

2020-2021 ANNUAL REPORT



Transportation and Infrastructure

Message from the Minister

As Minister of Transportation and Infrastructure, I am pleased to present the department's annual report, providing an overview of performance for the 2020-21 fiscal year. I am accountable for the contents and results outlined in this report which was prepared in accordance with the **Transparency and Accountability Act**, under which the department is classified as a Category 1 entity.

The last year has been dominated by the COVID-19 pandemic throughout which the department continued to deliver programs and services across the province. These included essential services such as ferry transportation, air ambulance, snow clearing and other maintenance to keep roads operational. With responsibility for provincial government buildings and office space, the department also played a key role in supporting other departments in the continuation and/or resumption of their services. Perhaps just as important, the department worked hard to ensure progress continued on government infrastructure projects. These projects are essential in the maintenance of the province's roads and transportation network, help ensure government spaces and structures continue to enable the effective delivery of public services and provide a valuable source of employment for those involved in the construction industry.

It has been an unprecedented and challenging time but Newfoundlanders and Labradorians have all done their part to keep the province running, safely. I would like to take this opportunity to acknowledge the substantial efforts of the department's dedicated staff in providing safe and reliable services for the people of the province. The department remains committed to continuing this important work.



Honourable ELVIS LOVELESS
Minister of Transportation and Infrastructure

Table of Contents

Departmental Overview	1
Mandate	1
Lines of Business	2
Primary Clients.....	2
Vision	2
Organizational Structure	3
Staff and Budget	6
Highlights and Partnerships	8
Highlights	8
Partnerships.....	9
Report on Performance	10
Issue One – Enhanced Safety	10
Issue Two – Operational Efficiency	15
Issue Three – Infrastructure Renewal	19
Opportunities and Challenges	24
Financial Information	26
Inactive Entities	27

Departmental Overview

Mandate

The mandate of the Department of Transportation and Infrastructure includes responsibility for the administration, supervision, control, regulation, management and direction of all matters relating to transportation and infrastructure, including:

- Design, construction, improvement, repair and maintenance of highways, local roads, airstrips, ferry landings and related facilities;
- Acquisition, use, maintenance and operation of ferries as well as provincial air ambulance, water bomber and other aircraft and services;
- Provision of professional engineering, administrative and technical support services to facilitate the provision of sustainable, suitable and affordable municipal infrastructure;
- Property that belongs to or is held or occupied by the Crown, and the works and properties acquired, constructed, extended, enlarged, repaired or improved at the expense of the province, or for the acquisition, construction, extension, enlargement, repair or improvement of which public funds are voted and appropriated by the Legislature, other than property and works assigned to another minister or department of the government of the province;
- Property management including the design, construction, repair, maintenance, heating, lighting, cleaning and security of buildings that belong to or are held or occupied by the Crown and grounds that belong to those buildings;
- The leasing of real property by the Crown and related activities;
- The disposition of surplus real property;
- The provisions of insurance services for Government; and,
- The administration of Acts under the responsibility of the Department and of all orders and regulations passed or made under those Acts, including those powers, functions or duties necessary or desirable for carrying out the purpose of those Acts.

Lines of Business

The Department of Transportation and Infrastructure is responsible for the following lines of business that are relevant to its mandate and to servicing the needs of clients:

Transportation

Construction, acquisition and/or management of transportation infrastructure and related service delivery for the province including:

- Provincial roads
- Provincial marine passenger, vehicle & freight services
- Provincial airstrips, air ambulance & forest fire suppression services

Infrastructure

Construction, acquisition and/or management of building infrastructure, leased space and related services for the provincial government and various agencies as well as engineering and related supports for municipal infrastructure.

Primary Clients

The primary clients of the Department of Transportation and Infrastructure include:

- Citizens of Newfoundland and Labrador, communities, businesses, the travelling public and other levels of government.
- Provincial government departments and various agencies.

Vision

The Vision of the Department of Transportation and Infrastructure is of safe, reliable and sustainable transportation and public works infrastructure and services, demonstrating the department's commitment to service excellence in supporting the social and economic needs of Newfoundland and Labrador.

Organizational Structure

The Department of Transportation and Infrastructure (TI or the department) is divided into four branches: Operations, Air and Marine Services, Infrastructure, and Strategic and Corporate Services.

Operations

The Operations branch is responsible for the provision of operations and maintenance of provincially-owned buildings and transportation infrastructure that includes:

- Summer and winter maintenance (snow clearing and ice control) on 9,742 kilometres of primary and secondary highways and community access roads;
- Snow clearing for external jurisdictions including Gros Morne National Park, through a contract with Parks Canada, and 57 communities throughout the province;
- Purchasing salt and sand for 155 town councils and a number of health authorities, school boards, and other external entities;
- Management of the provincial government's fleet of over 3,000 vehicles including light vehicles, heavy equipment and utility vehicles;
- A Provincial Plow Tracker service, available on the department's Driving Conditions website (<http://www.roads.gov.nl.ca>), providing residents the ability to track the location of snow clearing equipment crews and where it has been;
- Provision of up to date road condition information utilizing one wind warning system, 28 Road Weather Information Systems (RWIS) stations, and 44 highway camera locations throughout the province (<http://www.roads.gov.nl.ca/cameras>);
- Management and maintenance of approximately 626,000 square metres of floor space, consisting of approximately 855 buildings - 362 primary and 493 auxiliary support facilities - on 362 sites; and,
- Operation and management of eight airstrips on the island portion of the province (Wabana, Clarenville, Botwood, Fogo Island, Springdale, Winterland, St. Andrew's and Port au Choix) and 12 airstrips in Labrador (Black Tickle, Cartwright, Charlottetown, Hopedale, Makkovik, Mary's Harbour, Nain,

Natuashish [on behalf of the Mushuau Innu First Nation], Postville, Port Hope Simpson, Rigolet, and St. Lewis).

Air and Marine Services

The Air and Marine Services branch is responsible for the provision, maintenance, and management of provincial air and marine services that includes:

- Eight provincially-owned and operated vessels, and seven privately-owned, contracted vessels;
- Marine operations transporting approximately 790,000 passengers, 390,000 vehicles, and 13,000 tonnes of freight annually¹;
- Provision of vessel modification and refits of provincially-owned vessels;
- Operation of provincially-owned vessels with a complement of over 200 marine staff;
- Operation and maintenance of the provincial government's two air ambulances, completing approximately 1,500 medical missions annually²; and,
- Operation and maintenance of the provincial government's fleet of four active water bombers.

Infrastructure

The Infrastructure branch is responsible for the:

- Construction of new buildings and management of other major procurement projects, including projects using alternative procurement methodologies, for provincial government departments and provincial government-funded bodies;
- Support for capital works projects encompassing a wide range of municipal infrastructure;
- Construction of new roads and management of road improvement projects; and,

¹ Due to the pandemic, passenger and vehicle transport was lower than normal in 2020-21 totaling 536,175 and 301,748, respectively. Freight transport was on par with previous years at 13,145 tonnes.

² Five-year average.

- Development and implementation of multi-year planning for investments in buildings, roads, bridges, and marine infrastructure.

Strategic and Corporate Services

The Strategic and Corporate Services branch is responsible for the provision of:

- Financial services for the department;
- Strategic and support services (including policy, planning, evaluation and information management services) for the department;
- Centralized mail and messenger, tendering and contracts, procurement and landline phone services for the provincial government;
- Security services in government-owned buildings or those held or occupied by provincial government departments;
- Space for provincial government departments in government-owned buildings and leased accommodations;
- Occupational health and safety-related services for the department;
- Services related to real property management, including the purchase and sale of real estate;
- Insurance management services for government; and,
- Continuous improvement supports for departmental programs and activities.

More information about the Department of Transportation and Infrastructure can be found by visiting www.gov.nl.ca/ti.

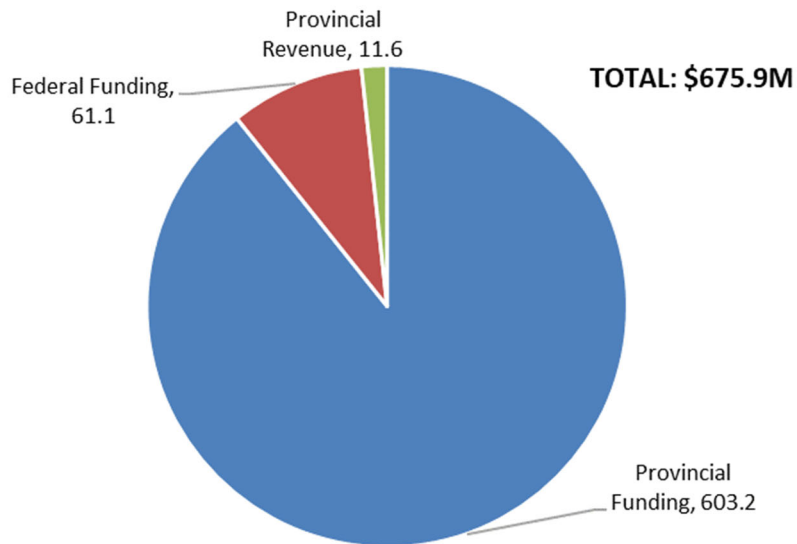
Staff and Budget

Division	# of Employees	Budget
Executive and Support Services	143	\$13,089,567
Operations (Maintenance of Roads and Buildings)	1,104	\$221,511,361
Infrastructure (Construction of Road, Buildings, Municipal Infrastructure)	179	\$349,778,831
Air and Marine Services (Transportation Services)	289	\$91,516,529
Total	1,715	\$675,896,288
Note: Employee counts are as of March 31, 2021.		

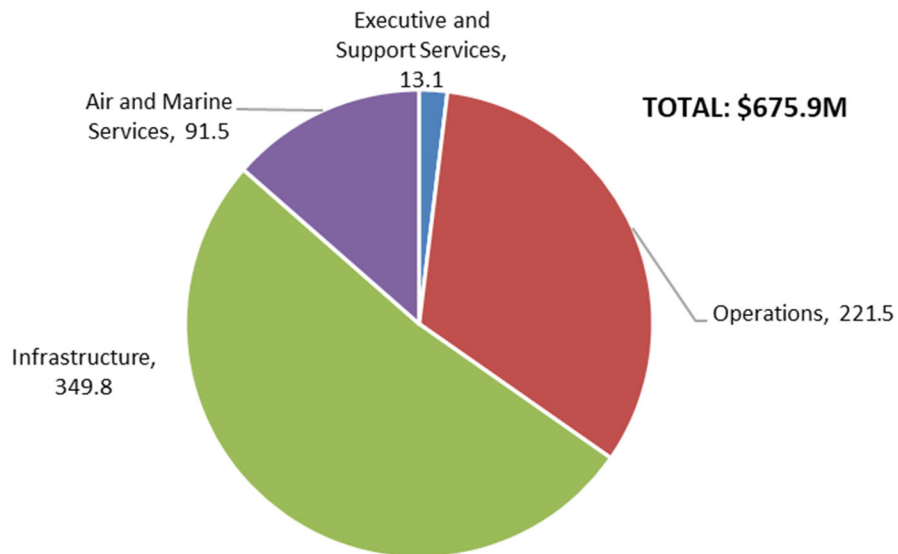
Revenues and Expenditures 2020-21

A detailed statement of expenditures and revenues is included in the Financial Statements section at the end of this document.

Where the Money Comes From (\$Millions)



Where The Money Was Spent (\$Millions)



Highlights and Partnerships

Highlights

The Department of Transportation and Infrastructure recognizes the need to provide infrastructure in a way that is fiscally responsible and, in recent years, has found that partnering with the private sector to design, build, finance and maintain new infrastructure can provide better value for money than a more conventional delivery model. During the year, the department and its partners received recognition for this approach with a Project Development Silver Award from the Canadian Council of Public Private Partnerships for the Corner Brook Acute Care Hospital project.

The hospital will serve western Newfoundland and southern Labrador with the same services currently provided at Western Memorial Regional Hospital, as well as an expanded cancer care program with radiation services. This seven-storey, 55,741 square-meter, 164 bed hospital will be connected to the 145-bed long-term care facility completed in February 2020.

Using a design, build, finance, maintain (P3) procurement model for the project is estimated to result in a cost savings of \$132 million compared to a traditional procurement. Over the course of construction there is an estimated \$460 million in GDP to be created with approximately 90 per cent of the workforce being Newfoundlanders and Labradorians.

This award comes as the result of the hard work and dedication of TI staff as well as the department's partners on the project, the Department of Health and Community Services, Western Regional Health Authority and the Corner Brook Health Partnership.

Partnerships

The Department of Transportation and Infrastructure is the lead department in government for the management of major infrastructure projects in the province. This work is done in partnership with the Department of Health and Community Services and regional health authorities, the Department of Justice and Public Safety, and the Department of Education. TI also manages new developments, renovations, extensions and upgrades to health care, justice/correctional and education infrastructure.

In 2020-21, significant progress was made on the construction of four new schools in the province. The new facilities include: Paradise Intermediate for students in grades six to nine, valued at approximately \$42.7 million; Bay Roberts Primary, valued at approximately \$19.8 million; and, St. Alban's all-grade school, which will replace the former Bay d'Espoir Academy, valued at approximately \$18.7 million. Also included is the major renovation and extension of Gander Academy for students in kindergarten to grade three, valued at approximately \$22.9 million. Completion of all four projects is expected in time for the start of the 2021-2022 school year.

The department and its partners reached important milestones on several major infrastructure and other projects during the year, including advancing the province's new Adult Mental Health and Addictions Facility, the Corner Brook Acute Care Hospital, the replacement of Her Majesty's Penitentiary, and a province-wide public radio system. More information on these achievements is presented under Issue 3: Infrastructure Renewal. Progress was also made towards the establishment of a new mental health unit in Happy Valley-Goose Bay. Following an Open Call for Bids process a contract valued at \$5.1 million was awarded for construction of the six-bed unit at the Labrador Health Centre. The single story, 626 square metre extension will provide private bedrooms for residents and include spaces for dining, lounging, and recreation. The extension will also include a group therapy room which can be used for Indigenous ceremonies as well. Construction will start in spring 2021 and is expected to be completed in 2022.

Report on Performance

Issue One – Enhanced Safety

Safety is a prime consideration by the Department of Transportation and Infrastructure in the design and delivery of its programs and services. This includes the safety of individuals travelling on the province's roads, ferries and air ambulances; users of government buildings and related infrastructure; and TI employees and contractors.

During the past year, COVID-19 presented incredible public health challenges, including the continued, safe delivery of government services. As a provider of ferry, air ambulance and other essential services the department successfully maintained operations, working throughout the year to adjust programming to comply with changing public health guidelines, and played a key role in enabling other departments to continue program delivery throughout the province. At the same time, the department implemented measures to increase the amount of information available to the travelling public on road and driving conditions in support of greater safety on the province's roadways. The department's efforts in these areas helped support the advancement of government's strategic direction toward *Healthier People*.

Goal Statement

By March 31, 2023, the Department of Transportation and Infrastructure will have enhanced public health and safety, as well as the health and safety of employees and contractors.

2020-21 Objective

By March 31, 2021, the Department of Transportation and Infrastructure will have made health and safety related adjustments to programs and services to address the coronavirus pandemic and enhanced information on highway driving conditions through the use of technology.

2020-21 Indicators

- **Adjusted public-facing services, including provincial ferries and air ambulance, to help fight the potential spread of COVID-19.**

Results: At the outset and throughout the pandemic, the department modified its public facing services, to correspond with public health guidelines including:

- For provincial ferries, adjusted the maximum number of passengers permitted to travel on vessels; implemented enhanced cleaning protocols and required the use of masks for crew and passengers; made hand sanitizer available; installed directional signage where possible and practical; and, worked with user communities to prioritize essential travel, as necessary.
- For provincial air ambulance, enhanced personal protective equipment requirements for air ambulance pilots with the addition of masks, gloves, face shields and Tyvek suits; assigned pilots to segregated cohort groups; implemented enhanced aircraft cleaning protocols; modified aircraft ventilation systems to prevent the mixing of air between the passenger cabin and cockpit; and, developed a quarantine procedure to be followed by staff should aircraft be expected to travel out of province.
- Developed and implemented Safe Work Procedures for the department's public facing services based in government buildings, including the Mail Room and Security Services.

- **Designed and implemented policies and procedures to enable planned 2020 infrastructure projects to proceed.**

Results: The department implemented the following to ensure infrastructure projects would proceed during the 2020 construction season:

- Introduced a requirement during procurement of construction and related services for the inclusion by contractors of COVID-19 safety measures in their project-specific safety plans;
 - Developed Safe Work Procedures to provide guidance for department staff required to be present at project work sites, as well as those required to report to work in the department's Materials Lab which provides an essential role in road paving projects. Safe Work Procedures included: When Social Distancing is not Possible, Vehicle Refueling, and Lab Procedures and Guidelines, among others.
- **Designed and implemented programs, policies and procedures to enable the safe delivery of government services.**

Results: As the department responsible for the operation of all government buildings and leased space, it:

- Implemented enhanced cleaning protocols and adjusted building service areas for enhanced safety where necessary (e.g., installation of Plexiglas, drop boxes, etc.).
- Co-led, with the Employee Safety and Wellness Division of Treasury Board Secretariat, the development of a Pandemic Recovery Guide and supporting documents. These served as resources for all government departments in preparing for and managing the return of employees to the workplace when stay-at-home orders were lifted. The guide included measures to assist with the preparation of employees, development of physical distancing and hygiene plans, as well as how to prepare and control access to the workplace.
- Provided direct assistance to departments in their physical distancing plans and return-to-workplace preparations. TI supplied office floorplans to aid in the design of seating arrangements, reviewed and provided guidance on proposed designs including the performance of population

density analyses, and conducted modifications to workplace layouts and/or office equipment (e.g., cubicle dividers), if required.

- **Enhanced the use of technology on provincial roads, including the installation of speed signs in school zones and adding to the province's network of highway cameras and related equipment used to monitor and inform the public about highway driving conditions.**

Results: Enhancements included:

- Installation of 171 digital radar speed signs in school zones and two speed signs on the Trans-Canada Highway in a reduced speed area near Bishops Falls;
- Installation of a new highway camera on Route 100 at Dunville; and,
- Addition of Wreckhouse wind warnings as a feature on NL 511, the department's travel information service.

Objective Summary

The department was successful in achieving its objective for 2020-21. As indicator reporting shows, health and safety related adjustments were made in the delivery of TI's public facing services and infrastructure projects to protect against the spread of COVID-19. Additionally, supports offered through the department's Planning and Accommodations and Building Operations programs were enhanced to help ensure the safe delivery of programs and services by other departments from government offices, province-wide. At the same time, the department contributed to improved highway safety by using technology to make more information available to the public on highway driving conditions.

2021-22 Objective

By March 31, 2022, the Department of Transportation and Infrastructure will have monitored and adjusted pandemic-related health and safety measures and will have advanced initiatives to improve road safety in the province.

2021-22 Indicators

- Initiated a review/update of the department's Traffic Control Manual following the national release in spring 2021 of the sixth edition of the Manual of Uniform Traffic Control Devices for Canada by the Transportation Association of Canada.
- Continued to adjust the department's programs and/or services in compliance with public health guidelines, as appropriate.
- Implemented updates to Occupational Health and Safety requirements for highway design and construction projects.

Issue Two – Operational Efficiency

Finding ways to deliver government services more efficiently and/or maximizing the value of government expenditures has perhaps never been more important in Newfoundland and Labrador, and we are not alone. With the onset of COVID-19 and the associated economic downturn, significant financial challenges are being experienced by governments around the world.

In 2020-21, the Department of Transportation and Infrastructure pursued efficiency measures in its road operations program through which the department performs year-round maintenance of nearly 10,000 kilometres of provincial roads. During the year, the department identified ways that vehicle technology could be put to greater use to improve the operating efficiency of its fleet of heavy, winter vehicles and implemented an improvement in the way winter salt and sand inventories are tracked and managed. These and other efficiency enhancements are discussed below. The department's efforts on this issue were supportive of government's strategic direction toward *A More Efficient Public Sector*.

Goal Statement

By March 31, 2023, the Department of Transportation and Infrastructure will have increased operational efficiency, reduced/controlled costs and/or maximized value for money.

2020-21 Objective

By March 31, 2021, the Department of Transportation and Infrastructure will have pursued measures to enhance efficiency, reduce/control costs and/or enhance value for money.

2020-21 Indicators

- **Completed a review of winter road operations, including key functions, processes and policies, aimed at identifying operational improvements. This review will include salt and sand usage.**

Results: The review of winter road operations was not completed during the year, as planned in part due to Covid-19. This review is ongoing. In the interim, the department did make improvements to processes used to monitor and manage salt and sand inventories at highway depots. A new reporting tool was introduced for use by front-line depot staff to record product usage. This helped to streamline inventory management processes throughout the season and assisted in assessing product need for next season orders.

- **Explore greater use of Automatic Vehicle Locater technology and associated systems to improve winter maintenance operations.**

Results: The department has 680 Automatic Vehicle Locater (AVL) devices, the majority of which are installed on heavy equipment, including all plow trucks and many of the fleet's loaders. In addition to tracking the physical location of vehicles, AVL devices and associated software can monitor and record information about vehicle operations. During 2020-21, the department assessed ways this technology could be used to assist in improving the operational efficiency of the winter fleet. It was determined that there is potential for the technology to assist in a number of ways including by providing the ability to monitor:

- Completion of snow plow routes in real-time;
- Positioning of plow blades on snow removal equipment (i.e., to ensure blades are kept up or down, as appropriate, according to equipment location, direction, road conditions, etc.);

- Historical operations by vehicle and date (e.g., start time, duration of operation, etc.) to enhance the ability of supervisors to detect and correct patterns of inefficiency; and,
- Application rates for ice control materials (e.g., road salt) to improve safety and reduce material costs.

Objective Summary

The department was successful in pursuing measures to enhance efficiency, reduce/control costs and/or enhance value for money. Research on AVL technology identified useful features that can be considered for inclusion in the department's next contract with an AVL service provider, depending on associated cost-benefit ratios, in order to improve fleet management and efficiency. Improvements to the way the use of salt and sand is recorded and reported provides better information for managing product inventory throughout the winter season and will help maximize product utility and value. This is important given the cost of these products to the department which amounted to over \$28 million in 2020-21.

In addition to these efforts, the department also introduced a new patcher truck to its fleet of vehicles. Where used, the truck will enable improved efficiency in pothole repair as it is capable of moving a higher capacity of asphalt in a single load and requires no handling of asphalt material by staff in the field. The truck will be stationed in central Newfoundland, operating primarily out of the department's Grand Falls-Windsor depot.

The department also advanced an initiative to update and enhance its fleet of winter vehicles with the addition of 60 new snow plows, the biggest investment in over a decade. Some of the oldest and/or least reliable vehicles were retired from the pre-existing fleet but many were retained and, for the first time, each region had several spare plows. This contributed to an overall improvement in fleet efficiency due to greatly reduced equipment maintenance demands and machine down time.

2021-22 Objective

By March 31, 2022, the Department of Transportation and Infrastructure will have continued to pursue measures to enhance efficiency, reduce/control costs and/or enhance value for money.

2021-22 Indicators

- Advanced plans to retrofit existing tandem axle snowplows with Load Sense Hydraulic Systems in the interest of improved fuel efficiency.
- Initiated review of the department's road inventory.
- Initiated review of summer road maintenance activities aimed at cost and resource efficiency.

Issue Three – Infrastructure Renewal

The department is responsible for new and existing government infrastructure in the form of buildings, roads, bridges, air and marine facilities, etc. An effective program of infrastructure renewal helps ensure transportation assets continue to support personal, business and tourist travel, a basic building block in the province's social and economic foundation. Renewal also ensures that government's building inventory continues to provide the spaces needed for the delivery of government programs and services as they evolve over time. An added benefit of infrastructure renewal projects is their valuable economic spin-off through business and job creation for residents of the province, both of which are increasingly important during downturns in the economy.

The need for new/rehabilitated infrastructure, along with the associated social and economic benefits, must be balanced against the cost of development. Careful, long-term planning is required, as is working with funding partners wherever possible. In 2020-21, the department continued to advance projects for renewal of roads and bridges, wharves/marine facilities and building infrastructure. In doing so, the department was able to avail of cost-shared funding with the Federal Government for numerous projects, including many municipal infrastructure projects. The economic stimulus created by government infrastructure spending was, perhaps, more important than ever in 2020-21 as economies around the world suffered due to the impacts of COVID-19. The department will continue to offer attractive business opportunities to industry as it works through the delivery of its multi-year infrastructure plans. These efforts were supportive of government's strategic directions toward *A Better Economy* and *Better Living*.

Goal Statement

By March 31, 2023, the Department of Transportation and Infrastructure will have advanced infrastructure renewal in a planned, fiscally responsible manner.

2020-21 Objective

By March 31, 2021, the Department of Transportation and Infrastructure will have advanced planned 2020 infrastructure projects and programs.

2020-21 Indicators

- **Number of road tenders awarded**

Results: 59 road tenders were awarded.

- **Number of construction projects completed**

Results: 88 construction projects were completed.

- **Number of new municipal infrastructure projects approved for federal and/or provincial funding**

Results: 197 new municipal infrastructure projects, valued at over \$205 million, were approved during the year. This will result in a contribution of \$67.8 million and \$74.8 million from the federal and provincial governments, respectively, with the balance funded by municipalities.

- **Number of facilities with major upgrades/renovations completed**

Results: major upgrades/renovations were completed at 23 facilities.

- **Number of new/ongoing jointly-funded projects**

Results:

- In 2020-21, six new federal-provincial cost-shared projects were approved for provincial infrastructure. This included:

- Three bundles of repair/upgrade projects at public buildings including K-12 schools, College of the North Atlantic campuses and other provincial buildings;
 - Road rehabilitation work on Routes 70 and 80;
 - Various rural road infrastructure upgrades; and,
 - Leary's Brook Flood Protection Berm.
 - In addition, work continued on 12 provincial road upgrade projects previously approved for federal-provincial cost-sharing. These projects included hard surfacing of the Trans-Labrador Highway as well as various bridge replacements and paving upgrades throughout the province.
- **Achieved the following key project milestones:**
 - **Awarded contract to Design, Build, Finance and Maintain (DBFM) the new Adult Mental Health and Addictions Facility**

Results: In July 2020 Avalon Healthcare Partnership was awarded the contract for this facility, with financial close reached in the fall.
 - **Issued a Request for Qualifications from interested companies for the replacement of Her Majesty's Penitentiary**

Results: A Request for Qualifications (RFQ) was issued in July 2020 seeking business teams interested in designing, building, financing and maintaining a new correctional facility to replace Her Majesty's Penitentiary. The RFQ process has concluded and short-listed proponents will be announced in summer 2021.

- **Completed the Design Review process and erection of structural steel for Corner Brook Hospital**

Results: Erection of structural steel was completed in October 2020 and the Design Review process was completed in fall 2020/winter 2021.

- **Completed projects for the new Long Term Care homes in Gander and Grand Falls-Windsor**

Results: While close, project delays during the pandemic prevented full completion of the new long term cares homes by fiscal year-end.

- **Awarded final contracts for widening and hard surfacing the Trans-Labrador Highway**

Results: Final contracts were awarded in April and May 2020 to widen 46 km and pave 126 km of the Trans-Labrador Highway with completion expected in 2022.

Objective Summary

As shown, the department was successful in advancing 2020 infrastructure and other projects and programs. Significant progress was achieved on all major infrastructure projects and, as noted, 88 construction projects were completed along with major upgrades to 23 facilities. Construction projects included 14 devoted to marine infrastructure and 74 to provincial roads while renovations/ upgrades were completed on 17 K-12 schools and six buildings operated by TI. The department was able to leverage new, cost-shared infrastructure funding from the Federal Government with the approval of several new projects for provincial infrastructure and almost 200 new municipal infrastructure projects.

2021-22 Objective

By March 31, 2022, the Department of Transportation and Infrastructure will have advanced planned 2021 infrastructure projects and programs.

2021-22 Indicators

- Number of road tenders awarded
- Number of construction projects completed
- Number of new municipal infrastructure projects approved for federal and/or provincial funding
- Number of facilities with major upgrades/renovations completed
- Number of new, jointly-funded provincial infrastructure projects approved
- Further advanced the following major projects:
 - New Adult Mental Health and Addictions Facility
 - Replacement of Her Majesty's Penitentiary
 - Corner Brook Hospital
 - Trans-Labrador Highway

Opportunities and Challenges

Leverage Cost-Shared Funding

The Department of Transportation and Infrastructure continues to leverage federal funding to support important infrastructure throughout the province. This includes funding for the Trans-Labrador Highway, other road and highway improvements, and municipal infrastructure projects, including water and wastewater projects, improvements to local roads, public transit, and recreation facilities. Projects are being cost-shared through various federal programs including the New Building Canada Fund, Investing in Canada Integrated Bilateral Agreement, and Disaster Mitigation and Adaptation Fund.

The Investing in Canada Integrated Bilateral Agreement, signed in 2018, is providing more than \$555 million in federal funding over 10 years for community infrastructure projects. The agreement originally provided funding under four streams - public transit infrastructure; community, culture and recreation infrastructure; green infrastructure; and infrastructure in rural and northern communities. However, in 2020 the federal government announced that provinces could transfer up to 10 percent of their overall agreement allocation to a fifth, temporary COVID19 Resilience stream that will enable investments in projects not eligible under the original four streams, including repairs and upgrades to public buildings such as schools and healthcare facilities. The province was able to transfer over \$55 million in federal funding to the new stream which provides 80 percent federal cost-sharing. In 2020 the department received approval of various projects under the COVID19 Resilience stream and will continue to advance additional projects to maximize benefit to the province.

The department will continue to seek opportunities for collaboration with the Federal Government through existing and future cost-sharing programs to deliver projects that benefit Newfoundlanders and Labradorians.

Continued Adjustment of Services in Response to COVID-19

The COVID-19 outbreak has caused significant challenges in Newfoundland and Labrador and globally. The department has made changes to service delivery, as required, in response to Public Health Orders and guidelines. At times, this has required the department's employees to make rapid adjustments in the way they work with one another and provide services to the public. While challenging, the department has been successful in maintaining service delivery throughout the pandemic. The department will continue to monitor and adhere to Public Health Orders and guidelines as the pandemic progresses and, hopefully, comes to an end and will do so in collaboration with other departments and stakeholders.

Fiscal Realities

Government has been clear that the province's fiscal situation is serious and must be addressed. At year end, the Premier's Economic Recovery Team was nearing the end of its work and on May 6, 2021 released its findings and recommendations in a report entitled "The Big Reset". As government seeks input from members of the public and stakeholder groups on the report and assesses how best to move forward, changes may emerge, presenting both challenges and opportunities. In the coming months and years, the department will collaborate, as appropriate, with other departments and all levels of government toward a re-establishment of fiscal balance and economic prosperity.

Financial Information

Statement of Expenditures and Revenues

Summary of Expenditure and Related Revenue (unaudited)
For the year ended 31 March 2021

	Actual	Estimates	
		Amended	Original
Executive and Support Services			
Minister's Office	259,478	299,800	299,800
General Administration	12,830,089	12,951,700	13,308,800
Less: Revenue	(391,635)	(600,500)	(600,500)
	12,697,932	12,651,000	13,008,100
Operations			
Road Maintenance	95,166,370	96,423,400	93,048,600
Less: Revenue	(3,850,209)	(4,238,100)	(4,238,100)
Equipment Maintenance	42,270,653	45,842,800	42,750,800
Less: Revenue	(88,648)	(262,000)	(262,000)
Building Maintenance, Operations and Accommodations	81,221,024	106,538,200	106,158,800
Less: Revenue	(1,957,937)	(26,828,500)	(26,828,500)
Airstrip Maintenance	2,853,313	2,935,900	2,982,400
Less: Revenue	(1,647,785)	(1,580,000)	(1,580,000)
	213,966,782	218,831,700	212,032,000
Infrastructure			
Highway Design and Construction	1,165,342	1,457,000	1,385,600
Road Construction	112,603,799	167,351,700	171,613,000
Less: Revenue	(38,687,405)	(55,536,200)	(55,536,200)
Resource Roads	4,498,649	4,613,000	3,689,300
Building Design and Construction	133,175,086	160,925,700	159,015,000
Less: Revenue	(536,980)	(9,110,100)	(9,110,100)
Marine Infrastructure	3,734,579	3,958,200	4,358,700
Municipal Infrastructure	94,601,377	125,133,800	125,658,500
Less: Revenue	(20,132,854)	(48,889,300)	(48,889,300)
	290,421,592	349,903,800	352,184,500
Air and Marine Services			
Marine Operations	79,548,435	80,952,600	80,360,900
Less: Revenue	(4,928,414)	(7,960,700)	(7,960,700)
Air Services	11,968,094	12,225,000	12,245,000
Less: Revenue	(504,822)	(1,000,000)	(1,000,000)
	86,083,293	84,216,900	83,645,200
Total Expenditure	675,896,288	821,608,800	816,875,200
Total Related Revenue	(72,726,688)	(156,005,400)	(156,005,400)

Note: Expenditures and revenue figures included in this document are un-audited and based on public information provided in the Report on the Program Expenditures and Revenues of the Consolidated Revenue Fund for the year ended 31 March 2021. Audited financial statements are a requirement at the government level and are made public through the Public Accounts process, however the Department of Transportation and Works is not required to provide a separate audited financial statement.

Inactive Entities

Minister's Advisory Committee on Labrador Transportation

The Minister's Advisory Committee on Labrador Transportation is a Category 3 entity under the **Transparency and Accountability Act**. The committee provides a two-way forum to share views and provide advice on policy, programs and services and represents a common understanding of the transportation needs of people and businesses throughout Labrador. This committee is currently inactive but will resume planning and reporting activities should it resume operation.

