

Transportation and Municipal Infrastructure

RMA members manage the largest road and bridge network of any stakeholder in the province, and the building and maintenance of transportation infrastructure is the largest line item on most rural municipal budgets. Rural municipalities also bear responsibility for other unique infrastructure challenges, such as water and wastewater systems, stormwater management facilities, landfills, recycling sites, and local emergency services buildings. Together with roads and bridges, these assets form the backbone of rural Alberta, ensure the public health, safety, and quality of life of rural Albertans, and support Alberta's broader economic and industrial objectives.

What is RMA's position on the importance of transportation and municipal infrastructure?

- ◆ Rural municipalities manage the majority of Alberta's roads, bridges, culverts, and water and wastewater systems, many of which exist primarily to support industrial growth across the province. The rural municipal perspective must be embedded in both provincial and federal infrastructure policy.
- ◆ Municipalities require ongoing support to build and strengthen asset management capacity to encourage data-informed decision-making, inform strategic use of provincial and federal infrastructure funding, and ultimately enable efficient, sustainable, and resilient infrastructure planning, operation, and renewal.
- ◆ Revenue from municipal taxation alone is insufficient to construct, operate, and maintain rural municipal transportation and other infrastructure. Long-term stability and predictability in funding commitments from provincial and federal governments is necessary for sustainability and to ensure the continued viability of both rural municipalities and the provincial economy.
- ◆ Infrastructure funding models utilized by the provincial and federal governments must reflect rural cost drivers, such as industrial and

Transportation and Municipal Infrastructure in Context

- ◆ RMA members manage approximately 130,000 km of roads, 10,000 km of water and wastewater mains, and 8,000 bridges and culverts.
- ◆ Provincial funding covers less than 3% of the \$5.55B needed annually to maintain rural roads at current conditions.

POSITION STATEMENT

agricultural developments and expansive service areas, instead of relying on per-capita or merit-based competition with urban municipalities.

- ◆ Shared responsibility and collaboration are critical to sustaining Alberta's rural municipal infrastructure networks. Industries that rely heavily on rural infrastructure to move goods and equipment must contribute to maintenance and upkeep, ensuring that the roads, bridges, and utilities supporting Alberta's economy remain safe, reliable, and sustainable. At the same time, governments must work in partnership with rural municipalities to align priorities and consult and engage with municipalities before altering grant programs, approval processes, or design standards.

Why are transportation and municipal infrastructure relevant to rural municipalities?

- ◆ Rural transportation networks are essential for connecting residents to healthcare, education, and community services, while also supporting tourism and recreation. These roads and bridges also link Alberta's resource industries to supply chains. Inadequate funding or maintenance not only isolates communities but also undermines the province's economic competitiveness.
- ◆ Constructing, operating, and maintaining rural transportation and other municipal infrastructure consumes over half of most rural municipal budgets, far higher than urban averages. Diminished provincial funding over the last several years has led to persistent financial strain and viability risks for rural municipalities.
- ◆ Rural municipalities view themselves as partners and supporters of industrial growth in rural Alberta. Rural roads and bridges connect resource industries (oil and gas, forestry, mining, agriculture, renewables) to provincial, national, and international supply chains. Without reliable rural infrastructure, Alberta's economy cannot move goods efficiently or remain competitive.

Who does RMA partner with to advance the rural perspective on transportation and municipal infrastructure?

- ◆ Government of Alberta: RMA engages directly with provincial ministries such as Alberta Transportation and Economic Corridors, Alberta Municipal Affairs, Alberta Infrastructure, and Treasury Board and Finance to advocate for legislative amendments, provincial funding, and policy changes that reflect rural realities, including sustainable investment in rural municipal transportation infrastructure.
- ◆ Local Government Administrators Association (LGAA), Alberta Rural Municipal Administrators Association (ARMAA): RMA works with administrative associations to ensure governance reforms and infrastructure policies align with rural municipalities' operational realities and best practices.
- ◆ Federation of Canadian Municipalities (FCM): RMA partners nationally to represent rural Alberta's interests in federal policy discussions and programs impacting municipal governance and investments in rural municipal transportation and infrastructure.
- ◆ Infrastructure Asset Management Alberta (IAMA): RMA has long partnered with IAMA to build municipal capacity in asset management, supporting sustainable planning and long-term investment in rural infrastructure.

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RMA Members: RMA depends on its members to provide accurate, up-to-date data on infrastructure condition, funding levels, and local pressures. This input ensures that RMA's advocacy reflects the realities of rural communities and supports evidence-based policy development for transportation and municipal infrastructure.

What are RMA's current priorities on transportation and municipal infrastructure?

Collaboration on Long-Term Infrastructure Funding Commitments

RMA is seeking long-term commitments from Alberta Infrastructure and Alberta Transportation and Economic Corridors to work in partnership with RMA on a larger-scale approach to closing the infrastructure deficit and funding gaps in future years' budgets.

- ◆ Existing funding programs and frameworks such as STIP and LGFF must be scaled to reflect rural cost drivers and ensure rural municipalities can sustain Alberta's essential transportation and utility networks without relying solely on property taxation.
- ◆ As of 2024, maintaining rural Alberta's road infrastructure – not including bridges or other assets – at the current 60.76% condition rating requires an estimated \$5.55 billion annually. RMA members' 2024 provincial LGFF funding allocation covered less than 3% of this cost, leaving rural municipalities without adequate means to prevent the further decline of their road infrastructure.
- ◆ RMA calls on the Government of Alberta to partner with RMA to jointly assess rural risks, cost drivers, and the need for data related to transportation infrastructure. This collaboration should lead to a sustained, rural-focused funding stream, and the reexamination of allocation, priority, and risk frameworks to ensure that the rural infrastructure critical to Alberta's economy receives the investment needed to close the deficit and prevent further decline.

Short-Term Infrastructure Funding Increases

Short-term, stopgap increases to existing funding programs such as the Strategic Transportation Infrastructure Program (STIP) and Local Government Fiscal Framework (LGFF) to slow the accelerating pace of rural Alberta's infrastructure deficit.

- ◆ RMA's Infrastructure Deficit Report, released in late 2024, identified a \$17.25 billion infrastructure deficit in Alberta's rural roads, bridges, and culverts as of 2023; based on the methodology used in the report, this deficit has likely grown to over \$28 billion in 2025. If status quo is maintained, the deficit is projected to climb to over \$40 billion by 2028.
- ◆ STIP provides rural municipalities with a dedicated funding source for local roads, bridges, airports, and municipal initiatives. However, STIP's total projected funding of only \$127 million between 2025 and 2028 for all municipalities is inadequate to meaningfully slow infrastructure decline, let alone begin addressing the rural infrastructure deficit.
- ◆ LGFF offers municipalities a predictable, formula-based capital grant to support long-term infrastructure planning and investment and is a critical tool for rural municipalities, but current LGFF allocations for rural Alberta fall far short of what is required to sustain essential transportation and utility networks.
- ◆ RMA calls on the Government of Alberta to expand STIP and LGFF allocations or introduce complementary short-term funding measures to immediately slow the pace of rural Alberta's infrastructure decline while longer-term solutions are developed.

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Maintaining and Expanding Alberta's Economic and Trade Corridors

Support and investment must be maintained and expanded if these corridors are to accommodate the projected future growth of rural Alberta's natural resource and energy industries, agricultural industries, and other industries such as data centres, midstream processing, or manufacturing.

- ◆ Alberta's transportation corridors enable industry to access resource-rich rural areas of Alberta, carry the majority of Alberta's interprovincial and international exports, and are critical to ensuring rural producers can access global markets efficiently.
- ◆ Without sustained investment, bottlenecks and deteriorating infrastructure will limit economic competitiveness and increase costs for municipalities, industries, and consumers alike.
- ◆ RMA calls on the Government of Alberta to explicitly integrate rural municipal infrastructure into corridor planning and priority funding allocations and formulas, ensuring that local roads, bridges, and utilities are properly recognized as essential links in Alberta's trade and economic networks.

Provincial Support for Municipal Asset Management Capacity

Advocating for provincial support to build municipal capacity in asset management, ensuring rural municipalities have the tools, data, and expertise needed to strategically maintain and improve their infrastructure networks.

- ◆ In 2024, RMA's Infrastructure Deficit Project found that many rural municipalities lacked comprehensive asset inventories and condition assessments, leaving them unable to prioritize maintenance or replacement effectively. Without accurate data and sufficient resources, municipalities are forced into short-term fixes that accelerate long-term costs and contribute to the rural infrastructure deficit.
- ◆ Existing programs and frameworks such as STIP and LGFF should embed asset management requirements and provide dedicated resources to help municipalities collect reliable data, standardize practices, and move from reactive to proactive infrastructure planning.
- ◆ RMA calls on the Government of Alberta to provide long-term support, funding, and resources for rural municipalities to implement standardized asset management practices, conduct condition assessments, and build comprehensive asset inventories. This would enable municipalities to move from reactive fixes to proactive, data driven infrastructure planning that reduces long term costs, helps close the rural infrastructure deficit, and directly supports the industries that rely on rural roads, bridges, and utilities.

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