



Transportation Connects Alberta

Navigating Uncertainty

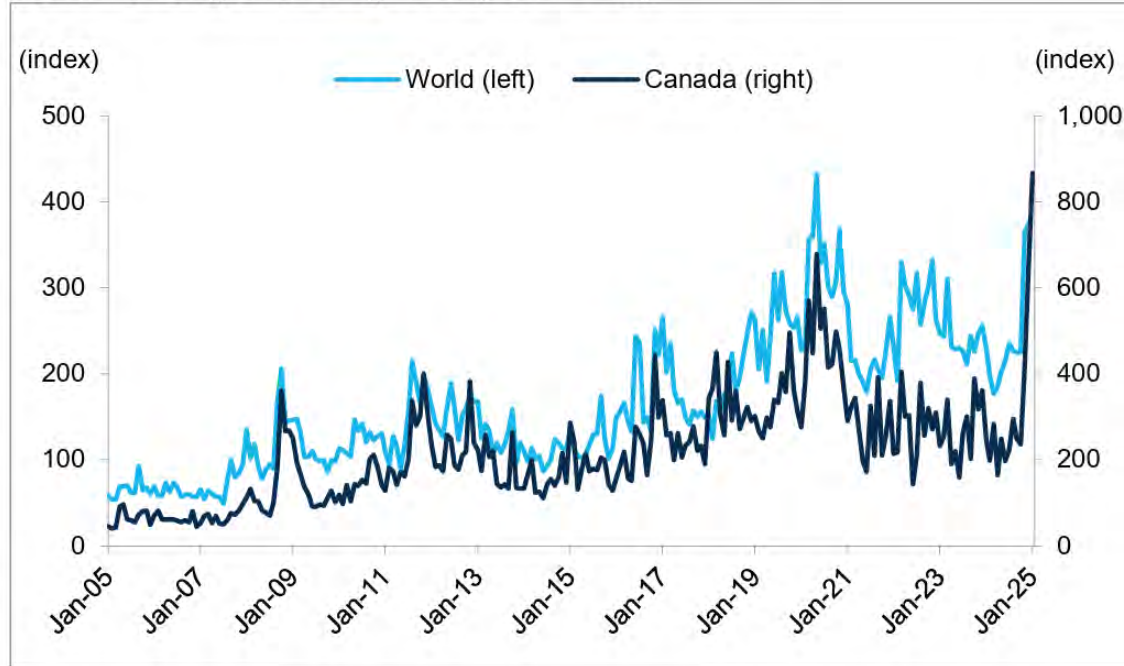
Bryce Stewart, Deputy Minister
Transportation and Economic Corridors (TEC)

The Challenge

- Longstanding issues
 - Market access/diversification
 - Competitiveness
 - Volatile oil prices and cyclical economy
- Near-term headwinds
 - Pressure on public services as more people move to Alberta
 - Potential U.S. tariffs and retaliatory measures

The Uncertainty

Economic Policy Uncertainty Index (Mean = 100)

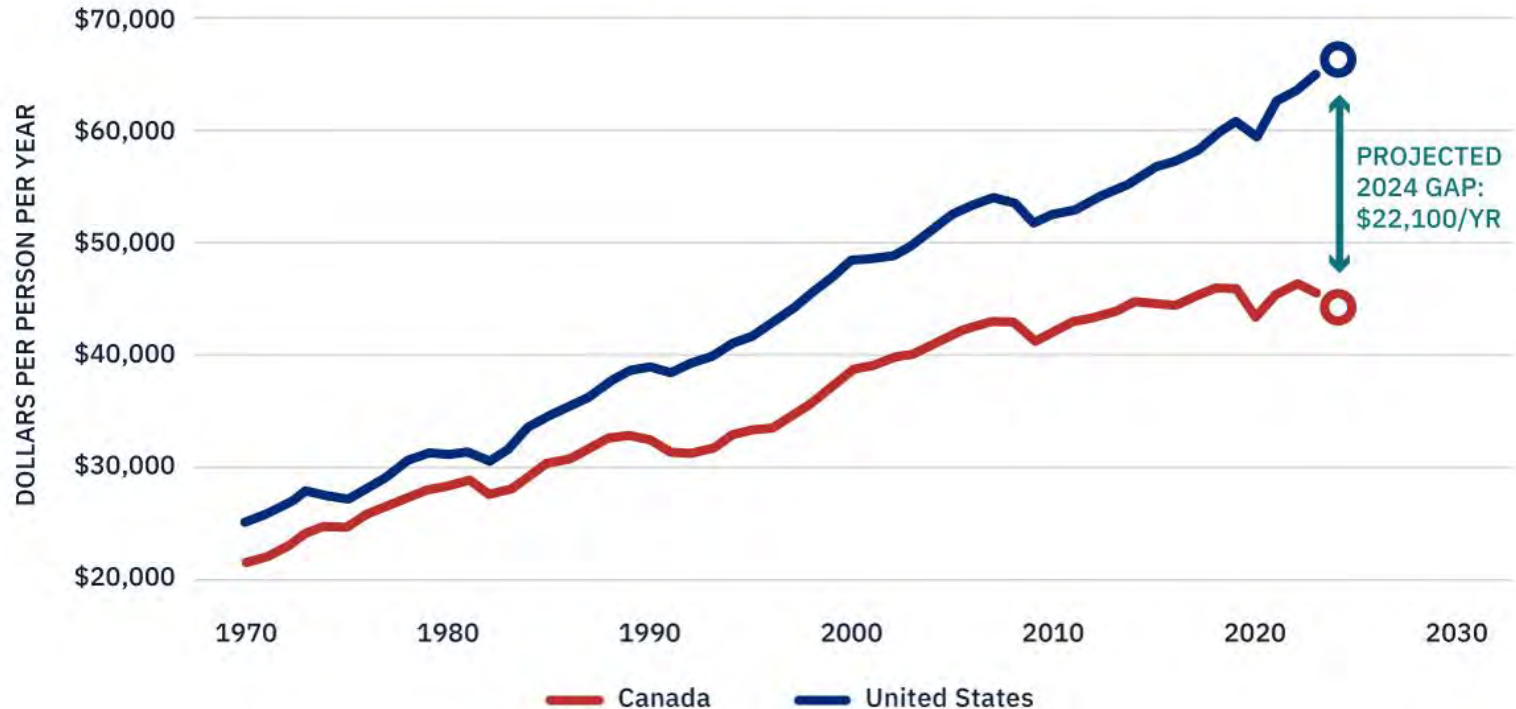


Included in Alberta Budget 2025 Fiscal Plan from PolicyUncertainty.com and Haver Analytics; Canada's News-Based Policy Uncertainty Index is based on news articles from the Canadian Newswire and from five Canadian newspapers. Each paper-specific series is normalized to standard deviation 1 prior to 2011 and then summed. The series is normalized to mean 100 prior to 2011.

The Opportunity

- Canada has a well-documented productivity challenge relative to global peers and especially the United States
- Productivity growth is about generating more output (goods and services) with the same or fewer inputs (labour and capital)
- Strong productivity growth is the foundation of a competitive economy and a rising standard of living
- From a transportation perspective, productivity growth means being able to move people and goods more easily within cities, the province and the country

Real GDP per Capita (PPP, 2015), 1970-2024 (F)



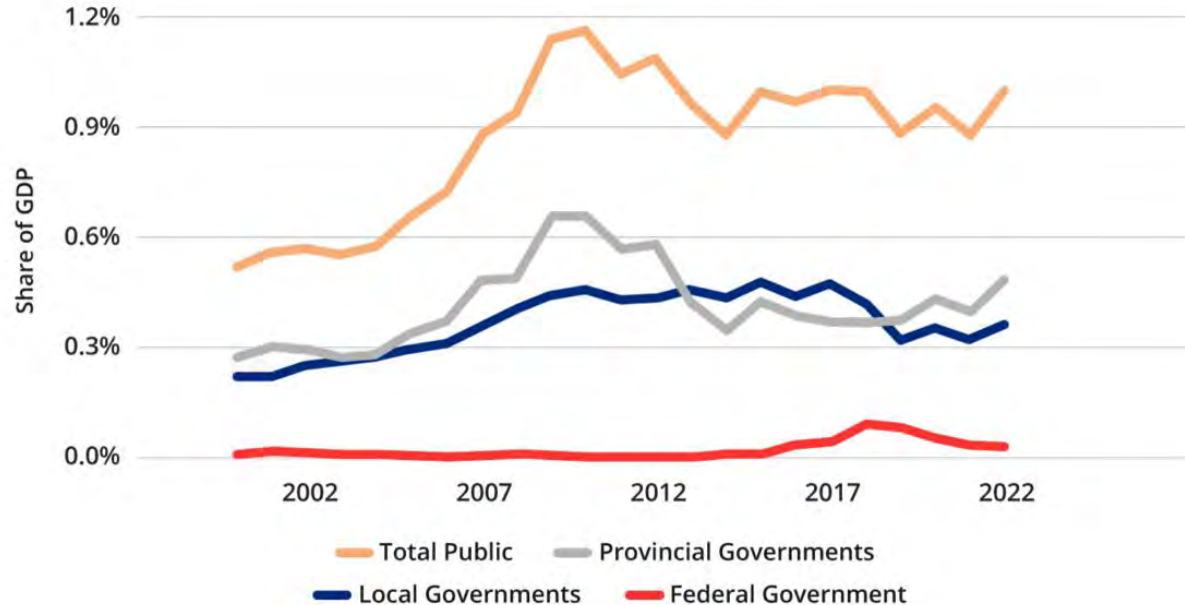
Trevor Tombe: *The Great Divergence: Canada's economic gap with the U.S. reaches a new record*,
<https://thehub.ca/2024/09/05/trevor-tombe-the-great-divergence-canadas-economic-gap-with-the-u-s-reaches-a-new-record/>

Alberta

Investment

- Provincial funding
 - Target corridors with significant economic activity and strategic long-term importance
 - Balance maintenance and rehabilitation with green field development
 - Providing stable long-term funding
- Federal funding for trade-enabling infrastructure
 - Transportation infrastructure as a driver of productivity rather than a drain on public coffers
 - A priority along with commitments to fund transit

Public Spending on Transportation Infrastructure (% of GDP)



Trevor Tombe: Actually, Minister Guilbeault, Canada needs more roads, rail, and all of the above, <https://thehub.ca/2024/02/22/trevor-tombe-canada-needs-more-roads-rail-and-all-of-the-above/>

Regulatory Streamlining

- Regulatory regimes that are fit for purpose
- Economic corridors
- Interprovincial trade

Industry Productivity

What we heard	What we are doing
<ul style="list-style-type: none">• More visibility on RFPs and contract tenders and tracking of timelines, standardized criteria, and accountability metrics.• Delays in the RFP and tender processes impact industry efficiency and project timelines.• More information on projects ensures the best pricing by industry.	<ul style="list-style-type: none">• Placing TEC procurement teams closer to the business areas that deliver the projects.• Sharing the three-month tender plan with industry with clear process and timelines on decisions around designs, standards, and specifications.• Completion of design and tender packages in accordance with the published Capital Plan, with tenders that are construction ready, and not rife with follow-up or gaps which industry cannot effectively price.• Risk mitigation through pre-tender activities including: enhanced geotechnical investigations; and advanced communication with utility companies to enable them to plan and coordinate their utility work prior to the commencement of projects.

Thank-you

