

ARHCA continues to fight for stable funding for Alberta Transportation

As Yogi Berra once said: "It ain't over 'til it's over" and that is certainly the approach the ARHCA is taking in reaction to recent drastic cuts made to Alberta Transportation's (AT) budget.

On March 19th, the Alberta Government announced its 2002-03 budget. AT's portion totalled \$893 million, down 18 percent from approximately \$1.2 billion in 2001-02. More significant to ARHCA members is the capital budget portion of these funds, which was reduced to \$242.7 million from \$455.3 million - a 47 percent reduction. The Capital Projects budget includes highway maintenance, rehabilitation, and new construction.

The immediate impact of the cuts will be felt most strongly in the rehabilitation and new construction sectors, since Department officials have said they won't significantly reduce the highway maintenance budget.

Approximately half of the ARHCA's 530 members make the bulk of their living working on AT projects.

However, the ARHCA along with other stakeholders began to lobby against massive cuts to the AT budget long before March 19th. In November 2001, AT warned the ARHCA that the 2002-2003 budget may be significantly reduced compared with the previous year.

The Association took action immediately, and put together a political brief and a high-intensity lobbying campaign. ARHCA Board members and staff met with many MLA's, and held sessions for member companies in Edmonton and Calgary on "Talking to Your MLA" - more than 100 members attended. Many members began meeting with their local elected officials, writing letters, and talking to local newspapers about the devastating effect major cuts to AT's budget would have on the heavy construction industry.

On January 10, 2002, the ARHCA met with Alberta Transportation and the news was

broken that cuts to the capital projects portion of the budget would be far worse than first anticipated. The lobby effort was increased, and ARHCA joined forces with the Consulting Engineers of Alberta (CEA), and EXH Engineering in a more aggressive effort.

ARHCA members and staff met personally with 59 MLA's.

A new briefing document was created and circulated again to

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ADM Rob Penny's Speech to ARHCA Members

Speech delivered by Rob Penny, Assistant Deputy Minister, Transportation and Civil Engineering Division, Alberta Transportation, at the ARHCA Edmonton and Calgary Area Meetings.

To be checked against delivery.

I appreciate the opportunity to speak about what the future holds for Alberta's highways as well as the realities we have to face in light of the recent provincial budget.

Over the last few years, we've had unprecedented growth in this province culminating last year in the in the largest investment ever made in our highways. You rose to the challenge of accommodating our construction programs and together we twinned over 110 kilometres of highway, and worked on numerous projects to enhance Alberta's highway network.

My sincere thanks for your hard work and dedication. I would also like to pass on the appreciation of the Minister as well. Strong partnerships will also help us weather more challenging times, which brings me to this year's budget.

Late last year we had a strong sense that the unimproved economic situation would have a negative impact on Alberta Transportation's budget.

That's why we met with ARHCA representatives in December to offer our perspective on the future of highway construction in the province. We know that you rely on government to predict future work and we felt it was important to share this information with you.

Now that Budget 2002 is a reality, you're probably wondering what it means for you....

Alberta Transportation's budget was reduced by \$600 million or about 40 per cent.

Following the budget announcement Treasury Board reviewed the preliminary 2001-02 fourth quarter results and approved the reinstatement of municipal grants for this year only. For Edmonton and Calgary, it means they will receive five cents per litre of fuel sold until March 31, 2003. Other cities, towns, hamlets and villages will receive grants based on \$60 per capita.

However, our 2002/03 budget hasn't been affected by this reprieve which means we have a budget of just under \$893 million for this fiscal year.

We've had to defer the completion of a number of significant highway projects including the Anthony Henday Drive extension in Edmonton and the Deerfoot Trail in Calgary. The North-South Trade Corridor will also be deferred with completion expected around 2011.

However, we will move forward over the next three years with as many projects as our budget will allow including:

- the Campsite Road and Highway 16 interchange;
- the McKenzie Lake and 130th Avenue interchanges on the Deerfoot Trail in Calgary; and
- the Innisfail interchange.

We also anticipate the following construction volumes over the next three years:

- just over 28 million cubic metres of grading;
- 6 and a half million tonnes of base paving; and
- just under 6 million tonnes of asphalt concrete paving.

To put this in perspective, last year we completed about 27.5 million cubic metres of grading!

Soon we will tender some projects that will interest you including:

- Highway 2 and 22x – the Dewinton Interchange;
- Highway 1 and 68 – Scott Lake Junction; and
- Highway 864 and Highway 3 – North of the Oldman River.

I don't enjoy telling you that the next few years for road building in this province are going to be relatively lean. It

ADM Rob Penny's Speech continued

doesn't make me happy. And it doesn't make the Minister happy to see Alberta Transportation's budget go through erratic peaks and valleys.

So let's look toward the future and what we can do together to make Alberta's transportation network one of the best in the world. In March, Alberta Transportation, the ARHCA and the Consulting Engineers of Alberta participated in a tri-party issue resolution workshop. During the workshop, we discussed a number of ideas including sustainable funding and public-private partnerships to help improve the way Alberta's highways are funded.

Right now, you have the opportunity to share these ideas with the recently established Alberta Financial Management Commission.

The commission will examine alternative financing options for government and is headed up by David Tuer - the former president, chief executive officer and director of the PanCanadian Energy Corporation.

Over the next year, the commission will look to industry, stakeholders and other jurisdictions for ideas and different approaches to government funding.

I encourage the ARHCA to share its views on sustainable funding and funding alternatives with the committee.

I also encourage you to share your concerns with municipalities who will also be directly affected by any decisions which come out of the commission.

I can tell you that Alberta Transportation is open to new ideas. Experience with our industry partners has shown us that everyone benefits - including the Alberta taxpayer - when we work together.

Welcome New Member!

CAT The Rental Store

Keenan Wellwood
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Edmonton AB

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kwellwood@catrents.ca

CAT The Rental Store is an Alberta-based company owned 80 percent by Finning Canada Ltd. and 20 percent by its employees. Ten branches are currently open across Alberta, with plans for eight more stores this year in B.C. and Alberta. The store has a large Caterpillar and allied equipment rental fleet including crawler tractors, wheel loaders, excavators, skid steers, backhoe loaders, compactors and more.

Welcome New Member!

Westco Construction Ltd.

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Westco Construction Ltd. has operated in the southern part of Alberta for the past 10 years. The company specializes in highway fencing, guardrail and signs, as well as having a general construction division specializing in steel building construction.



Roadrunner

The Roadrunner is published by the Alberta Roadbuilders and Heavy Construction Association (ARHCA).

The Roadrunner is produced by ARHCA staff.

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COR Program Audit Changes Toughen Requirements

This information provided by the Alberta Construction Safety Association (ACSA).

ACSA Health and Safety Audit Document Changes

If you are registered in the Certificate of Recognition program or hold a valid certificate, be aware that the Health and Safety Audit Standard put out by Workplace Health and Safety changed as of January 1, 2002. To meet the new standard, changes to the ACSA Audit Document were required. The most noticeable changes are:

The Number of Interview Questions – Workers and Management increased to 52 questions

Section 2 – Hazard Assessment – Element points increased from 8 to 40

Section 3 – Safe Work Practices – The auditor is asked to identify safe work practices that are most applicable or critical to the work being done that may be missing.

Section 4 – Job Procedures – The auditor is asked to identify a job procedure that is most applicable or critical

to the work being done that may be missing.

Notes to Audit Questions – Sufficient space is provided after each element in the audit document for the auditor to comment on every audit question.

Auditor Executive Summary – The Auditor Executive Summary Report must be completed element by element (1 through 13)

Action Plan – The audit document contains an Action Plan form, which is formatted for easy use by the company representative

The Auditor – has the autonomy to affect as many interviews as he/she deems necessary to establish program proficiency. When this occurs, the auditor must justify the reason on which the decision was based (this may be more or less than the number of interviews determined for the audit).

The auditor also has the autonomy to visit as many work sites as deemed necessary to establish program proficiency. The auditor must justify the reason on which this decision was based. This may be more or less than one third of the active work sites identified on the site assessment form that was submitted for the audit.

*Welcome
New Member!*

Travelers Financial Corporation
Ryan Sorgard
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Travelers Financial Corporation has offices in Calgary, Edmonton, and Vancouver and has been serving Western Canada since 1984. The company, as an intermediary for Wells Fargo Equipment Finance Company, specializes in providing a flexible source of financing to companies or proprietors that wish to upgrade or expand their business through the purchase of equipment.

*Welcome
New Member!*

Liebherr-Canada Ltd.
Brian Ried, General Manager
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Liebherr is an internationally recognized manufacturer of earthmoving equipment and both lift and duty-cycle cranes. Liebherr-Canada is the distribution and servicing company for the Canadian market. The Alberta branch serves all of Western Canada.

TEFU & Marked Fuel Programs May Be Eliminated - The ARHCA Speaks Out

The Alberta Government is looking at eliminating the Tax Exempt Fuel User Program (TEFU) and the Marked Fuel Exemption for off-road use. Both of these programs have a big impact on ARHCA member companies.

ARHCA representatives from eight member companies and President Allan Lowe met with Deputy Minister of Alberta Revenue Robert Bhatia to let the department know that ARHCA members would be negatively impacted by the elimination of these programs. One of the ARHCA members who attended the meeting said

that his company receives annual rebates of up to \$270,000 under the TEFU Program. Expenditures for some of the ARHCA's larger members would increase between \$500,000 and \$750,000 annually if the tax exemption of 9 cents per litre on marked fuel is eliminated - a cost that ultimately would be passed on to the taxpayer through higher construction project costs for construction owners like Alberta Transportation and local municipalities.

Alberta Revenue has since put together a working group with industry stakeholders,

including the ARHCA, to determine the best way to reduce the department's administrative workload and problems with mis-use of the rebates. The working group met with Revenue Minister Greg Melchin at the end of May to discuss potential solutions.

The ARHCA has been assured by department officials that changes to these programs would not happen without consultation with industry representatives.

ARHCA Supports Education with Scholarships

Congratulations are in order for the latest recipients of the ARHCA Scholarship Programs. The ARHCA has three annual scholarship programs, one at NAIT, one at SAIT, and one for children of member company employees.

This year's recipient from NAIT is **Stuart McCracken**, a second-year Civil Engineering Technology student.

SAIT's recipient is **Ryan Dyck**, also a student in the

Civil Engineering Technology Program.

Each student will receive \$500 to go toward his education.

The ARHCA Scholarship for children of member company employees is still accepting applications until July 15, and the \$500 Scholarship will be awarded August 31, 2002. For more information contact Cindy at the ARHCA office at cindy@arhca.ab.ca

Welcome New Member!

**Alta-Fab
Structures Ltd.**

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Alta-Fab Structures has been in business since 1973 and offers the ultimate in new and used transportable buildings, site offices, lunchrooms, washcars, office complexes, in-plant offices, first aid rooms, wellsites, camps, kitchens, site training centres, shower and change rooms, and many other types of custom buildings as well as parts and local or on-site service.



MARK YOUR CALENDAR!

- June 19, 2002
- Edmonton Golf Tournament
- Edmonton Petroleum Golf & Country Club, and
- Highlands Golf Club
- July 3, 2002
- Northern Alberta
- Area Meeting
- The Dunes
- Grande Prairie
- July 4, 2002
- Northern Alberta
- Golf Tournament
- The Dunes
- Grande Prairie
- July 17, 2002
- Northeastern Alberta Golf
- Tournament,
- Bonnyville Golf and
- Country Club
- August 7, 2002
- Central Alberta
- Golf Tournament
- River Bend Golf Course,
- Red Deer

Fight for stable funding for AT *continued*

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all Alberta MLA's, this time with more than 30 organizations formally endorsing the brief, including: The Alberta Capital Region Alliance, The Canadian Manufacturers and Exporters Association, The Canadian Association of Equipment Distributors, as well as many local chambers of commerce and tourism offices, and several Alberta union offices, including the Teamsters, the Operating Engineers, and the Construction and Specialized Workers' Union.

Well after the cuts were announced, the ARHCA is still continuing to work toward stabilized funding - In March, the ARHCA, the CEA and Alberta Transportation met for an all-day Issues Resolution Workshop, addressing issues that have arisen as a result of AT's reduced budget.

The ARHCA is getting the message of stabilized highway funding out through presentations to many political organizations - provincial and municipal, including the Standing Policy Committee on Economic Development and Finance, and the Capital City, the Alberta Rural, and the Calgary Caucuses.

ARHCA representatives also met with the mayors of Edmonton and Calgary, and shared concerns and agreed to work together on this issue. In May, the ARHCA made another formal presentation, this time to the Financial Management Commission, which is a group assembled by the government to re-evaluate the way the provincial budget is managed.

The Commission's report will be completed by the end of June, and ARHCA President Allan Lowe is hopeful that improvements will be made. "This is the first time the Alberta Government has taken such a hard and serious look at how they manage taxpayers' money and other revenue, and I feel optimistic that improvements will be made."

ARHCA Chairman David Paslawski met with Finance Minister Pat Nelson at the end of May to outline our concerns about "roller coaster" transportation funding.

The ARHCA's position paper for the Financial Management Commission is available for downloading on the ARHCA web site at arhca.ab.ca under "What's New." ARHCA Members are invited to print it off and take it to their local MLA.