you as soon as the minister gets back into the room here.

Can we get the minister back in the room? Great.

Mr. Clark, we'll leave it up to you now. You've got 10 minutes. Would you like to go back and forth with the minister?

Mr. Clark: I would like to go back and forth. Yes, please.

The Chair: Okay. Please go ahead.

Mr. Clark: Thank you very much. Good morning, Minister and to your staff. My questions are going to start with the Springbank dry dam project, SR1.

Mr. Mason: No surprise there.

Mr. Clark: No surprise there, no. It's very important to not just my constituents in Calgary-Elbow but to the economic viability of the city of Calgary and, I would suggest, to our entire province. So it very clearly is an important project. I just want to give you an opportunity to reconfirm your commitment to the Springbank project and to please confirm that the project is, in fact, fully funded and is a priority for the government.

Mr. Mason: Well, yes to all three of those things. We believe that this is the right project to protect Calgary and other downstream communities from a repeat of the 2013 flood. We looked closely at the reports that evaluated the different options, and this one was clearly superior in almost all respects. We continue to believe that it is the best option with the least impact, and we're going to

continue to proceed with that as a very high priority. It is, in fact, fully funded, and we remain committed to the project. We believe that in the end there will be sufficient levels of support from various stakeholders to ensure the successful completion of the project.

Mr. Clark: Good. I'm very glad to hear that. I will ask specifically about engagement with stakeholders, including Tsuut'ina, but I will ask that in a moment.

What I wanted to just talk about first, though, is the timeline for the project. I'm basing my questions today on the presentation at open houses not quite a year ago, on May 10 and 11, 2016. At that time it talked about the environmental impact assessment wrapping up by the end of March 2017 and then a three-month timeline to write up the results of that and to start to write the inventory review process. Can you just confirm that the environmental impact assessment has in fact been completed as of the end of March, and can you give us a timeline as to when the joint regulatory review process will begin?

Mr. Mason: Yes. Thanks very much. As you know, hon. member, we undertook a four-season study of the environmental impact, which required us to be on the land all four seasons. That just wrapped up at the end of March, and we're hopeful that that report will be completed by early summer and submitted to the panel. We're co-operating fully with the Natural Resources Conservation Board and the Canadian Environmental Assessment Agency for the regulatory process, and everything is running according to schedule so far.

Mr. Clark: Do you have any sense of how long that process will be? It's a fairly wide berth here at 12 to 24 months for a regulatory review process. Do you have any insight as to (a) how long it will take, and then (b) is there anything your department can do to make sure that that timeline moves along as quickly as possible?

Mr. Mason: Well, the first thing we can do is make sure that our submissions are as complete as possible. We're putting in, I believe, the right resources to make sure that that happens. We've also made representations to federal officials and provincial officials that it would be our preference to do this closer to 12 rather than 24 months, but that's their decision, and they need to take into account what they hear from other parties and the time that they need to assess the information and evidence that's provided to them in the various submissions. We're hopeful that it'll be closer to 12 than 24. We still have a goal of having the project completed by the year 2020.

Mr. Clark: When you say the year 2020, is the objective to have it operational in 2020? Of course, it's to mitigate flooding that happens in the springtime. If it's operational in, say, the fall of 2020, of course, that's effectively 2021.

Mr. Mason: Yes. To clarify, hon. member, we hope that it's operational in the spring of 2021.

Mr. Clark: The spring of 2021.

Mr. Mason: Yeah, but finished in the year 2020. As you say, it's a spring issue.

Mr. Clark: That's a year later than you said last year.

Mr. Mason: I don't think so. We'll go back and look at what we said. I don't think the timelines have slipped, as far as I know.

Mr. Clark: Okay. Well, anyway, we know now that the operational date is 2021.

Let's move on, then, to the consultation process. The Tsuut'ina Nation have raised concerns recently, serious concerns that ought to be taken very seriously. I'm just curious if you can talk briefly about the consultation process and tell us if you have in fact met personally with Chief Crowchild.

Mr. Mason: Yes, I have.

I think there's been a change in administration in the Nation. We're working to bring to Chief Crowchild's attention the work that took place in connection with the previous administration of the Nation. We've had at least four face-to-face meetings with the Tsuut'ina. Staff of Alberta Transportation have spent 12 days on the land with them to make sure that they have access so that they can consider the traditional use. We've also provided funding to them for traditional use study. I had one face-to-face meeting with the previous chief and a significant number of his councillors and administration with respect to this matter.

10:50

I also had a meeting just last week in Calgary with Chief Crowchild and several of his advisers. I was encouraged by the meeting. We provided them with information, the studies and so on that we've done, provided them with a record of the consultation that has taken place up until now, and we indicated that we are very hopeful for a very open dialogue with them to provide them with the information they need, to listen carefully to their concerns. I've subsequently written to the chief as well to follow up on that. We take the relationship with the Tsuut'ina and our obligation to fully engage them in this process very seriously. We have agreed to have ongoing meetings with the Tsuut'ina on this matter in the future. I'm hopeful that we can get to the point where they're satisfied that we have consulted them to the degree that they would consider necessary.

Mr. Clark: Given the importance of this project and I also know the importance of the nation-to-nation relationship, has the Premier met with Chief Crowchild? If she has not yet, will you personally encourage her to do so?

Mr. Mason: I don't believe that she has. In terms of my relationship with the Premier on this matter, that's something between us.

Mr. Clark: Yeah. I would encourage you, please, to do that. I know that that is important from the perspective of all indigenous people. Given the importance of this project, I can imagine it would only help. So I would encourage you. I'm certainly happy, obviously, to encourage the Premier myself to do that as well, but given that you are her cabinet colleague, I would ask you, please, to do that as well.

Moving on, then, as I look at the maps, this is a question that I have been asked. Specifically, what is the impact of an SR1 on Tsuut'ina land? Now, I know that the Redwood Meadows community is upstream of the SR1 and, therefore, would not be protected by it, but the actual structure itself, by my fairly rough calculation, looks like it's at least five kilometres away from Tsuut'ina land. Now, that could just be me, you know, not having a proper, fully scaled map. Really, two questions: what specifically is being done to address flood mitigation upstream of the Springbank structure itself, and how close is SR1 to Tsuut'ina land?

Mr. Mason: There are two items for upstream. To deal with the impact of the Springbank project on Tsuut'ina land, it's our belief that there will be no impact on the Tsuut'ina land. I think that's a matter that we need to discuss and share information with the

Tsuut'ina on. I think that they are concerned that it may in fact affect their land, so again as we've conducted our environmental impact study, it may have a bearing. We're doing a hydrology study, which would be shared with them as well.

Just to correct your eyeball perception of it, I think it's a little closer than five kilometres. I think that the closest point is about a kilometre and a half downstream from Tsuut'ina land. Upstream there's ongoing work now at Bragg Creek that's taking place to protect that community, and there's money in Environment and Parks' budget to do flood mitigation at Redwood Meadows as well. That work hasn't been started. I don't think the design is finalized. Obviously, there has to be quite a bit of consultation with respect to that matter as well. It's \$33 million for Bragg Creek and nearly \$9 million for Redwood Meadows.

Mr. Clark: Thank you.

This project is going to require the provincial government to acquire land from private landowners. Can you give us an update on the status of the land acquisition? How many parcels have been acquired to date, and how many will be required to be acquired by the province?

Mr. Mason: Thanks for the question, hon. member. We've acquired three parcels of land. We're in the process of doing the appraisals on the rest, and we're in conversation with the representatives of the landowners with respect to that matter.

Mr. Clark: That doesn't seem to have moved much in the past at least six months. That seems to be the same number that I understood, going back at least six months or perhaps further back. Do you expect to acquire more parcels through negotiation?

Mr. Mason: We're very hopeful that we can acquire other parcels through negotiation. It's a question of, first of all, making sure that we have good information about the values of the land, and that is in process now. There are a number of landowners who have indicated that they do not wish to sell their land for this project. If, you know, we can't negotiate with them, then there are other options that are available.

Mr. Clark: Assuming that that other option you refer to is expropriation, when will that process start, and how long would it take? Is there a risk that it will have an impact on the overall pressure timeline?

Mr. Mason: We're working very carefully to manage the project timeline so that we are not unduly delayed in the negotiations, but at the same time we want to be very fair to the landowners and negotiate a fair price for them and do that in a timely way. We're still very hopeful that we can reach agreements with landowners on a voluntary basis.

Mr. Clark: But you said that some have indicated that they're not interested in negotiating or arriving at a negotiated settlement. Given that, is there a plan to initiate the expropriation process reasonably soon?

Mr. Mason: You know, I don't really want to jeopardize our discussions and relations by talking about those kinds of things. They're rather speculative. We're hopeful that we don't need to go down that path.

It is a key public project of great public interest to the people of Calgary. There are over a million people there as well as other downstream communities. We simply have to do everything in our power to protect those people and their property and the economic

engine of downtown Calgary as well – let's not forget that – from a repeat of the 2013 flood event.

Mr. Clark: Okay. There are some road realignments that will be required as part of this project: highway 22, the Springbank Road, range road 40, township roads 250 and 242. Have decisions been made on realignments for those roads, and when can we expect that work to begin?

Mr. Mason: Those details are being worked on now as part of the planning and design process and the engineering that goes into the project. I can't give you more details at this time other than that's all work that's in progress. Obviously, starting work on the projects depends on the acquisition of the land.

11:00

Mr. Clark: Is there any work that could begin prior to completion of the environmental review process or the regulatory review process, you know, perhaps around road realignment in anticipation of successful completion of the regulatory process as a means of accelerating project completion?

Mr. Mason: Well, we're considering some of those options. I think that we need to be careful that we don't presuppose the outcome of the regulatory process that we're in, as confident as we are in that. But, certainly, if there are ways that we can get a bit of a jump on the project by doing the work as you suggest, we'll certainly consider doing so.

Mr. Clark: I'd certainly encourage you to do that.

I will in my last two minutes here move on to a couple of other aspects of the parts of Transportation, looking at your business plan, pages 144 and 145, outcomes 3 and 5, talking about transportation technology in particular. Constituents have asked me about the impact of not just self-driving cars but perhaps self-driving transit and if that could have an impact on road alignments and those sorts of things. I guess I'm just interested in – I see a disconnect between your earlier answers in response to the Member for Grande Prairie-Wapiti and any strategies around the impact of self-driving cars, self-driving transit. I'm just not seeing that there are any particular performance measures that relate to strategic outcome 5 in particular, that the transportation system adapts to new innovations and technologies. It doesn't seem to mention any of these new technologies. I guess that if you could just comment on that briefly and let us know if you have studies under way or if this is something that the department can fix.

Mr. Mason: Well, hon. member, on page 145 of the business plan it indicates that there's a performance measure that's under development, and it includes measures on innovation and technology integration that will reflect progress toward reducing environmental impacts and improving process efficiencies, and it is being developed so that it accurately reflects energy and cost efficiencies in the transportation system. So there is one under development.

Mr. Clark: When can we expect to see that?

Mr. Mason: I think in the next business plan.

The Chair: Thank you very much, Minister.

We'll now move on to the private members of the government caucus.

Mr. Kleinsteuber: Thank you, Chair. If I could, I'd like to go back and forth with the minister. In addition, I'd like to share some time with my colleague here, the Member for Calgary-Glenmore.

To begin, Minister, I'd like to thank you and the staff for being here today. I'd like to refer to the ministry business plan on page 142 specifically, where it states that

Transportation manages 31,400 kilometres of highways, the highest number of kilometres per capita in Canada.

Then it goes on to say:

A collaborative and transparent decision-making process that considers safety, community support, intermodal connectivity, economic vitality, asset longevity, value for money and seamless delivery is vital to protecting these assets.

I guess the question, then: to ensure that Albertans are getting the most value out of their money, how does the department manage projects so that they come in on time and on budget?

Mr. Mason: Well, thanks very much for the question, hon. member. You know, it's very important to us that we are able to stick to budgets and to stick to timelines. It's not always possible. There are always unforeseen difficulties.

One of the major changes that we've made across the government is to make sure that we carefully scope the projects and do preliminary design work before making the announcements. In some cases we've seen projects where a political announcement was made, including price tags, and then departments were forced to design to the political announcement instead of doing a careful assessment of what the needs might be and designing the project. With some projects, then, the scope is too large for what's needed.

One example might be the Grande Prairie hospital project, where it has actually been designed to a political announcement of a Premier, but it's too big for the actual needs. That causes cost overruns and delays. So that's the first thing we need to do, to make sure we have a careful plan and that we've actually done the work before and that we understand the scope and order-of-magnitude costs before making announcements.

Then you have to map it out according to the season. We have a project management office that helps facilitate the project delivery by tracking and monitoring the projects to ensure that tenders are delivered on time based on the project cycles and the construction plan. Every project is assigned a project manager to ensure the quality of work is maintained for all phases, and each project undergoes biweekly and monthly reporting to support the projects so that they're reviewed in terms of their adherence to schedules for time and budget. On a monthly basis the status of the department's operating and capital budgets are presented to the department's executive team for review, and detailed project construction budget status is provided to Alberta Infrastructure.

Obviously, there are unforeseen things, weather, disasters. The Fort McMurray fire was, you know, one of those instances that affected a number of our schedules. But we work with our partners – our consultants, contractors, utility companies – as well to manage the projects to make sure that they proceed smoothly and according to plan, and I think a very high percentage of the time we actually accomplish that. Obviously, there are cases where we don't.

Mr. Kleinsteuber: Great. Thanks, Minister.

Then on the topic of traffic safety, again, on the same page there in the business plan, under Enhancing Safety and Security, it mentions here:

Traffic fatalities have declined by 32 per cent over the past four years and the ministry continues to implement traffic safety initiatives that strive to eliminate both fatalities and serious injuries. Transportation security will be enhanced by better understanding and responding to potential vulnerabilities of infrastructure, vehicles and users.

The question there was: to ensure that we continue to see a percentage of fatalities decrease over the next few years, what is the ministry doing to improve safety for all the road users?

Mr. Mason: Thanks very much for that important question. You know, we focused on reducing traffic accidents. The goal, ultimately, is zero, and we strive to get there. Safe drivers in safe vehicles on safe roads at safe speeds: those four things will result and have resulted in ongoing reductions in traffic accidents and particularly ones that cause injury or death. We're focusing very much as well on specific driver groups – young drivers in particular, commercial vehicle drivers, and focusing on noncompliant drivers – and protecting vulnerable road users like pedestrians, cyclists, and motorcyclists.

We're developing a transportation safety plan, which will lay out a strategy with a five-year action plan to build on the successes we've already achieved and to apply the lessons that have been learned from our experiences so far and to adopt the best practices as a way of continuous improvement in our safety. I'm quite pleased with the work that's been done by the department over the last number of years to move us in a direction of reducing accidents that cause injuries and death. The numbers are continuing to improve. In 2014 we had 369 fatalities; in 2015, 330. In 2016 the preliminary number, which has yet to be completely verified – but I think it's a pretty good indication – is 289. We're seeing year-over-year improvements. Obviously, that is still far too many people who are killed on our roads, and there is a lot more that we need to do, but we're going very much in the right direction.

11:10

Mr. Kleinsteuber: Great. Thank you, Minister.

Ms Kazim: Thank you, Mr. Chair. I would like to proceed. Thank you, Minister, for joining us today. I have questions related to distracted driving and impaired driving particularly. To continue on the topic of traffic safety, how is your department dealing with the issue of distracted and impaired driving? Which line items would this fall under?

Mr. Mason: Okay. Thanks very much for the question. I think we've all seen distracted drivers on the road. You know, they're pretty obvious sometimes. The most obvious kind are the ones that don't start when the light turns green. You can sort of tell. Their head is down, and, you know, in that case a little beep on the horn is helpful, but I think there needs to be a lot more than we have done. We added demerit points for distracted driving. If there are no demerits, people may just pay the fines and keep not changing the behaviour, but if it gets to the point where they're at risk of losing their licence, you really can get their attention. That was really an important step.

We increased the fines from \$172 to \$287 for distracted driving. You know, I asked the question: why did we come up with such weird numbers? The answer is that they just apply a 10 per cent increase or a 15 per cent increase, and they get these numbers. So at some point I'm going to ask everybody to just round them off to the nearest \$5, but for now that's what they are. Drivers can also be charged with careless driving, which faces fines of up to \$543 and six demerits. Since we've increased the penalties, there were 26,596 drivers convicted of distracted driving and 1,788 convictions for careless driving.

Impaired driving, of course, is also extremely serious and a criminal offence, and in Alberta 3,708 drivers were convicted of impaired driving in 2016, and another 169 administrative licence suspensions were issued for drug-impaired driving. Since we put tougher administrative penalties in place in 2013 for drivers with

blood alcohol levels between 0.05 and 0.08, there have been significant decreases in impaired driving.

I'll just give you some other information. Compared to the three years, 2009 to 2011, prior to the changes and the three years after, we saw decreases across the board: 18.9 per cent fewer fatalities, 22.1 per cent fewer injuries, 15.1 per cent fewer fatal collisions, 25.1 per cent fewer injury collisions, 17 per cent fewer drinking drivers in fatal collisions, and 25.2 per cent fewer drinking drivers in injury collisions. Again, here is a trend. It's obviously still a huge problem, but we're moving the numbers in the right direction, and the strategies are proving to be effective.

Ms Kazim: Great. I'm glad to hear that we are moving in the right direction.

As we have all heard recently, the federal government plans to introduce legislation soon to legalize cannabis in the summer of 2018. Accordingly, how will you deal with this as it relates to drivers?

Mr. Mason: Well, this is a challenging one. First of all is the question of a reliable roadside test. It's a much more complex drug than alcohol. It can certainly lead to impairment. It affects people's reaction time and their visual functions and their ability to pay attention to things that might be unexpected. Sometimes people tend to think that driving under the influence of cannabis is not quite as serious as driving under the influence of alcohol. While it affects the body and perception in a different way, it is equally serious, and it does cause impairment. So I think that communicating that message is a really, you know, important thing.

Under provincial statute drivers who consume drugs which affect their physical or mental ability may be issued a 24-hour suspension from driving. We're planning to develop a more comprehensive strategy for drugged driving once we have a clearer idea of the federal government's intention and the timing that they're going to follow. Penalties for impairment are the same as for alcohol, and we're going to continue to work closely with the RCMP, with municipal police, with the sheriffs, other key partners like Mothers Against Drunk Driving to help educate the public and to bring about changes to our enforcement regime that will keep our roads safer.

Ms Kazim: I'm glad to hear that.

My next question is on traffic safety partnerships. On page 141 of the ministry's business plan, under Collaboration and Partnerships, it states: "A coordinated approach across governments, municipalities, industry and other transportation stakeholders is critical to address Alberta's transportation needs." To ensure that we are proactive on the issue of traffic safety, how is Transportation working with communities and important stakeholders to become a traffic safety leader?

Mr. Mason: Well, thank you very much for that question. We actually have support through the Alberta traffic safety fund for community-based safety initiatives. Communities and other stakeholders can access up to \$400,000 a year to support those initiatives. So by engaging Albertans and their communities, we're able to enhance safety education right around the province.

There are a few successes that we have to share. First of all, funding development of the learn-to-drive kits is geared specifically for indigenous communities. We're supporting Alberta students to attend a national conference on impaired driving. We're developing short animated videos to educate youth on distracted driving and following too closely. We also have a team of community mobilization consultants that are located throughout the province who connect with community stakeholders to help them build their own capacity to continue to address local traffic safety priorities. They're

available to help support groups in developing local solutions to their local priorities.

Ms Kazim: All right. Thank you very much.

I will turn it over to MLA Kleinsteuber now.

Mr. Kleinsteuber: Thanks.

Moving on to the topic of market access, we know that diversifying our markets and increasing market access for Alberta goods is a priority of our government. Having a reliable, safe, efficient, modern, and effective transportation system is important to support the ongoing development, diversification, and success of Alberta's economy. Consequently, what are we doing to ensure that market access continues to grow for Alberta's goods? I'm just wondering where exactly that would be located in the ministry's estimates.

Mr. Mason: Okay. I think you'll find that in line 1.4 on page 258. We continue to work with the Pacific Gateway Alliance. We have a number of partners. We have a 10-point action plan to address transportation network capacity, co-ordination, and performance and the labour, environmental, and safety conditions that will help to improve supply chain co-operation in western Canada. This alliance consists of the governments of Alberta, B.C., and Saskatchewan; CN; CP; the port of Vancouver; and the port of Prince Rupert. The group shares information and makes recommendations on port, rail, road, and airport infrastructure, and it works to promote the Pacific gateway as a transportation hub for access to Asian markets.

11:20

We are also in consultation with trucking companies to discuss opportunities to harmonize trucking regulations across western Canada. We continue to advocate with the federal government on the processes around the Canada Transportation Act review and the development of Transport Canada's transportation 2030 plan for reliable, sufficient, and fairly priced rail service to markets so that Alberta commodity shippers can remain competitive.

I might point out – and I was going through the business plan last night. I don't have it right in hand, but it was very interesting that the amount of goods and services that are shipped out of Alberta by rail is about double what is shipped by all other modes, primarily by truck over the roads but also including air cargo. So the railways through the port of Vancouver, in particular, and also Prince Rupert are critical to the province of Alberta.

Mr. Kleinsteuber: Great. Thanks, Minister.

Ms Kazim: Okay. My question is on climate leadership. As a member of a caucus that believes human-caused climate change is real and cares significantly about the environment, I would like to highlight the significance of Alberta's climate leadership plan and how it relates to this ministry. On page 144 of the ministry's business plan it states:

In alignment with the Alberta Climate Leadership Plan the ministry will identify mitigations to advance energy efficiencies and reduce greenhouse gas and air contaminant emissions, including exploring the use of green infrastructure.

Could you please expand on this? Specifically, how is the Transportation budget supporting Alberta's climate leadership plan?

Mr. Mason: Okay. Thanks very much for the question. There was an earlier question from a member about support of the climate leadership fund. It wasn't included in the things that he was asking about, but there are some things in the budget. It includes \$7 million to support transit projects to reduce greenhouse emissions, among

other things. It includes \$4 million to the city of Grande Prairie to purchase five electric buses and a solar energy storage system, more than a million dollars to the city of Red Deer for LEED facility upgrades and a compressed natural gas emissions control system, nearly a million dollars to Edmonton for LED lighting upgrades at transit stations and LRT platforms and tunnels, \$937,500 to St. Albert to purchase five electric buses, and \$60,000 to Cold Lake for solar-powered transit centres.

The Chair: Thank you very much, Minister.

Before we move on to the Official Opposition, we are now moving to 10-minute intervals of combined time with the minister. Take it away, Mr. Hunter.

Mr. Hunter: Thank you, Mr. Chair. Through the chair, Minister, I'd like to ask you about one of the questions that one of my colleagues, Cypress-Medicine Hat, has. He's asked this question many times about highway 61 needing to be widened and paved from Foremost to Manyberries. He is concerned about how school buses are no longer able to access that road because it's too dangerous. I see that 15 kilometres of widening and repaving are contracted here from Etzikom. Why didn't this get done last year instead of having to be carried over to 2017?

Mr. Mason: So that's between west of Etzikom and east of Etzikom?

Mr. Hunter: Correct.

Mr. Mason: Yeah. So 15 kilometres of widening and repaving are contracted for this construction season.

Mr. Hunter: My question was, you know, that the buses can't even travel on there at this point. Why did we wait until this year, carry it over to 2017?

Mr. Mason: I'll get my deputy to answer that.

Mr. Day: Mr. Hunter, is that the question you raised in Public Accounts? Is it the same highway, the same project, that was delayed due to – I think you raised an issue with water ponding?

Mr. Hunter: I didn't, but my colleague did.

Mr. Day: Sorry. It was raised in Public Accounts. I wasn't able to respond in Public Accounts, but we've since provided a written response. That's a project that was designed previously, that we had on the shelf. When we tendered the project, the Alberta environmental regulations had changed, so we had to do some redesign on the project, and we lost the construction season last year. It is scheduled to be done this year.

Mr. Hunter: Okay. Thank you, sir.

On line 12.2, page 259, which is interchanges, intersections, and safety upgrades, the funding has actually dropped over \$32 million over the last two years, to a little over \$61 million, yet interchanges are in high demand these days. I'd like to talk a little about the interchanges. Do you concur that Chestermere and Rocky View county need three interchanges along highway 1?

Mr. Mason: Do I agree that they need three?

Mr. Hunter: Correct.

Mr. Mason: Well, I think it's a matter that needs considerable care. I'm not going to commit to those projects in the estimates process,

but it's something that is going to be reviewed. All of those needs have to be discussed.

I think we also need to have some conversations with municipalities with respect to their growth plans and how that then impacts our budgets. As it occurs now, municipalities develop their plans, which may be on both sides of a major provincial highway, and the expectation is that the province is going to build the interchanges as they continue to grow. We want to support growth, and we want to support our municipalities. But I think we have to also have a conversation about the decisions that they make on the type of development and the location of development and how that then drives the capital budget of the Transportation department. I think there are some valuable conversations that need to be had.

There's a safety issue in Chestermere. There was a very unfortunate death of a young man. We've been working with the community, with the city there on that, and we've installed an acceleration lane. Since that time there's just been one minor incident. We're going to continue to work with law enforcement and the city of Chestermere and that community to continuously improve the safety there.

Mr. Hunter: Okay. Thank you, Minister.

In regard to urban sprawl, I'd like to talk about that for a second here. With respect to highway 216 in the southwest part of Edmonton would you agree that the city of Edmonton caused the traffic problem by approving development outside of the ring road in the area?

Mr. Mason: Well, I can't really speak to their decisions or to the position of the previous government with respect to expansion outside of the ring road. I do go back to my earlier point, and that is – and we're seeing this in Calgary as well – that we've built these ring roads, and I don't think they were ever intended to be a permanent boundary to the expansion of residential and commercial opportunities in those cities. But as they begin to develop more and more outside of the ring roads, then again we're faced with the same problem, which is that they come to the province and say: we need interchanges.

Well, interchanges can be \$50 million to \$100 million, depending on the design. That's a lot of money, and it's a lot of money that we need to have some planning say in because we have to get control of our costs, including our capital costs. If we just have unplanned growth that the province has not got any input into, then our capital budget just blows up in the future, and we need to kind of grapple with that. I'm trying to appeal to your fiscal conservative instincts here.

11:30

Mr. Hunter: I appreciate that, Minister. Unfortunately, I'm running out of time here, so I'm going to have to cut you off there, but I don't want to be rude.

Is Alberta Transportation collecting any recovery fee from the city of Edmonton to pay for the additional lanes needed on the southwest ring road?

Mr. Mason: No.

Mr. Hunter: Okay. Pages 67 and 68 of Alberta Transportation's Project Administration Manual have provisions for municipal private-sector cost-shared projects. If you knew the city of Edmonton was approving development south and west of the ring road, why didn't you get an agreement with the municipality or the developer to pay for the needed expansion to the ring road given that such developments must have had a traffic impact assessment done for approval?

Mr. Mason: There is an instance, I think, on 135th Street where the city is paying for the ramps, but, you know, you're touching on an issue that I think we need to address, and that is the cost sharing for access to provincial highways as a result of growth. I think you're making a valid point. With respect to the specifics, I think we should probably get back to you on it.

Mr. Hunter: I'd appreciate that, Minister.

Speaking about urban sprawl, urban sprawl increases cost to governments in capital and operating for new highways and for water and waste water. Does your department subsidize urban sprawl, Minister?

Mr. Mason: I think we do. I think that, you know, in the past what the department has done, what the government has done is responded to municipal requests. A lot of the planning work that drives the capital budget of the Transportation department has been done by municipalities, and I think we need be more deliberate as a department and as a government about where we want our provincial network to go, what we want it to look like, and there has to be fair distribution of costs.

Mr. Hunter: I would agree, Minister.

Minister, your department forced CrossIron Mills to build a partial interchange on highway 2 to relieve northbound congestion and southbound access. It wasn't enough. The right-hand highway driving lane southbound at the Balzac interchange on highway 2 and highway 566 . . . [Mr. Hunter's speaking time expired] Stay tuned.

Mr. Mason: I really wanted to answer that question, too.

The Chair: On to you, Mr. Drysdale. Go ahead.

Mr. Drysdale: Thank you, Mr. Chair. Minister, just to quickly finish off where I was, then I'll move on.

Mr. Mason: Sure.

Mr. Drysdale: I'm sure there's a good explanation for it, but in the past we did three- and five-year budget plans. It's strange that this year you did a four-year plan. I'm just wondering why. I'm sure there's an explanation. Why four years?

Mr. Mason: Well, we did a five-year plan, as you know, under the advice of David Dodge. We decided to increase the capital plan over a five-year period, and as that plan progresses, then we're scaling it back. Now, we won't go fewer than three because there's a construction plan and that's the traditional length of time for the capital plan, but we finished a year, so we dropped it down.

Mr. Drysdale: So next year it will be a three-year plan?

Mr. Mason: And then it will stay there.

Mr. Drysdale: All right. Good. Thanks.

Highway 19 twinning didn't get very far last year. Has it been tendered and ordered for this year? Will they get started right away?

Mr. Day: The projects that are approved are on either end of highway 19. On the east end we just finished conversations with the developer there, Remington Development, so we're actually tendering that work on their behalf. That, I believe, will be out this construction season. The west end is still in the design phase, and it's going to be tendered for construction this season as well on the west side.

Mr. Drysdale: But if they haven't been tendered yet, chances are they're not going to get finished this year. But, anyhow, I'll leave that. I know that three years ago they were . . .

Mr. Day: But I'm not sure those could be finished in a one-year construction season regardless, Mr. Drysdale.

Mr. Drysdale: Well, again, tendering this time of year isn't ideal either for costs and stuff, but I'll leave that. I've already harped on that.

Minister, the STIP program: good for bringing that back. You know how government works. I always wanted to bring it back, but the Transportation minister doesn't control things.

Mr. Mason: You don't always get what you want, do you?

Mr. Drysdale: Exactly. You must have a bigger stick or something. But thanks for bringing it back even though it is watered down a bit because you added airports and everything else.

Mr. Mason: No, airports were there. We broadened it so that, you know, lights and aprons and so on were covered, but it's a very small amount.

Mr. Drysdale: Yeah. One of the best uses of it or more popular was the resource road funding, of course. You know, lots of activity out in the rural areas to bring resources out, and it's what helps the province build their money. Have any of the resource road projects been approved for this year? We get to the same thing: if they haven't been approved and they haven't been tendered, nothing is going to happen again this year.

Mr. Mason: You have to stay tuned. Those announcements haven't been made. There are a number that are under consideration, and I think that information won't be – how long till we start making those announcements?

Mr. Day: Three to six weeks.

Mr. Mason: Yeah. So three to six weeks.

Mr. Drysdale: They get announced, then they will have to be tendered, so the chances of them getting built this year – you know, we're tendering again in June and July.

Mr. Mason: As you know, it's the budget cycle that we all live with, right?

Mr. Drysdale: Anyhow, they can be tendered earlier, but whatever. How many kilometres of overlay and rehab kilometres in the whole of the next three years per year – like, not dollars; kilometres. There's a difference.

Mr. Mason: That's in here somewhere. We repaved approximately 1,100 kilometres of provincial highway in 2016, and we're anticipating 1,200 kilometres in '17-18. Does that answer your question?

Mr. Drysdale: Yeah. The next three years. That's good enough. I know that we always wanted to get to 1,300. You're getting close there.

Mr. Mason: Based on the 2017 funding levels it's estimated that the repaving program will achieve the target of repaving approximately 1,300 kilometres per year by 2020, and that will just get us to the point where there's no further deterioration in the

highway network, right? You know, that's just swimming upstream so you're not moving back.

Mr. Drysdale: Yeah. But I've noticed the difference already in the conditions because that went down to 700 at one time, so that was noticeable.

Just in the little time we've got left – it seems everybody gets their favourite project in.

Mr. Mason: Sure. Go for it.

Mr. Drysdale: In order for the people back home: highway 40. You know, there have been some issues there. I now see it's on the unfunded list.

Mr. Mason: Right.

Mr. Drysdale: It's another one of those roads where it's all industrial traffic and oil. It's really picked up and is bringing lots of revenue to the province, but it was disappointing here in the last year, where there are some developments down there and Transportation has not been approving them because they say the highway capacity is full and they don't want to approve it yet. You know, your economic development minister is working on bigger projects down there. Hopefully, Transportation doesn't stop that development.

11:40

Mr. Mason: No, I don't think so. Our three-year program includes 18 road and bridge projects on highway 40 between Grande Prairie and the Yellowhead Trail, eight of which are north of Grande Cache. Traffic increases on highway 40 to eight kilometres south of the city near the Wapiti River have now triggered the need for twinning, which is why it's been added to our unfunded capital projects list, and we're moving ahead with engineering work on that project.

Mr. Drysdale: Good. Thank you, Minister.

I know you've heard from municipalities and the people, because I definitely have, about the highway 43 bypass at Grande Prairie, which was good. But somehow the interchange got dropped off, so now we've got a freeway with a set of traffic lights in the middle of it. I know. I get it. It's been tendered without that, but I think that interchange needs to at least be added to the unfunded list or something. You know, we won't allow right ins and right outs because it's supposed to be a full-flow freeway, but then you go and put a set of traffic lights in the middle of it.

Mr. Mason: Yeah. We've been working with the county. We've made an overall \$48 million investment that includes construction, utility relocation, engineering, and so on. We're building an intersection with illumination and traffic signals for highway 43X and highway 43 that allows a ramp that will allow traffic heading south on 43X to continue westbound on 43 without stopping. A full interchange typically costs between \$50 million and \$70 million. Current traffic volume, existing land use, and connecting road networks do not warrant building an interchange at this time, but, of course, that is something in the future, and when conditions and funding allow, then, of course, we will be moving to that.

Mr. Drysdale: Thank you. I had to ask the question.

Leading into that, I support that highway 3, you know, needs to be worked on and twinned as well.

Mr. Mason: Well, as you said earlier . . .

Mr. Drysdale: Yeah. I support that, but I also want to say that twinning 43 to the border was committed years ago, and since then ring roads have been finished or are moving along on 63. Hopefully, the commitment to finishing twinning 43 to the border to get to the port moves along as well, but it's not even on the unfunded projects. To do projects like 3 and 43 – it seems always to take backstage. I mean, we spent a lot of money in Edmonton and Calgary and twinning 63 in the last five years, but we need to get some money spent in the rural to get our resources in to pay for those ring roads. I need to bring that up, and I think I've told you that before.

Mr. Mason: Well, that's fair.

Mr. Drysdale: Don't forget about the rest of Alberta.

Mr. Mason: No. But as you said, in connection with your experience with the STIP program . . .

Mr. Drysdale: Yeah. I get it, but my job is to bring it to the forefront.

It's interesting you brought up that the rail – it's a good point – still moves most of our product to export, and we're getting more and more out of it, you know, more exports and value-added stuff. When was the last time any upgrade was ever done to our rail system to get our products to the port?

Mr. Mason: I don't have the answer to that question.

The Chair: Thank you, Minister. Thank you, Member.

We'll now move on to the private members of the government caucus once again.

Ms Kazim: Thank you very much, Mr. Chair. Hon. minister, I have a question about green infrastructure related projects. Can you please elaborate a little bit more on that?

Mr. Mason: Sure. We're investing \$1 million to convert highway lighting to LED technology at Anthony Henday Drive and the highway 2 interchange in Edmonton. One of the things that we can do by changing out the lights – the lighting that we do, of course, has significant savings in energy and overall operational savings as well. There are going to be more projects, I'm sure, in the future.

The Premier has stated in the past that, for example, the green line in Calgary or the extension of the river valley line in Edmonton may in fact be candidates for funding from the climate change fund, so we'll be looking at that, but we're very much committed to making sure that allocations from that fund are directed only at projects that do have a significant environmental benefit and produce real and meaningful reductions in energy use and in greenhouse gas emissions.

Ms Kazim: Okay. Thank you.

Mr. Kleinsteuber: Back to me. Minister, on page 147 of the ministry's business plan, capital investment, under the line item for bridge construction projects I see that we have an estimated \$68,150,000, and then for provincial highway construction projects we have an estimated \$456,385,000, and for the provincial highway rehabilitation we have an estimated \$388,000,000. I'm glad to see that the government is serious about investing in roads and bridges and addressing the infrastructure deficit created by previous governments. Subsequently could you please provide some details on what your ministry is specifically investing in when it comes to roads and bridges?

Mr. Mason: Sure. As part of our four-year capital plan we're investing more than \$3 billion in road and bridge construction in

our provincial highway network to help connect communities, to enhance access to markets and services, and to improve the quality of life for all Albertans. We're also investing more than \$2.1 billion in bridge construction, pavement rehabilitation work, and slide repairs. More than 500 road, bridge, and water infrastructure projects that will help to meet these goals are listed in the department's three-year provincial construction plan, which is available on Transportation's website. It includes \$1.1 billion for provincial highway construction projects, including twinning, widening and expansions, interchanges, intersection improvements, and safety upgrades.

Last year we finished the construction of the northeast Anthony Henday Drive, completing the Edmonton ring road. We also opened all four lanes on highway 63, which greatly supported the evacuation of the Fort McMurray area during the wildfires and the return of residents last June. We're building on this momentum by continuing to invest in critical infrastructure projects like the QE II Gaetz Avenue interchange in Red Deer, the highway 43X bypass in Grande Prairie, and twinning the Peace River Bridge. As the Premier officially announced on March 23, we're also completing twinning of highway 15, including the addition of a second bridge across the North Saskatchewan River in Fort Saskatchewan. As well, we're building an interchange to highway 2 and 212th Avenue S.E. to support economic development in southeast Calgary. A number of other projects are being finalized, so you can expect further announcements in the next few weeks as we sort out the details.

We are making these investments to support Alberta families, communities, and businesses across the province and to make life better for Albertans.

Mr. Kleinsteuber: Well, all good news. Thank you, Minister.

Ms Kazim: Okay. My question is on water projects. On the topic of water, I notice the capital investment line item called Water Management Infrastructure. For that particular line item I see that there is a substantial investment, estimated at \$39,432,000. Could you please elaborate on what this money is being used for, especially for water projects that support rural Albertans?

Mr. Mason: Why thank you, hon. member, for that question.

Ms Kazim: My pleasure.

Mr. Mason: Budget 2017 invests \$474 million in water for life, an Alberta municipal water and waste-water partnership grant program over four years to support smaller communities and regional projects in rural Alberta. These same projects will receive more than \$190 million from the government of Canada through the community water and waste-water fund as part of a bilateral agreement that I signed with Minister Sohi in September 2016. We're also providing a \$9 million grant to the municipal district of Pincher Creek to build a new waterline from the town to the Castle Mountain area, and we've dedicated \$100 million over four years for water projects which provide indigenous communities with access to regional drinking water systems.

11:50

This infrastructure spending is an investment in helping put Albertans back to work while providing vital access to clean drinking water and improved waste-water treatment facilities. These projects are part of our government's commitment to improve the quality of life for rural Albertans.

As well, we're investing \$109 million over the next four years in government-owned water management infrastructure across Alberta.

The funding will improve critical water infrastructure throughout the province, including dams, spillways, canals, control structures, lake stabilization structures, erosion abatement works, and flood control dikes. Of the \$109 million, \$3.1 million is being allocated toward the Carseland-Bow headworks project over four years.

Investing in water infrastructure ensures a safe water supply to support our agricultural, industrial, and tourism sectors and helps put Albertans to work on infrastructure projects throughout the province, fulfilling our objective to make life better for Albertans.

Ms Kazim: Okay. That's excellent. Thank you.

Mr. Kleinsteuber: Minister, I'd like to turn to a topic now specifically related to the strategic transportation infrastructure program, or STIP, as I know that it's referred to. It's been covered a few times here today. It provides financial assistance to smaller and rural communities to develop and maintain key transportation infrastructure that promotes economic growth and improves mobility. What is your ministry doing to support small municipal and rural community local roads and bridges priority projects via the STIP program?

Mr. Mason: Okay. Thanks very much for that question. The 2017 budget dedicates \$100 million in STIP program funding: \$35 million in '17-18, \$30 million in '18-19, and \$35 million in 2019-20. The deadline for the first round of applications closed February 3, and we received more than 200 applications and are in the process of reviewing them. I'm looking forward to announcing the new projects in the coming weeks.

STIP funding supports rural and smaller urban municipal transportation infrastructure, including local road bridges, resource roads, and community-owned public-use airports, all of which contribute to a higher quality of life. Investing in our towns and counties through STIP will not only ensure that they have the roads and bridges they need to grow sustainably but will also create jobs for construction and engineering firms and workers involved in capital projects.

We are committed to investing in infrastructure projects across Alberta to support sustainable, resilient rural communities and to make life better for Albertans.

Mr. Kleinsteuber: Good to hear.

On to the topic of transit. I see that on page 141 of the business plan the ministry lists supporting municipalities with transit as one of its key activities. On the same page at the bottom it states that the ministry is committed to connecting people and places within and between communities and will work with municipalities and other partners to enhance accessibility by supporting public transportation initiatives, including regional, urban and rural public transit and active transportation options.

On a general level, what projects are you investing in across Alberta to support these initiatives?

Mr. Mason: Okay. Thanks very much. Our budget includes \$1.3 billion for urban, rural, and regional transit to connect communities and to help Albertans access affordable transportation options. This investment includes \$848 million in GreenTRIP funding. [A timer sounded] Do I keep going?

The Chair: Thank you, Minister. No. We're going to move on to the Official Opposition.

Mr. Hunter: Thank you, Mr. Chair. Through the chair, unfortunately due to the lateness of the hour I'd like to read in some questions for the minister, and then at the end you could answer

them. I would hope that a fourth time we don't hear that you're going to make life better for Albertans.

Mr. Mason: I'm sure you don't want to hear that.

Mr. Hunter: We'll just go ahead, and I'll read these questions into the record.

The Balzac interchange on highway 2 and highway 566, the question that I was asking before, is backing up the highway. Why aren't you doing anything to fix the traffic, which is not able to exit the highway properly? Instead, it seems like you're perpetuating the situation for a high-speed rear-end scenario.

The other question I have for you, Minister. Highway 41 going to the port of Wild Horse: are you advocating for a 24-hour border crossing at that border crossing? It has been advocated for for many years, and I wholly concur with that.

Also, in terms of traffic safety Wildrose has FOIPed for location data on accident locations. Unfortunately, we keep on getting denied or told that your department doesn't have it. As part of the GOA's open-data project will you allow data on accident locations to be made public so that we can track it and be able to make recommendations in terms of proper traffic safety initiatives?

Then the last question I have for you, Minister. The ministry has stated that the action plan will identify detailed tasks to achieve the goals of the strategy, but the action plan will not identify specific projects. If the strategy is an overarching vision with no specific initiatives, no specific projects, why do you call it an action plan?

I will turn the remaining time over to the minister to hopefully answer some of those questions.

Mr. Mason: Okay. Well, I'm curious about sort of a different approach, hon. member, that you seem to have between making sure Edmonton has to pay for its access to the highway and the CrossIron Mills project in the county. I think there are lots of people with a view that that development is causing a great deal of traffic on our highway. I don't quite understand why we want Edmonton to pay for their access and that the private developer or the county development, you seem to think, we should just pay for. I'm curious about that. I know that I can't ask you questions, but it is something that occurred to me.

In terms of the Wild Horse border crossing, we do support the Wild Horse border crossing. You know, upgrading our customs facilities on the Canadian side of the border I think is an important thing that we would encourage the federal government to do.

I'll get back to you about keeping the accident data, not releasing that or not collecting it. I'll take a look at that because I think it's important information, and if we're not collecting it and using it, it should be a key tool for us in terms of planning to improve highway safety and so on. I'm curious about your concern there.

In terms of the action plan, well, a strategy is a strategy that helps drive decisions about projects, but different circumstances change from time to time, so to try and embed all the projects in the strategy just so you can call it an action plan is not something that I necessarily agree with. The strategy creates the framework for making good decisions about which projects you are going to support.

I don't know. I'm actually going to see if you've got any more questions.

Mr. Hunter: I actually do. Seeing as we do have a little bit of time here, I will ask. Minister, this strategy has been developed for seven years now. The consultation was completed in 2015. Why is it taking so long to complete that strategy?

Mr. Mason: Grande Prairie-Wapiti asked about the 50-year plan. Is that what you're referring to?

Mr. Hunter: Yes.

Mr. Mason: Well, I hope that I answered that question. I would say that the large majority of the work that's been done on that plan is very, very useful, but what we need to do is incorporate the approach that we're going to take to technological change. In other words, the planning itself has to be different. You can't plan in the way that we have planned in the past for ring roads and outer ring roads and this highway and that highway. All of that work may continue, but you need to also realize that there are going to be things that happen that you haven't anticipated, and they'll happen very quickly.

The Chair: Thank you, Minister and staff and committee members.

The time allotted for this item of business has concluded, but I would like to remind committee members that we are scheduled to meet again on April 11, 2017, at 9 a.m. to consider the estimates of the Ministry of Energy.

Thank you, everyone. This meeting is adjourned.

[The committee adjourned at 12 p.m.]

