



ALBERTA
TRANSPORTATION

*Office of the Minister
Deputy Government House Leader
MLA, Calgary-Hays*



December 12, 2019

AR 78141

His Worship Barry Morishita
President
AUMA
300 - 8616 - 51 Avenue
Edmonton, AB T6E 6E6

Dear Mayor Morishita:

Thank you for your November 13, 2019 letter regarding the Alberta Urban Municipalities Association (AUMA) resolution 2019.A6 – Alberta Community Airport Program (CAP).

The Government of Alberta recognizes the role community airports play in supporting social and economic needs of Albertans, industry, and government. Alberta Transportation provides support for small community airports through the CAP, which falls under the Strategic Transportation Infrastructure Program. The CAP provides funding to small community airports, which do not have regularly scheduled flights, for the purpose of rehabilitation and pavement overlays of the primary runway, taxiways, and aprons.

The annual budget for the CAP has been approximately \$2 million per year. Since 2017, Alberta Transportation has awarded \$6 million in CAP funding to airports across the province. In 2019, the following airports submitted their applications for funding: Smoky River, Lac La Biche, Mountain View County, Bow Island, Ponoka, Drumheller, and Coronation; the department awarded approximately \$1.7 million in funding for projects that met the selection criteria. Alberta Transportation is not currently allocating additional funds to the CAP.

Further to the resolution, Alberta has an aviation fuel tax which is applied to aviation fuel for domestic flights at a rate of 1.5 cents per litre. The Government of Alberta is focused on maintaining a competitive tax environment for Albertans and Alberta businesses and is not considering increasing the aviation fuel tax at this time.

Given the government's current fiscal position and commitment to balancing the budget by 2022-23, municipalities may need to consider other revenue options to fund local airports.

.../2

Alberta Transportation makes determinations related to the provincial transportation system using various factors. Criteria are used to assess the value and benefits of proposed investments, including economic and social impacts, as well as impacts on safety. The department welcomes any feedback AUMA would like to provide on policies and processes related to investments in the provincial transportation system.

Thank you for writing. I hope this information is helpful.

Sincerely,



Ric McIver
Minister, Alberta Transportation

cc: Honourable Jason Nixon
Minister of Environment and Parks

Honourable Kaycee Madu
Minister of Municipal Affairs

Honourable Travis Toews
President of Treasury Board and Minister of Finance

Honourable Grant Hunter
Associate Minister of Red Tape Reduction

Barry Pape
Team Lead, Water, Wastewater, and Grants