

# 2021-2022 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 2021-22 fiscal year. I am accountable for the contents and results outlined in this report, prepared in accordance with the **Transparency and Accountability Act** under which the department is classified as a Category 1 entity.

Over the past year, the department continued to advance the three focus areas identified in its 2020-23 Strategic Plan. In the area of Enhanced Safety the department continued to adjust programming to correspond to changing COVID-19 protocols in the interest of employee, contractor and public safety and made improvements to safety on the province's roadways. Work achieved in the area of Operational Efficiency included the start of a project to retrofit some of the department's heavy snow equipment to improve fuel efficiency which will help reduce emissions and cost. Under Infrastructure Renewal the department advanced multiple construction projects on Government buildings, marine infrastructure and roadways and helped facilitate federal and/or provincial funding for hundreds of new municipal infrastructure projects.

I am pleased with the progress this department has made in spite of the ongoing pandemic and associated economic challenges, and work will continue throughout 2022-23 toward achievement of goals and objectives. Some changes will be made to the department's organization structure to assist in these and other efforts and will be reflected in next year's annual report.

Sincerely,

A handwritten signature in black ink that reads "Elvis Loveless". The signature is written in a cursive, flowing style.

Hon. Elvis Loveless

Minister of Transportation and Infrastructure



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## Departmental Overview

### 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 9,715 kilometres of primary and secondary highways and community access roads;
- Snow clearing for external jurisdictions including Gros Morne National Park and L'Anse aux Meadows, through contracts with Parks Canada, and 49 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 Government's fleet of over 3,000 vehicles including light vehicles, heavy equipment and utility vehicles;
- Management of the NL 511 app, website and phone service providing residents and tourists with up to date information on winter driving conditions, weather, road construction, highway cameras, major incidents, and ferry delays/cancellations;
- 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 853 buildings - 360 primary and 493 auxiliary support facilities - on 360 sites; and,

- Operation and management of eight airstrips on the island portion of the province (Wabana, Clarendville, 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 Government-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 annually<sup>1</sup>;
- Provision of vessel modification and refits of Government-owned vessels;
- Operation of Government-owned vessels with a complement of over 200 marine staff;
- Operation and maintenance of two air ambulances, completing approximately 1,500 medical missions annually<sup>2</sup>; and,
- Operation and maintenance of four active water bombers.

### **Infrastructure**

The Infrastructure branch is responsible for the:

- Construction of new buildings and management of certain major procurement projects, including projects using alternative procurement methodologies, for departments and agencies of the Provincial Government;

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<sup>1</sup> Although up from 2020-21, passenger and vehicle transport was lower than normal in 2021-22 totaling 630,194 and 327,532, respectively. Freight transport for 2021-22 was 11,244 tonnes.

<sup>2</sup> Five-year average.



- Support for capital works projects encompassing a wide range of municipal infrastructure;
- Construction of new roads and management of road improvement projects; and,
- 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 Government departments;
- Space for 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](http://www.gov.nl.ca/ti).

## Staff and Budget

Branch	# of Employees	Budget
Strategic and Corporate Services	137	\$13,084,663
Operations	954	\$232,118,911
Infrastructure	320	\$338,287,977
Air and Marine Services	247	\$107,505,362
<b>Total</b>	<b>1,658</b>	<b>\$690,996,913</b>
Notes:		
1. Employee counts are as of March 31, 2022.		
2. Counts for Executive and Support Services included with Strategic and Corporate Services branch.		

## 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.

## 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 and freight services; and,
- Provincial airstrips, air ambulance and 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.

## Highlights and Partnerships

### Highlights

#### **Opening of Four New Schools**

Among the department's infrastructure advancements during the fiscal year, three new schools and one redeveloped school opened in fall 2021. In September, the extended and redeveloped Gander Academy opened with 29 classrooms for students in Kindergarten to Grade 3 and a new intermediate school with 33 classrooms opened in Paradise for students in Grades 6 and 7. In addition, the new Bay Roberts Primary opened with 18 classrooms for students in Kindergarten to Grade 3 and a new school with 17 classrooms opened in St. Alban's for students in Kindergarten to Grade 12 in the Bay d'Espoir area. Construction on all four schools began in 2019 with a total combined investment of more than \$89 million over the course of construction.

#### **Response to Extreme Weather Event**

Several extreme weather events in 2021-22 caused serious damage to the province's road infrastructure with the most severe effects occurring on November 24, 2021 in southwestern Newfoundland. Heavy rains caused numerous washouts and other damage in the region, including to four sections of the Trans-Canada Highway (TCH). Department staff and equipment from across the province were quickly mobilized to assess damage, implement necessary road and lane closures and identify alternate routes, where possible. Repairs to the TCH were prioritized and within 24 hours of the initial rain event, new culverts and other components needed for repair began to arrive along with road/heavy civil construction contractors. Work continued non-stop (during daylight hours) for the following week until all sections of the TCH were either fully or partially re-opened. Repairs to other roads in the region had also been ongoing including in some areas of the Codroy Valley where it was necessary to construct temporary bypass roads to reconnect communities cut-off by washouts.

A major storm event of this nature requires an enormous response from TI and the contractor community. Work begins before the storm makes landfall as crews do what they can to mitigate the effects of the impending weather (e.g., clearing culverts of debris). During a storm, road crews and TI's dispatch centre play an integral role as they monitor road conditions and provide public updates online and on NL 511. Following the event comes days or weeks of clean-up work as well as safety management tasks such as erecting signs and/or barriers to slow or block traffic and make way for contractors' heavy equipment and staff. During the repair process, the department's engineers and technicians must be on site to assess damage and identify equipment and materials needed for repair and to provide project oversight as work is being done. Finally, a large storm event requires significant, dedicated response management and communications. In total, the department estimates that over 110 of its road operations and engineering employees were involved in responding to the November 2021 rain event. Road washouts are not occurrences to celebrate, certainly, but the professionalism and expertise shown by so many of the department's personnel is something to be highlighted, as was the dedication and cooperation of many highly skilled contractors.

## **Partnerships**

### **Federal-Provincial**

The department's partnership with the Government of Canada on infrastructure funding can be credited, at least in part, for much of the progress on infrastructure renewal outlined in this report. By participating in federal funding programs, such as the Investing in Canada Infrastructure Plan, the department has been able to advance important provincial and municipal infrastructure priorities.

The department also works with federal partners toward the advancement of infrastructure priorities that may not yet fit within the parameters of these established programs. One such example is the proposed fixed transportation link between Labrador and the Island of Newfoundland. In August 2021, TI entered into a

Memorandum of Understanding with the Canada Infrastructure Bank (CIB) to further assess the potential for a fixed link. Following a Request for Proposals in fall 2021 the CIB engaged an external consultant to conduct additional review, analysis and forecasting work. The work will build on previous costing and revenue studies, including the 2004 and 2018 pre-feasibility studies.

### **Interprovincial**

In May and again in July 2021 the department responded to a call for assistance from the Ontario Ministry of Natural Resources and Forestry to help battle forest fires in that province. On both occasions, two CL-415 water bombers and seven crew members were dispatched to Ontario to provide support. The request for assistance was administered through the Canadian Interagency Forest Fire Centre's Mutual Aid Resource Sharing (MARS) agreement. MARS is a formal agreement between provinces that provides for the efficient sharing of forest firefighting resources throughout the country. When conditions are such that resources can be spared in this province, responding to such calls is the right thing to do and helps ensure that similar supports would be provided to Newfoundland and Labrador should the need arise.

### **Interdepartmental**

The Department of Transportation and Infrastructure takes the lead in major infrastructure procurement initiatives, such as those for construction of the Corner Brook Hospital, Adult Mental Health and Addictions Facility, replacement of Her Majesty's Penitentiary, numerous schools, etc. Working through these procurement processes is achieved in close partnership with client departments including the Department of Health and Community Services (HCS), the Department of Education and the Department of Justice and Public Safety. Throughout the procurement process, staff from TI and the relevant client department(s) work together to ensure building and project requirements are properly defined and to evaluate proposals and other documentation submitted by interested proponents. Departments continue to collaborate during building construction and commissioning to ensure that

built structures meet with procurement specifications, and ultimately, the needs of Newfoundlanders and Labradorians.



## Report on Performance

### Issue 1 – 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 the department continued to adjust its program and service delivery in response to the evolution of the COVID-19 pandemic and associated public health risks and requirements. As the department responsible for government office space, the department also provided supports to other Government departments to ensure workplaces and service locations continued to be as safe and effective as possible. Efforts were also made in support of safety on the many road projects that take place across the province each year with a review of traffic control guidelines for work zones and enhanced Occupational Health and Safety (OHS) requirements. The department's efforts in these areas helped support the advancement of Government's strategic direction toward **Healthier People**.

### Goal

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.

### 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

1. 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.

### Results

Staff reviewed the new edition of the Manual of Uniform Traffic Control Devices for Canada (MUTCDC) in relation to the department's Traffic Control Manual (TCM). In this edition, the MUTCDC has made allowances for some new types of traffic control devices but, otherwise, the traffic control principles covered in the manual have not changed. The department confirmed that the TCM was already in line with these devices and principles and, as such, no immediate updates were required. As a result of this review exercise, however, a decision was made that updates to the TCM, unrelated to the new edition of the MUTCDC, should be undertaken. This work will begin in 2022-23.

2. Continued to adjust the department's programs and/or services in compliance with public health guidelines, as appropriate.

### Results

As the province moved through the various phases of the pandemic the department, in consultation with HCS, adjusted its program delivery in response to the changing levels of risk associated with COVID-19. These adjustments helped to ensure TI programs remained as accessible and safe as possible, and provided supports for other departments in doing the same. Examples of these efforts include:

- Preparation of work spaces for Government employees returning to the office from work-at-home assignments during periods of high public health alert levels. Workplace adjustments included considerations to ensure social distancing, enhanced cleaning and other safety precautions could be maintained.

- Removal of some directional signage in Government buildings to reflect lower infection risk as vaccination levels rose.
  - Adjustments to programming for ferry and air services in order to maintain compliance with updates in federal regulations/directives (e.g., approval on August 27, 2021 for ferries to return to full occupancy; requirement for operational staff in Air and Marine Services Branch to be fully vaccinated against COVID-19 by October 31, 2021).
  - Assisting in set-up and operation of vaccine booster clinics at Confederation Building for employees and family members of the Provincial Government in December 2021 and January 2022.
  - Working with TI employees, unions and Treasury Board Secretariat to implement the Provincial Government's mandatory vaccine mandate for employees.
  - Working with contractors to implement the mandatory vaccine mandate for their staff on TI's many project/service engagements on provincial roads, buildings, marine infrastructure, etc.
3. Implemented updates to Occupational Health and Safety requirements for highway design and construction projects.

## **Results**

Department staff and highway design/construction contractors follow requirements set out in the department's Specification Book for road projects. The purpose of these requirements is to help ensure road projects in the province consistently meet appropriate standards in terms of the materials and techniques used, including those dedicated to the safety of people working on these projects, as well as the travelling public.

In spring 2021, the department updated OHS requirements found in Division 1- Specifications General of the Specifications Book. The updates provide greater clarity in terms of contractors' roles and responsibilities regarding OHS on provincial

road projects, improved guidance on requirements for contractors' project/site safety plans and outline OHS competency requirements for contractors' project supervisors. The department began implementing the revised specifications on new projects awarded for the 2021 construction season (i.e., April 2021 and beyond).

### **Objective Summary**

As indicator reporting shows, health and safety-related adjustments were made in the delivery of TI's programming in response to changes in the COVID-19 pandemic and associated public health risk. These changes helped maximize the safety of Government clients, employees and contractors as operations progressed throughout the year. The department also took measures designed to enhance safety on road construction projects by updating OHS requirements for contractors participating in those projects. These new requirements took effect for all new projects awarded for the 2021 construction season and beyond and are important in helping to keep project personnel, as well as the travelling public, safe. Further, staff reviewed the department's TCM in tandem with the new edition of the Transportation Association of Canada's MUTCDC. The review confirmed that the TCM is in line with national standards and continues to provide guidelines for safe and consistent methods of traffic control in road work zones in the province. The department also contributed to enhanced road safety by installing two digital speed signs – to be maintained by the Town of Deer Lake – in a reduced speed zone in the Deer Lake area. In addition, on October 1, 2021 the department awarded a new, 10-year contract for the province's RWIS network which provides important road condition information for the travelling public.

### **2022-23 Objective**

By March 31, 2023, the Department of Transportation and Infrastructure will have implemented measures designed to improve and/or protect the health and safety of employees, contractors and the travelling public.

**2022-23 Indicators**

- Began preparation of new materials for inclusion in the department's Traffic Control Manual to provide guidance on traffic control in urban areas.
- Reviewed and adjusted COVID-19 policies and procedures to correspond with the province's approach to pandemic management.
- Increased the number of road signs installed and/or replaced during the summer maintenance season, including regulatory signs such as stop and speed signs.

## Issue 2 – Operational Efficiency

Events on the provincial, national and global scale are making it more important than ever to find ways to deliver Government services more efficiently and maximize the value of Government expenditures. With the ongoing pandemic, inflation, and the rising price of petroleum-based fuels, governments everywhere are under pressure to maintain service levels in the face of increasing costs.

In 2021-22, the Department of Transportation and Infrastructure made strides on an initiative to make its fleet of snow plows more energy efficient and, in turn, less costly to operate. The initiative will involve installing new, “smart” hydraulics equipment for which the department was successful in obtaining 50 per cent funding through the Federal Government’s Low Carbon Energy Leadership Fund (LCELF). The department also began a review of its road inventory which is the largest, per capita, in Canada. The review is intended, in part, to confirm the accuracy of the inventory, including how roads are classified which can help determine appropriate maintenance tasks and frequency. Some research was conducted with other provinces and territories to gain insight into management models in place in their jurisdictions. Review work was initiated, as well, on summer road maintenance activities, identifying several efficiency improvement opportunities. Review work will continue, over time, in pursuit of efficiency measures, greater value and/or savings. The department’s efforts on this issue were supportive of Government’s strategic direction toward **A More Efficient Public Sector**.

### Goal

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

## 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

1. Advanced plans to retrofit existing tandem axle snowplows with Load Sense Hydraulic Systems in the interest of improved fuel efficiency.

### Results

During 2021-22, the department entered into an agreement under LCELFF to access federal, cost-shared funding to advance the retrofit of approximately 80 snowplows with Load Sense Hydraulic Systems. The LCELFF program was launched by Environment and Climate Change Canada in 2017 with a commitment to provide \$1.4 billion to provinces and territories to help them deliver on leadership commitments to reduce greenhouse gas (GHG) emissions. Under the funding agreement the department will receive up to a maximum of \$484,800 towards a total project cost estimated at \$969,600.

Load Sense Hydraulics technology provides the capability for snowplow equipment to work only as hard as it needs to in various conditions (e.g., using more power to push snow uphill vs. downhill), as opposed to the department's existing snowplow systems which work at maximum power continually. The ability to adjust power use will result in a reduction in fuel usage and associated expenses, as well as GHGs.

Load Sense Hydraulics component parts were ordered prior to year-end with retrofits to begin in 2022-23.

2. Initiated review of the department's road inventory.

### **Results**

Newfoundland and Labrador has more road kilometres per capita than any other province in Canada with almost 10,000 kilometres in the department's provincial road network. Given the significant financial and human resource requirements needed to maintain a road network of this size, the department began an exercise to review its road inventory and associated maintenance practices. Analysis was conducted on the length and location of provincial roads of various classifications, including the TCH, trunk roads, community access roads, local roads, etc. Research was also conducted to learn more about road network models in place across the country. The intention is to continue this review exercise in the interest of identifying possible opportunities for efficiency.

3. Initiated review of summer road maintenance activities aimed at cost and resource efficiency.

### **Results**

The review of summer maintenance activities initiated during the year identified a number of opportunities for improved efficiency including the establishment of a centralized summer maintenance complaint system and the introduction of a new type of road improvement project to help extend the life of existing road assets.

### **Centralized Complaints**

With a road inventory of almost 10,000 kilometres, ongoing maintenance and rehabilitation of road infrastructure is a constant challenge. Harsh winters leave their mark on the province's roads, often in the form of potholes. Summer maintenance plans for each region and depot include pothole patching but it is not possible to repair them all as quickly as residents would like. This results in calls, emails and letters by individuals, municipalities, etc. to department personnel at all levels to lodge complaints and request action. With so many different staff members



receiving, investigating and addressing issues, however, efforts are sometimes duplicated and matters are not addressed in the most efficient manner. For this reason, the department identified the need for a centralized summer maintenance complaint system where all complaints would be received, recorded, dispatched for action and tracked for completion. The intent is for this service to be provided by the department's Dispatch Center.

### **New Type of Road Project**

Traditionally, the department's road management programming has consisted of major road building/rehabilitation projects and basic road maintenance (e.g., pot hole patching) with very little in between. It has been recognized that there may be value in adding a new, intermediate project type. Other jurisdictions and some local municipalities conduct smaller road rehabilitation projects, often referred to as "scratch and patch", which serves to address minor surface issues before they becoming major problems. The department is planning its first project of this kind for the 2022 construction season. If successful, projects of this nature should help preserve road infrastructure investments and contribute to a more fulsome road management regime for the department.

### **Objective Summary**

The department was successful in pursuing measures to enhance efficiency, reduce/control costs and/or enhance value for money. A contribution agreement was reached for funding under the LCELF program, enabling the department to order the equipment needed to retrofit approximately 80 snowplows with Load Sense Hydraulics. The funding will cut the department's share of project costs in half and, once the new equipment is installed, TI snow plows will be more fuel efficient resulting in both financial and environmental benefits for the province.

As planned, department staff began a review of its road inventory. With such a large geography and a widely dispersed population, Newfoundland and Labrador's road network is extensive and its maintenance an ongoing challenge. During 2021-22, review

work included research into how road networks are managed in other provinces and territories as well as detailed analysis of the many segments and classifications of the road inventory itself. The hope is that opportunities for efficiency may be found in the department's approach to road management and maintenance but it is clear there are no easy answers. Review work will continue into 2022-23. A review of summer road maintenance activities was also initiated revealing several opportunities for enhanced efficiency. As a result, a centralized summer maintenance complaint system was established to reduce duplication and assist the department in responding to issues reported, and planning began for the addition of a new type of road project to the department's road management program as another tool to help preserve the integrity of road assets over the long-term.

The department also conducted a marine market sounding exercise with communities, businesses, the unions representing ferry workers, and social enterprises to explore joint solutions to make the province's ferry services more efficient. Twenty virtual sessions were held over the course of two weeks and inputs recorded. At year end, findings were under review for consideration of next steps.

### **2022-23 Objective**

By March 31, 2023, the Department of Transportation and Infrastructure will have continued to pursue measures to enhance efficiency, reduce/control costs and/or enhance value for money.

### **2022-23 Indicators**

- Began the process of installing Load Sense Hydraulics equipment on approximately 80 snowplows.
- Continued review of department's road inventory.
- Made improvements to training for winter snow crews, including instruction on the efficient application of ice control materials (e.g., salt, sand, etc.).
- Participated in an exercise to review and recommend an optimal allocation of light vehicles by department and region.

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- Conducted the department's first minor road rehabilitation project.
- Developed processes and tools to advance the complaint management system for summer road maintenance.

### Issue 3 – 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 opportunities and job creation for residents of the province.

In 2021-22, the department continued to advance projects for renewal of the province's built infrastructure including roads and bridges, wharves/marine facilities and buildings. 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, generating economic activity in all regions of the province. These efforts were supportive of Government's strategic directions toward **A Better Economy and Better Living**.

#### Goal

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

#### 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

1. Number of road tenders awarded.

### Results

- A total of 77 tenders were awarded for work on 110 road projects.

2. Number of construction projects completed.

### Results

- In total, the department oversaw the completion of 138 construction projects on provincial roads, buildings and marine infrastructure.

3. Number of new municipal infrastructure projects approved for federal and/or provincial funding.

### Results

- In all, 220 new municipal infrastructure projects were approved for provincial or federal-provincial cost-shared funding during the year for a total project value of \$257.5 million.

4. Number of facilities with major upgrades/renovations completed.

### Results

- Major upgrades/renovations were completed on a total of 19 Government facilities including nine TI buildings and 10 schools.

5. Number of new, jointly-funded provincial infrastructure projects approved.

**Results**

- In 2021-22, three bundles of new federal-provincial, cost-shared projects were approved for provincial infrastructure under the Investing in Canada Infrastructure Program’s COVID-19 Resilience Infrastructure stream. This included:
  - Health care infrastructure upgrades and improvements across all regions of the province;
  - Several projects focused on improvements to building ventilation, supported by an additional \$5.3 million in federal funding for Newfoundland and Labrador announced in April 2021; and,
  - Various building and building envelope upgrades in schools across several regions of the province.

6. 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

**Results**

- Adult Mental Health and Addictions Facility (NAMHAF). The parking garage was completed and opened for use in November 2021 and placement of structural steel for the NAMHAF itself was completed during the year. The project is on track to achieve its target of service commencement in late 2024.
- Replacement of Her Majesty’s Penitentiary. Three proponents were short-listed following a Request for Qualifications in 2020, which sought business teams interested in designing, building, financing and maintaining a new correctional facility to replace Her Majesty’s Penitentiary. A Request for

Proposals for implementing this project was issued to those three qualified proponents in November 2021, with submissions due by fall 2022.

- Corner Brook Hospital. Work on interior walls and mechanical and electrical rough-in was ongoing during 2021-22, along with elevator cab installation and at year-end exterior brick work was nearing completion. The project is on track to achieve its target of service commencement in late 2023.
- Trans-Labrador Highway (TLH). Multiple contracts have been awarded over the past four years to complete widening and/or paving of the gravel sections of the TLH between Happy Valley-Goose Bay and Cartwright Junction. Final, multi-year contracts were awarded in April and May 2020 to widen 46 km and pave 126 km. During 2021-22 upgrades were completed to 118 km with the project on track for completion in 2022.

### **Objective Summary**

The department was successful in advancing 2021 infrastructure projects and programming. Significant progress was achieved on all major infrastructure projects and, as noted, 138 construction projects were completed along with major upgrades to 19 facilities. Construction projects included 109 on provincial roads and 29 devoted to Government buildings or marine infrastructure. Renovations/upgrades were completed on 10 K-12 schools and nine 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 220 new municipal infrastructure projects.

### **2022-23 Objective**

By March 31, 2023, the Department of Transportation and Infrastructure will have advanced planned 2022 infrastructure projects and programs.

### **2022-23 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.
- Completed widening and hard-surfacing the Trans-Labrador Highway.
- Further advanced the following major projects:
  - Adult Mental Health and Addictions Facility;
  - Replacement of Her Majesty's Penitentiary; and,
  - Corner Brook Hospital.



## Opportunities and Challenges

### Long-Term Sustainability

Government has been clear that the province's fiscal situation is serious and must be addressed. Our population is small and scattered across a massive geography, much of it remote, and all subject to harsh climactic conditions. In this environment, delivering transportation and other infrastructure-based services to provincial residents will never be without its challenges. Newfoundlanders and Labradorians are encouraged to face the province's challenges together in a constructive manner, to find opportunities for a path forward that is more sustainable for the long term. While sometimes difficult, this will be key as we work to adapt Government services for continued relevancy and affordability.

### Greening Operations

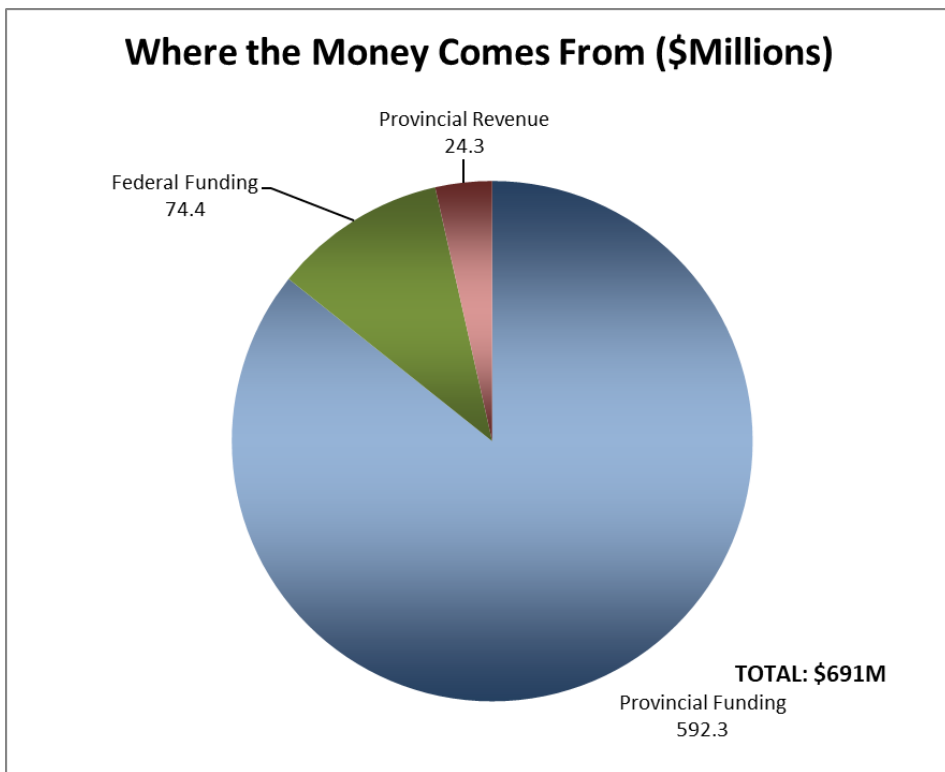
As the department responsible for Government vehicles, heavy equipment, aircraft and ferries, as well as hundreds of Government buildings, TI is in a unique position to take steps toward greening government operations. Several commitments in Government's Climate Change Action Plan are being led by TI including reducing GHG emissions from the light vehicle fleet by incorporating fuel economy specifications when purchasing new vehicles and investing in energy efficiency and fuel switching in Government buildings with provincial investments and contributions from the federal LCELF program.

Transitioning away from reliance on fossil fuels, over time, will reduce Government's carbon footprint and may result in savings, depending on the relative cost of alternative sources of energy (e.g., electricity, biofuel, etc.). Investing in green equipment and technology, however, is a costly endeavour and must be timed correctly. To date, for example, the department has not incorporated a large number of electric cars into its fleet due, in part, to the fact that charging and service infrastructure across the province has yet to reach the capacity needed, but the situation is advancing. In the coming years, this and similar green transitions will offer promising opportunities to improve

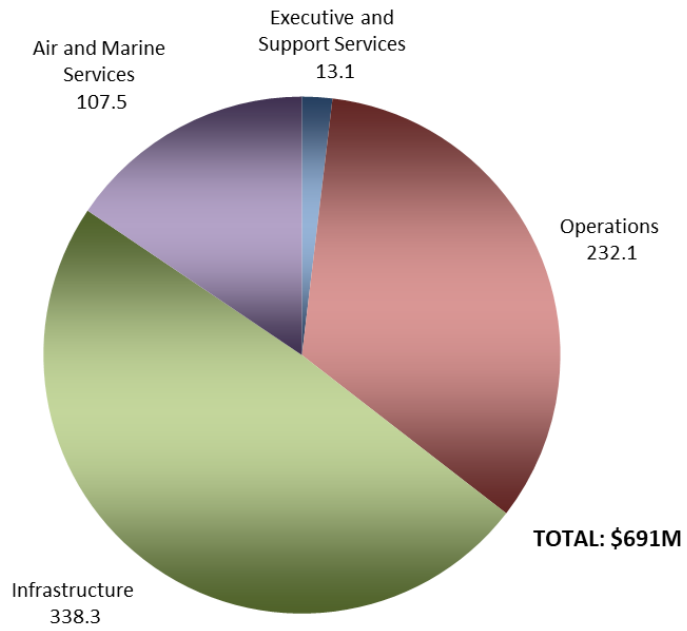
Government's environmental performance and contribute to the emerging green economy.

## Financial Information

The following charts provide a high level overview of the department's funding sources in 2021-22 as well as the programs to which funds were directed. A detailed statement of expenditures and revenues is included in Annex A.



### How the Money is Spent (\$Millions)



## Annex A: Statement of Expenditures and Revenues

### Summary of Expenditure and Related Revenue (unaudited)

For the year ended 31 March 2022

	Actual	Estimates	
		Amended	Original
<b>Executive and Support Services</b>			
Minister's Office	274,290	279,400	295,800
General Administration	12,810,373	12,471,700	13,332,000
Less: Revenue	(566,082)	(601,600)	(600,000)
	<b>12,518,581</b>	<b>12,149,500</b>	<b>13,027,800</b>
<b>Operations</b>			
Road Maintenance	92,890,712	99,167,100	93,226,900
Less: Revenue	(2,779,287)	(4,238,100)	(4,105,000)
Equipment Maintenance	46,449,307	42,855,400	44,439,100
Less: Revenue	(14,285)	(262,000)	(262,000)
Building Maintenance, Operations and Accommodations	89,690,585	88,856,900	102,363,700
Less: Revenue	(11,682,469)	(6,251,500)	(26,650,700)
Airstrip Maintenance	3,088,307	2,599,700	1,914,500
Less: Revenue	(1,632,759)	(1,830,900)	(2,277,200)
	<b>216,010,111</b>	<b>220,896,600</b>	<b>208,649,300</b>
<b>Infrastructure</b>			
Highway Design and Construction	807,388	1,288,000	773,600
Road Construction	149,268,151	166,871,800	173,767,200
Less: Revenue	(26,973,519)	(64,152,500)	(40,516,600)
Building Design and Construction	79,743,925	45,840,200	108,798,700
Less: Revenue	(11,447,921)	(4,727,300)	(11,473,700)
Marine Infrastructure	1,343,084	4,166,300	4,359,700
Municipal Infrastructure	107,125,429	-	138,335,100
Less: Revenue	(35,752,471)	-	(52,831,900)
	<b>264,114,066</b>	<b>149,286,500</b>	<b>321,212,100</b>
<b>Air and Marine Services</b>			
Marine Operations	93,225,233	82,836,100	80,586,100
Less: Revenue	(6,260,071)	(8,000,000)	(8,163,400)
Air Services	14,280,129	11,115,700	12,218,000
Less: Revenue	(1,582,750)	(1,000,000)	(1,000,000)
	<b>99,662,541</b>	<b>84,951,800</b>	<b>83,640,700</b>
<b>Total Expenditure</b>	690,996,912 <sup>¶</sup>	558,348,300	774,410,400
<b>Total Related Revenue</b>	(98,691,614)	(91,063,900)	(147,880,500)

**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 2022. 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.

## Annex B: 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 become operational.

