



Department of Transportation and Infrastructure

Annual Report
2012-2013



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Honourable Graydon Nicholas

Lieutenant-Governor of the Province of New Brunswick

Your Honour:

I am pleased to table the Department of Transportation and Infrastructure's Annual Report for the year ending March 31, 2013.

Yours sincerely,



Claude Williams
Minister

Honourable Claude Williams

Minister Department of Transportation and Infrastructure

Minister:

I take pleasure in submitting the annual report of the Department of Transportation and Infrastructure for the year ending March 31, 2013.

Respectively submitted,



Jean-Marc Dupuis
Deputy Minister

Table of Contents

| | |
|------------------------------------------------------------------|-----------|
| Minister's Message | 1 |
| Deputy Minister's Message | 2 |
| Department Overview | 3 |
| Highlights | 4 |
| Strategic Priorities | 6 |
| Performance Excellence | 7 |
| Performance Measures | 8 |
| Summary of Operations and Achievements | 18 |
| Financial Information | 21 |
| Summary of Staffing Activity | 31 |
| Summary of Legislation and Legislative Activity | 32 |

Minister's Message

During 2012-2013, the Department of Transportation and Infrastructure focused on government renewal and performance excellence initiatives. As part of this effort, we began to identify and assess opportunities for the Department to become a performance-based organization in order to run our operations more efficiently, while also achieving sustainable savings and improving service to the public.

As this work unfolds, the Department is destined to become a leader in performance excellence and continuous improvement. The process involves learning to be more efficient and more productive throughout the organization by better managing and measuring our work. I look forward to providing more information on our achievements as we move forward.

This annual report is a reflection of the important work we have begun in performance excellence and outlines results of the projects we have completed and the improvements we have made in our operations over the past year.



Claude Williams
Minister

Deputy Minister's Message

At the Department of Transportation and Infrastructure, we have been positioning the Department to become a leader in performance excellence. Our goal is to make improvements and create efficiencies within our organization over the long term which will lead to more accountability, improved productivity and delivery of service to our clients. The result will be a stronger, more efficient department and better customer satisfaction with the general public.

Our annual report this year has a new design and format. This change is part of a pilot project carried out with the Executive Council Office (ECO) in order to focus the document on performance reporting.

Working with ECO and the Department of Finance, a review of the traditional format was conducted. The project team considered best practices from other jurisdictions as well as previous recommendations from the Auditor General. The objective of the review was the development of a new annual report which charts the Department's progress in meeting the goals of performance excellence and strategy management in accordance with the strategic vision of the province.



Jean-Marc Dupuis
Deputy Minister

Department Overview

In March 2012, the Department of Transportation and Infrastructure (DTI) was created as a result of a merger of the former Department of Transportation (DOT) and a portion of the Department of Supply and Services (DSS) with a focus of delivering programs and services more efficiently.

The Department of Transportation and Infrastructure (hereafter Department) plans, designs, operates and maintains an extensive network of nearly 19,000 km of highway connected by over 2,600 bridges and 10 ferry crossings. The amalgamation of the former Department of Supply and Services with the former Department of Transportation resulted in the Department also being directly responsible for over 260 government buildings and managing capital projects for approximately 750 provincial buildings, along with the acquisition and disposal of property. Safety, security and environmental protection are fundamental principles of all departmental employees as they carry out their daily activities.

Mission: To contribute to New Brunswick's economy and quality of life by providing and supporting sustainable infrastructure that allows for the safe and efficient movement of people and goods and accommodates the provision of government services to the public.

Responsibilities for carrying out the Department's mandate are distributed among the following areas:

- Engineering Services
- Operations
- Corporate Services and Fleet Management
- Policy, Planning and Strategic Development
- Partnerships New Brunswick
- Buildings
- Communications

Highlights

The provision of sustainable infrastructure that allows for the safe and efficient movement of people and goods and accommodates the provision of government services to the public is critical to supporting Government's overall strategy to foster a stronger economy and enhanced quality of life while living within our means.



In March 2012, the Department of Transportation and Infrastructure (DTI) was created as a result of a merger of the former Department of Transportation and a portion of the Department of Supply and Services with a focus of delivering programs and services more efficiently.



In 2012-2013, the Department continued the process of transforming itself to a performance based organization that focuses on the delivery of programs and services to the public in the most efficient and cost effective manner.



The Department developed and implemented its first Strategy Map and Balanced Scorecard. These outline the departmental strategy, priorities and performance measures for 2012-2013 and articulate how the Government's goals are supported.



The Department delivered \$864 million in new construction and rehabilitation projects towards the province's transportation and building infrastructure.



The Department treated over 600 km of roads under its chipseal program and over 120 km under its paving program.



The Department continued to work with Provincial and Federal government officials towards the development of a new Federal long-term infrastructure plan that is essential to facilitate completion of strategic infrastructure projects under the Federal/Provincial funding agreements and the Atlantic Gateway Strategic initiative.



The Department worked on initiatives to harmonize and streamline processes in support of industry as well as worked on partnership initiatives with industry to address infrastructure constraints impacting transportation for industry.



The Department continued working with CN on the continuation of rail service between Moncton and Belledune.



The Department continued to utilize an Asset Management System as part of the framework to manage assets over the long term with the goal of minimizing the investment costs over the life of an asset. Adherence to asset management is essential for rehabilitation funding to be maximized.



Going forward, as the Department enters into its second year as an early (or wave 1) adopter, the Department will continue to refine the Strategy Map and Balance Scorecard to reflect the Department's priorities in achieving improvements and creating efficiencies.

Strategic Priorities

Strategy Management

The Government of New Brunswick (GNB) has implemented a formal management system built on leading business practices to develop, communicate and review strategy. This process provides the public service with a proven methodology in both public and private sectors to execute strategy.

In 2012-2013, the Department undertook the process of transforming itself to a performance based organization. A review of all programs and services was initiated. As a performance based organization, the Department's goal is to deliver programs and services to the public in the most efficient and cost effective manner. A team of consultants joined the Department in January 2013 to assist with accomplishing these goals.

The formal management system starts with a strategic vision – a vision for a **stronger economy** and an **enhanced quality** of life while **living within our means**. This strategic vision is articulated through the Strategy Map, which is a tool to provide focus and overall direction for improvement. The Department's activities in 2012-2013 aligned with the Government's vision and three goals.

The Perspectives of the Strategy Map

The ultimate goal of process improvement is to provide efficient, cost effective services and programs which meet the needs of New Brunswickers.

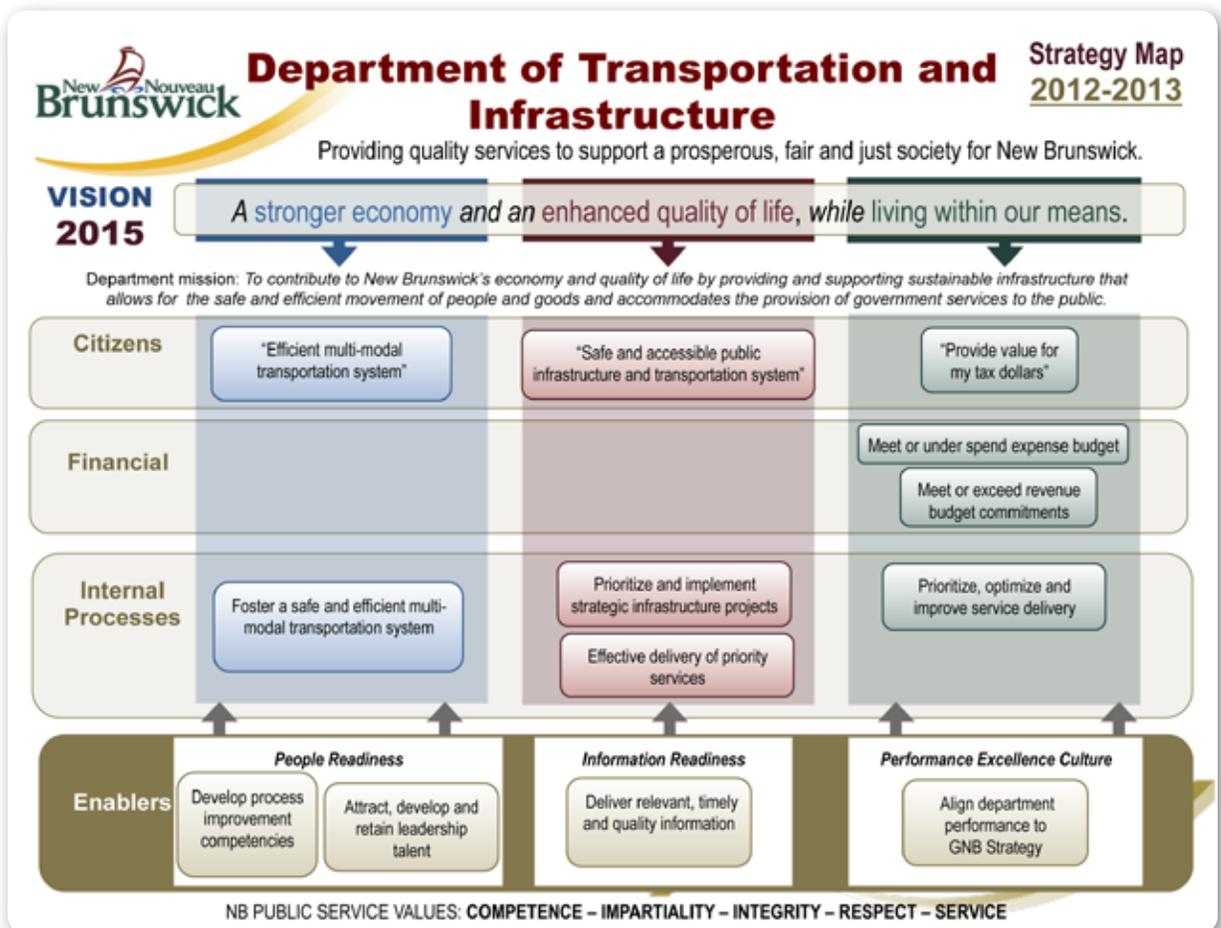
The Strategy Map focuses on what's important to citizens: stimulating job creation and getting more people working; access to necessary programs and services; and providing value for their tax dollars.

The financial perspective addresses the financial requirements needed to sustainably support the commitment to citizens, stretching across all three themes of the vision. The financial perspective focuses on supporting the private sector to stimulate growth, ensuring the government lives within its means by achieving a sustainable budget, and funding priority programs to contribute to an enhanced quality of life.

The internal processes are government's direct role in achieving the vision. They are the strategic improvements government needs to successfully implement to achieve the vision. Each department sets its own goals and priorities within the strategic themes to match its programs and specialized needs.

The enablers ensure that GNB is ready to execute the strategy through internal processes. Leaders and employees need to develop and demonstrate behaviours that engage others to ensure the success of strategic projects. Leaders need the right information at the right time to make strategic decisions, and the culture must align and recognize those who contribute to achievement of the strategy.

The Department Strategy Map for 2012-2013 is depicted below.



Performance Excellence

The Department was one of the first departments to participate in the Performance Excellence Process. This process is part of a cultural change to increase efficiency and accountability, improve services to the public, and streamline administration. The strategy map above is a blueprint for describing, measuring and aligning the Department's focus. It provides the link with the strategic themes of the Government of New Brunswick and outlines the Department's priorities for 2012-2013. All projects undertaken by the Department align to one of the strategic themes set out by the Province.

The map contains the Department's mission statement, with specific objectives on where to focus improvement efforts. The Department's Strategy Map and Balanced Scorecard were developed and implemented for the first time in 2012-2013. They outline the Departmental strategy, priorities and performance measures for 2012-2013 and articulate how the Government's goals are supported.

It should be noted that the Department's Strategy Map and Balanced Scorecard were developed before the amalgamation of a portion of the former Department of Supply and Services with the Department of Transportation in March 2012. Going forward, infrastructure (buildings) will be incorporated into these documents.

Performance Measures

Based on the Strategy Map, a framework that translates the organization’s strategy into a set of objectives and performance measures is developed. This allows the Department to measure progress in meeting objectives. The Performance Measures do not reflect all of the day to day operations of the department, but rather the strategic areas where it needs to focus improvement efforts.

Ten specific measures from the Department’s Balanced Scorecard for 2012-2013 have been highlighted in this report (refer to table below).

Highlights of DTI 2012-2013 Performance Indicators

| | |
|----------------------------------------------------------------|---------------------------------------------------------------|
| Strategic Theme: A stronger economy | Measures: |
| “Efficient multi-modal transportation system” | % completion of targeted trucking industry driven initiatives |
| Strategic Theme: Enhanced quality of life | Measures: |
| “Safe and accessible infrastructure and transportation system” | % of arterial highways in poor condition |
| | % of collector highways in poor condition |
| | % of local highways in poor condition |
| Prioritize and implement strategic infrastructure projects | % adherence to asset management plan |
| Effectively deliver priority services | % chip seal completed by Sept 1st, 2012 |
| Strategic Theme: Living within our means | Measures: |
| Meet or underspend expense budget | Ratio of actual to budgeted expenditures (DTI) |
| Prioritize, optimize and improve service delivery | Dollars saved per costs eliminated and controlled |
| | Dollars saved per continuous improvement |
| Enablers (HR, IT, Performance Excellence Culture): | Measures: |
| Align department performance to Strategic Plan | Number of sick leave days in DTI (avg per employee) |

Each performance indicator was reviewed and reported on quarterly, semi-annually, or annually depending on the specifics of the measure. The success of performance indicators were measured against a base value (if available), full year target, and full year stretch (which was a value that was potentially attainable).

As noted earlier, 2012-2013 was the first year of implementing a Strategy Map and Balanced Scorecard. As such, several valuable lessons were learned with respect to reporting as well as provided base values for any measures that did not previously have one.

A stronger economy: “Efficient multi-modal transportation system”

Measure:
% completion of targeted trucking industry driven initiatives

Description of the Measure:

The Department is working to reduce business barriers in the trucking industry through harmonization of regulations and requirements for vehicle weights and dimensions with neighbouring jurisdictions.

Overall Performance:

67% of trucking industry driven initiatives were completed in 2012-2013 (which was 17% above the full year target).

In this case, an actual result more than (or equal to) the full year target is desired.

Baseline: N/A - New Measure

Full Year Target: 50%

Full Year Stretch: 65%

Full Year Actual: 67%

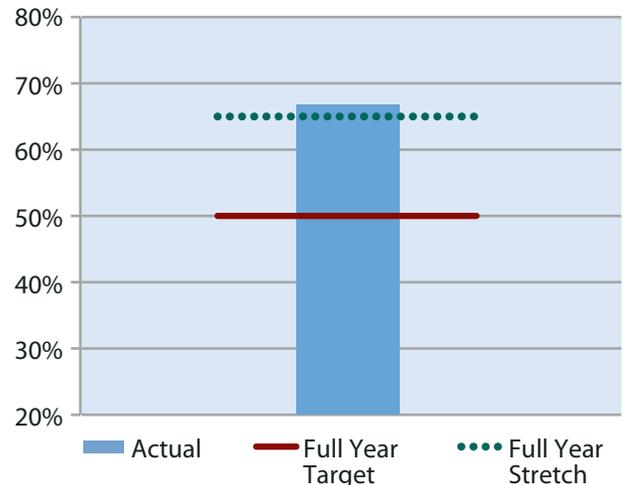
Why do we measure this?

This measurement is needed to ensure goals are met with respect to reducing red tape in the trucking industry and improving trucking efficiency in New Brunswick.

What projects were undertaken in 2012-2013 to achieve this outcome?

The Department continued work on harmonizing and streamlining processes in support of the trucking industry to improve efficiencies and increase industry competitiveness. This included:

- Continued work on the harmonization of conditions for the movement of Long Combination Vehicles (LCV) between Nova Scotia, Quebec and Ontario.
- Continued work on the harmonization of vehicle weights and dimensions under the National and Atlantic Task Forces on Vehicle Weights and Dimensions, which included updating the Memorandum of Understanding Respecting an Agreement to Harmonize Vehicle Weights and approving Dimensions Limits in Atlantic Canada.
- The completion of Phase 1 of developing an online special move permit (OSMP) system which will allow for the 24/7 self-issuance of standard oversize vehicle permits by the trucking industry.
- The investigation of requirements for developing a vehicle preclearance system.



Enhanced quality of life: Safe and accessible infrastructure and transportation system

Measure:

% of highways (arterial, collector, and local) in poor condition

Description of the Measure:

The Department reports the condition of highways as: very good, good, fair or poor. The 2012-2013 Balance Scorecard included three measures to report on the percentage of arterial, collector and local highways in poor condition.

Overall Performance:

The following percentage of highways were reported as being in poor condition: 9% of arterial highways (1% above target); 15% of collector highways (2% above target); and 11% of local highways (1% above target).

In these cases, an actual result less than (or equal to) the full year target is desired.

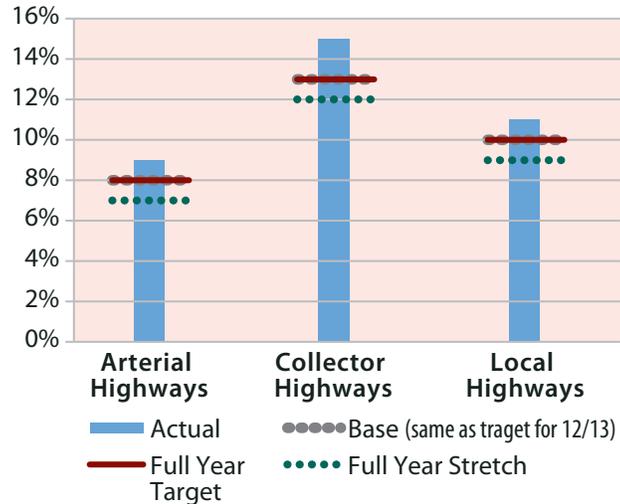
Why do we measure this?

Approximately one quarter of the provincial highway system is classified as “arterial” and “collector” highways. However, the majority of the total provincial traffic travels on these highways. The remaining three quarters of the highway inventory is comprised of “local” and “other” highways.

“Poor” roads serves as a good measure to report on since it represents the condition of highways and also one that the Department chose to improve upon given the impact of such roads to motorists.

What projects were undertaken in 2012-2013 to achieve this outcome?

The Department utilized its Asset Management System to prioritize highway rehabilitation candidates with the objective of decreasing “poor” roads in the Province. Unfortunately, due to budget levels less than what the Department’s Asset Management System indicated, this measure was not met. It should be noted that Asset Management principles were still utilized when preparing the program which ensured the available funding was strategically invested for highway rehabilitations.



Enhanced quality of life: Prioritize and implement strategic infrastructure projects

Measure:
% adherence to Asset Management Plan

Description of the Measure:
This measure is important as high levels of adherence to the plan, generated by Asset Management, maximizes rehabilitation spending and allows for strategic highway repairs.

Overall Performance:
62% of projects undertaken adhered to the Asset Management Plan (which was 8% below the full year target).

In this case, an actual result more than (or equal to) the full year target is desired.

Baseline: 60%
Full Year Target: 70%
Full Year Stretch: 80%
Full Year Actual: 62%

Why do we measure this?

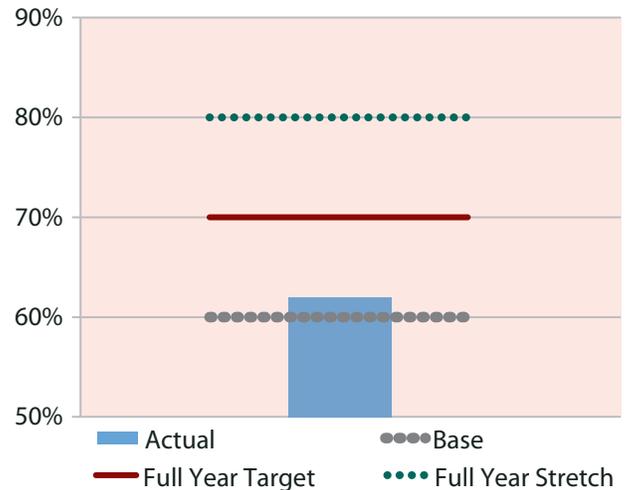
Asset management identifies how assets deteriorate over time and when is the appropriate time to intervene (rehabilitate) in order to avoid costly reconstruction of the asset. If roads are treated at the appropriate time, rehabilitation costs are reduced and a larger volume of roads can be done while at the same time achieving higher performance levels (i.e. good/fair/poor).

What projects were undertaken in 2012-2013 to achieve this outcome?

In order to obtain high adherence levels, the Department statistically demonstrates the economic benefits of Asset Management by detailing the reduction in future rehabilitations costs achieved when adherence is maximized. Further to this, the Department is speaking with other government departments about the benefits of an Asset Management System for government assets as a whole.

Although capital budget was reduced for Asset Management and rehabilitation funding was lower than that indicated by Asset Management for fiscal 2012-2013, the Department still maintained the principles of the system and distributed funding as strategically as possible.

The proven success and maturity of the Asset Management Plan for road surfaces has resulted in the Department beginning to develop Asset Management Plans for other areas.



Enhanced quality of life: Effectively deliver priority services

Measure:

% chipseal completed by September 1, 2012

Description of the Measure:

This measure calculates the percentage of chipseal projects that are completed by September 1st for the corresponding fiscal year.

Overall Performance:

88% of chipseal projects were completed by September 1, 2012 (which was 13% higher than the full year target).

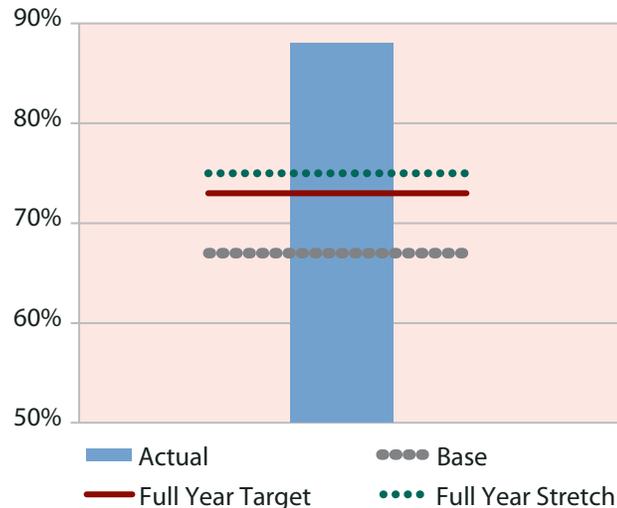
In this case, an actual result more than (or equal to) the full year target is desired.

Baseline: 67%

Full Year Target: 73%

Full Year Stretch: 75%

Full Year Actual: 88%



Why do we measure this?

The placement of chipseal is highly dependent on good weather conditions (i.e. no rain and low humidity levels) and the best quality for chipseal is attained between early June and late August.

Completing chipseal work after September 1st raises significant risk with respect to quality of work and the possibility of having to retreat the following year, which in turn increases costs.

What projects were undertaken in 2012-2013 to achieve this outcome?

In 2012-2013, a Chipseal Program was developed to optimize scheduling and approval. The need to have early approval of the program is key to being able to complete the work efficiently and in a timely basis. This newly developed program will help realize savings in the future.

Living Within our Means: Meet or underspend (ordinary) expense budget

Measure:
Ratio of actual to budgeted expenditures (DTI)

Description of the Measure:

The ratio measures whether the department is over or under budget. The ratio will exceed 100 percent when spending is over-budget and be less than 100 percent when spending is under-budget.

Overall Performance:

The ratio of actual to budgeted expenditures for the Department was 106% (which was 6% more than the full year target).

In this case, an actual result less than (or equal to) the full year target is desired.

Baseline: N/A - New Measure

Full Year Target: 100%

Full Year Stretch: 99.5%

Full Year Actual: 106%

Why do we measure this?

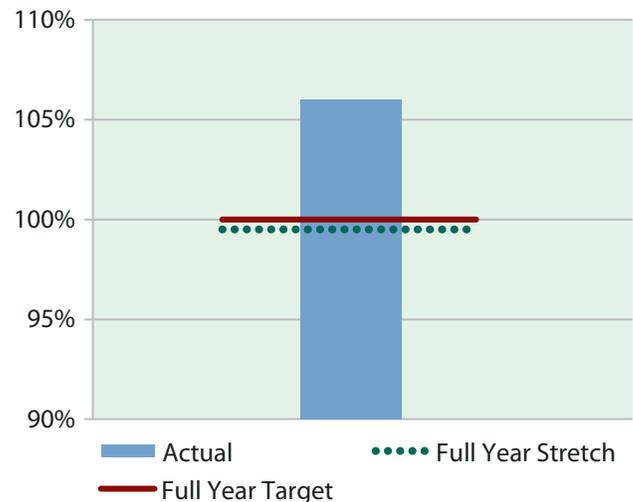
This indicator measures the ability of the provincial government to manage its overall expenses as compared to budget. The provincial government must ensure that expenses are managed in accordance with the budget and be prepared to take corrective action if expenses are projected to be over-budget during the year.

What projects were undertaken in 2012-2013 to achieve this outcome?

- A number of initiatives contributed to the reduction of departmental expenditures. Project details can be found in the following two sections pertaining to "Dollars saved per costs eliminated and controlled" and "Dollars saved per continuous improvement".

Several things influenced the inability to meet the budget target including:

- A very aggressive fiscal reduction target of \$21M based on the Department's addressable spending.
- Delays in finalizing and implementing some of the Government Renewal initiatives.
- Cost pressures from increased prices and consumption for major commodities such as salt, sand, fuel (vehicle, ferry and heating) and asphalt.
- Cost pressure as a result of Work Safe NB cost escalation.



Living Within our Means: Prioritize, optimize and improve service delivery

Measure:
Dollars saved per costs eliminated and controlled

Description of the Measure:
This measure focuses on Departmental savings achieved as a result of implementing Government Renewal in 2011 which identified areas for cost elimination and / or control.

Overall Performance:
The Department saved \$11.6M through costs eliminated and controlled (which was \$9.4M less than the full year target).

In this case, an actual result more than (or equal to) the full year target is desired.

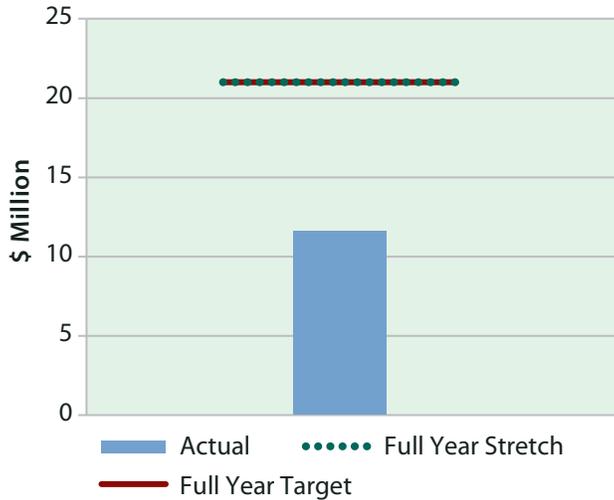
The first graph depicts the overall performance of the indicator when viewed as a distinct measure. However, the second graph illustrates the actual budget reduction achieved in 2012-2013 compared to the previous year.

Why do we measure this?
In an effort to reduce expenditures and the Province's deficit, the Government completed a renewal exercise which resulted in a multi-year expenditure reduction plan for all departments.

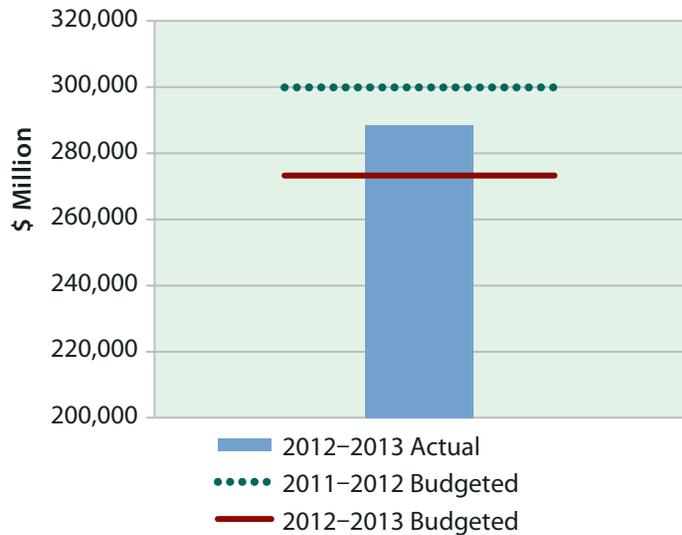
Dollars saved through costs eliminated and controlled is determined by the actual budget expenditure trends over time.

What projects were undertaken in 2012-2013 to achieve this outcome?

- Implementing a multi-year capital budget.
- Providing opportunities for efficiencies through best practices including a review of executive staffing levels and the organizational structure.
- Reduction of casual and regular employee levels between fiscal year 2011-2012 and 2012-2013 through attrition.
- Reduction in paid overtime between 2011-2012 and 2012-2013 through process improvement projects.



Baseline: N/A - New Measure
Full Year Target: \$21.0M
Full Year Stretch: \$21.0M
Full Year Actual: \$11.6M



2011-2012 Budget: \$299.9M*
 2012-2013 Budget: \$273.2M
 2012-2013 Actual: \$288.5M

**For comparative purposes only, the Department of Supply and Services (DSS) Buildings Group portion of Main Estimates was included in the Department's Budget for 2011-2012 (since they were not part of DTI during that time).*

-
- Rationalization of office space using the new Office Space Policy thus reducing the square footage and associated costs.
 - Initiating a horizontal project involving a number of departments to review the inventory of surplus government assets. Over \$1.4 million was generated by selling surplus government assets in 2012-13.
 - Installing GPS devices on vehicles to improve fleet efficiency.

Several things influenced the inability to meet the budget target including:

- As with the previous performance measure, a very aggressive fiscal reduction target of \$21M was set for 2012-2013 and there were delays in finalizing and implementing some of the Government Renewal initiatives.
- A team of consultants joined the Department in January 2013 to assist with accomplishing the Department's goals. However, their services were only retained for three months during fiscal 2012-2013.
- Several initiatives that were underway were carried forward to attain full savings in 2013-14 and to make current savings sustainable over time.

Living Within our Means: Prioritize, optimize and improve service delivery

Measure:

Dollars saved per continuous improvement

Description of the Measure:

This measure targets savings (including revenue generation activities, hard cost avoidance and hard cost reduction) resulting from Lean Six Sigma activities and related continuous improvement efforts.

Overall Performance:

The Department saved \$1.3M through continuous improvement projects (which was \$0.8M more than the full year target).

In this case, an actual result more than (or equal to) the full year target is desired.

Baseline: N/A - New Measure

Full Year Target: \$0.50M

Full Year Stretch: \$0.58M

Full Year Actual: \$1.30M

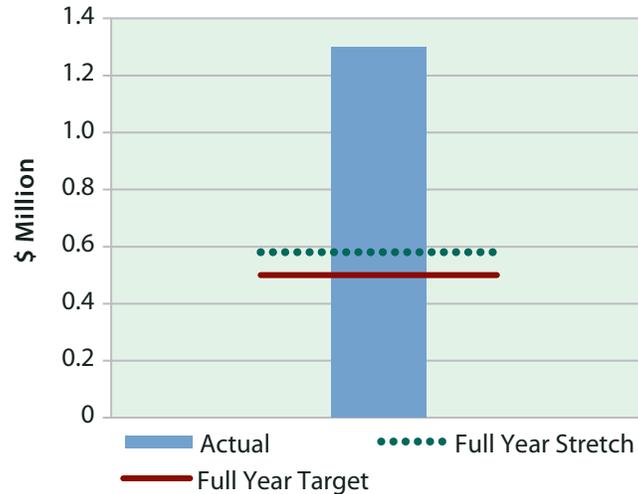
Why do we measure this?

New Brunswick's public service is changing to reduce costs and improve the quality and sustainability of programs and services. An important aspect of this change is embedding a culture of continuous improvement. This means that, project by project, the provincial government can do more with less.

Continuous improvement within the provincial Government is being driven through the recognized, proven business practice known as "Lean Six Sigma." This methodology focuses on identifying customer needs, eliminating waste and improving quality while reducing costs. This method also engages employees in making improvements to their work, generating their support and creating a high-performance work environment.

What projects were undertaken in 2012-2013 to achieve this outcome?

- Participation on a provincial committee for the development of financial reporting model.
- Reviewing environmental assessment processes.
- Adopting best practices for asphalt patching and leveling.
- Improving the efficiency of the Vehicle Maintenance Agency repair shops.
- Reviewing stockroom inventory management practices.



Living Within our Means: Prioritize, optimize and improve service delivery

Measure:

Average number of sick leave days in DTI (per employee)

Description of Measure:

The measure calculates how many sick leave days were taken, on average, per employee at DTI.

Overall Performance:

Department employees used an average of 10.9 days of sick leave in 2012-2013 (which was almost a half day less than the full year target).

In this case, an actual result less than (or equal to) the full year target is desired.

Baseline: 11.8 days

Full Year Target: 11.3 days

Full Year Stretch: 11.1 days

Full Year Actual: 10.9 days

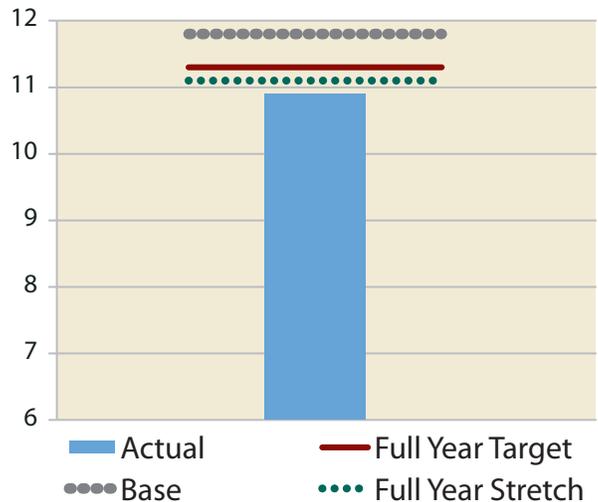
Why do we measure this?

Lower absenteeism, and in particular, sick leave usage within certain employee groups, will result in significant savings for Government and will help reduce costs associated with loss productivity, as well as staff replacement costs.

The number of sick leave days per employee in the Department is calculated by dividing the number of sick days used by the number of employees (excluding casuals) in each of Part I, II and III by employee type (i.e. bargaining and non-bargaining).

What projects were undertaken in 2012-2013 to achieve this outcome?

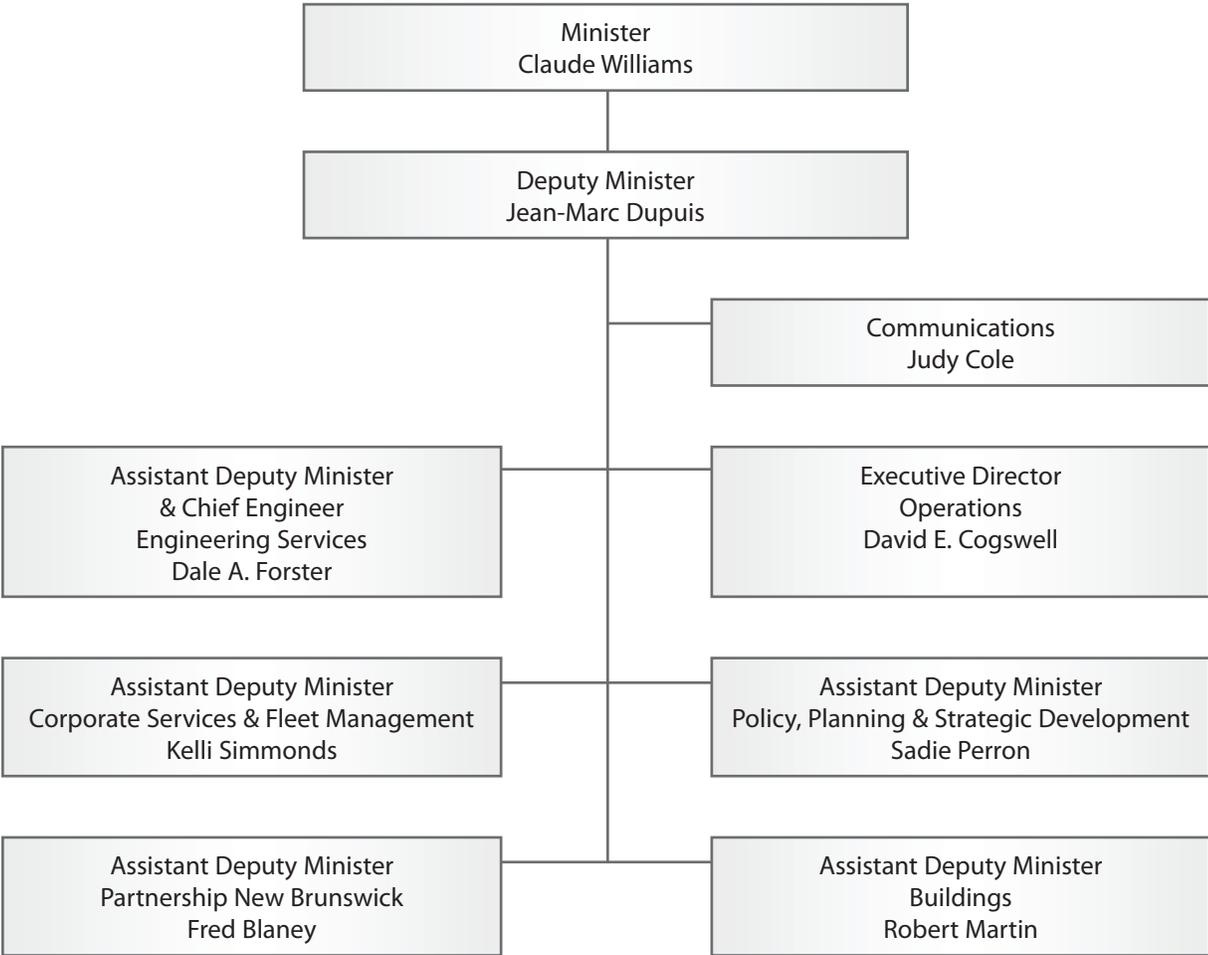
- The establishment of a sick leave section for the performance management system.
- The continuation of targeted reductions in sick leave usage over the next two years through attendance management efforts.



Summary of Operations and Achievements

The Department of Transportation and Infrastructure’s mission is to provide and support sustainable infrastructure that allows safe and efficient movement of people and goods and accommodates the provision of government services to the public.

A number of divisions and branches play a vital role in the delivery of transportation and infrastructure services to New Brunswickers.



As of March 31, 2013

As of March 31, 2013, the Department employed 1,932 regular, seasonal, part-time, term and temporary employees. The amalgamation of a portion of the former Department of Supply and Services added approximately 100 employees to the Department (which are included in the total 1,932 employees). However, for the first time in over five years the Department had less than 2,000 employees due to a large number of retirements and exits (refer to Summary of Staffing Activity for more information).

Engineering Services Division

The **Engineering Services Division** oversees highway planning, systems management and the land management processes, including: identifying and preparing designs for new highway alignments and resurfacing, preparing maps and plans, as well as acquiring and managing lands.

The Design, Construction and Maintenance & Traffic Branches all work under this Division.

Engineering Services Division Highlights

- A number of bridge rehabilitation and construction projects were undertaken, including the replacement of the Little South Branch Tomogonops bridge, the commencement of rehabilitation work on the Miramichi River bridge (#1), and the commencement of construction on the new Clair Fort Kent bridge.
- Construction continued on several highway segments across the province including Route 8, the Welsford Bypass (Route 7), and the One Mile House interchange (Route 1).
- Activities related to New Brunswick's strategic transportation infrastructure projects also occurred. Namely, the transfer of the Saint John Harbour Bridge to the Province (tolls were removed in spring 2012 and rehabilitation work continued).

Operations Division

The **Operations Division** provides for the construction and maintenance of all designated highways, structures and ferries; operates and maintains a radio communication system, departmental buildings and grounds; provides traffic engineering services; as well as repair services for the government vehicle fleet.

The Division coordinates the activities of six Transportation Districts across the province.

Operations Division Highlights

- DTI is undergoing Government Renewal initiatives to achieve operational efficiencies and cost savings in district management activities. The goal is to streamline and optimize operations, while maintaining or improving the level of service.
- As part of Government Renewal, the Department undertook an organizational realignment. District operations now report directly to the Deputy Minister. There has also been an increased focus on long term planning as an important strategic priority.

Corporate Services and Fleet Management Division

The **Corporate Services and Fleet Management Division** provides leadership and a corporate focus for the effective and efficient management and support of financial, administrative, human resource and information technology services within the Department, as well as provide fleet management services for the New Brunswick government.

Five different groups fall under this Division: the Financial and Administrative Services Branch, the Human Resources Branch, the Information Management and Technology Branch, the Vehicle Management Agency, and the Continuous Improvement Section.

Corporate Services and Fleet Management Division Highlights

- The Vehicle Management Agency (VMA) retained a consultant to develop a new Standard Operating Procedure (SOP) for repair shops across the province. A number of key processes for the Standard Operating Procedure have been implemented in all of the shops. One outcome of this initiative includes the reduction of overtime for VMA staff. VMA continues to work with the consultant to coordinate training and improvements to the SOP.

Policy, Planning and Strategic Development Division

The **Policy, Planning and Strategic Development Division** develops policy and strategic initiatives / partnerships in support of the Department of Transportation and Infrastructure's mandate.

The Policy, Planning and Strategic Development Division is composed of the Policy Branch and the Planning and Strategic Development Branch.

Policy, Planning and Strategic Development Division Highlights

- The Department worked on partnership initiatives with industry to address infrastructure constraints impacting transportation. For instance a review of transportation infrastructure was initiated following the identification of strategic forestry corridors by the forestry sector.

Partnerships New Brunswick

Partnerships New Brunswick provides advice, support and consulting services to government clients in regard to the assessment, procurement and implementation of projects as public private partnerships (P3s) as well as special construction projects.

This group also manages the operation, maintenance and rehabilitation (OMR) of three operators along New Brunswick's arterial highway system and provides services for all aspects of property related to the Department of Transportation and Infrastructure including property acquisition and disposal for highways and buildings.

Partnerships New Brunswick is composed of the Projects Group and the Properties Branch.

Partnerships New Brunswick Highlights

- The Route 1 Gateway Project was completed and opened to traffic in fall 2012.
- Work on the 4-lane at the New Brunswick and Quebec border (Route 2) continued (including awarding the construction contract).

Buildings Division

The **Buildings Division** constructs and maintains provincial government buildings and is also responsible for leased premises throughout the province.

Three Branches form the Buildings Division: the Special Projects Development Branch, the Design and Construction Branch, and the Facilities Management Branch.

Buildings Division Highlights

- Implementation of the Government approved requirement for wood frame construction for any new single story nursing home built in the province. This supports the "Wood First" initiative by encouraging the use of wood in provincial buildings as a way of supporting wood producers.
- Construction of the Saint John Courthouse was completed.
- The new Correctional Facilities in Shediac and Dalhousie were opened.

Communications

The **Communications** group oversees a number of activities related to the Department's external communication strategies. Among others, this group's responsibilities involve providing advice to the minister and senior managers on communications issues, preparing supporting material for media events, managing media and public relations, as well as monitoring and analyzing media coverage.

Financial Information

**Department of Transportation and Infrastructure
Statement of Revenue and Recoveries
For the Fiscal Year Ended 31 March 2013**

| \$000 | Main Estimates | Actual | Variance over (under) |
|----------------------------------------------------------|-------------------|--------------|--------------------------|
| Ordinary Revenue | | | |
| Return on Investment | | | |
| Other Interest Income | 1 | 4 | 3 |
| | <u>1</u> | <u>4</u> | <u>3</u> |
| Licences and Permits | | | |
| <i>Motor Vehicle Act - Fees</i> | 1,400 | 1,518 | 118 |
| <i>Motor Carrier Act - Fees</i> | 20 | | (20) |
| | <u>1,420</u> | <u>1,518</u> | <u>98</u> |
| Sale of Goods and Services | | | |
| Recoveries from Municipalities - General Maintenance | 2,100 | 2,185 | 85 |
| Recoveries - General Maintenance - First Nations | 190 | 208 | 18 |
| Land Rentals - Other | 1,289 | 1,230 | (59) |
| Rents - Provincial Buildings | 250 | 150 | (101) |
| Highway Signs - Sales | 105 | 98 | (7) |
| Plans and Tender Documents - Sales | 60 | 50 | (10) |
| Central Heating Plant - Sales | 330 | 113 | (217) |
| Industrial Parks - Water and Sewage Service | 115 | 13 | (102) |
| | <u>4,439</u> | <u>4,046</u> | <u>(393)</u> |
| Fines and Penalties | | | |
| <i>Highway Act - Fines</i> | 35 | 35 | 0 |
| <i>Motor Carrier Act - Fines</i> | | 0 | |
| | <u>35</u> | <u>35</u> | <u>0</u> |
| Miscellaneous | | | |
| Government Assigned Vehicles - Recoveries from Employees | 4 | 2 | (2) |
| Prior Years Expenditure Recoveries | - | 130 | 130 |
| Insurance Recoveries | - | 109 | 109 |
| Other Miscellaneous Revenue | 80 | 3,412 | 3,332 |
| | <u>84</u> | <u>3,652</u> | <u>3,568</u> |
| Conditional Grants-Canada | | | |
| Integrated Radio System | 85 | 56 | (29) |
| | <u>85</u> | <u>56</u> | <u>(29)</u> |
| Total - Ordinary Revenue | <u>6,064</u> | <u>9,312</u> | <u>3,248</u> |

| \$000 | Main Estimates | Actual | Variance over (under) |
|--------------------------------------------------------------------------------------|-------------------|----------------|--------------------------|
| Capital Recoveries | | | |
| Capital Recoveries - Own Source | | | |
| Other Land Sales | 10,005 | 1,439 | (8,566) |
| Prior Years Expenditure Recoveries | - | 39 | 39 |
| Other | <u>100</u> | <u>260</u> | <u>160</u> |
| | <u>10,105</u> | <u>1,739</u> | <u>(8,366)</u> |
| Capital Recoveries - Canada | | | |
| Canada - New Brunswick National Highway System Agreement | 6,831 | 9,226 | 2,395 |
| Canada - New Brunswick Gateways and Border Crossing Fund - Saint John Harbour Bridge | 4,375 | 452 | (3,923) |
| Canada - New Brunswick Gateways and Border Crossing Fund - Route 1 Gateway Project | 93,000 | 93,000 | - |
| Building Canada Fund - Base Funding | 117,901 | 117,842 | (59) |
| Other | <u>744</u> | <u>744</u> | <u>744</u> |
| | <u>222,107</u> | <u>221,264</u> | <u>(843)</u> |
| Total - Capital Recoveries | <u>232,212</u> | <u>223,003</u> | <u>(9,209)</u> |
| Special Purpose Revenue | | | |
| Land Management Fund | | | |
| Return on Investment | 55 | 59 | 4 |
| Sale of Goods and Services | 1 | 1 | - |
| Capital Recoveries - Own Source | <u>1,250</u> | <u>1,290</u> | <u>40</u> |
| | <u>1,306</u> | <u>1,350</u> | <u>44</u> |

Figures may differ due to rounding.

Statement of Expenditures For the Fiscal Year Ended 31 March 2013

| \$000 | Main Estimates | Budget Adjustments* | Amended Budget | Actual / | Variance (over) under |
|---------------------------------------------------------------|----------------|---------------------|----------------|----------------|-----------------------|
| Ordinary Expenditure | | | | | |
| Administration | 15,781 | 38 | 15,819 | 18,527 | (2,708) |
| Policy, Strategic Development and Intergovernmental Relations | 2,222 | 6 | 2,228 | 2,582 | (355) |
| Maintenance | 56,871 | 391 | 57,262 | 64,344 | (7,082) |
| Winter Maintenance | 60,555 | 22 | 60,577 | 67,230 | (6,653) |
| Bridge and Highway Construction | 2,227 | 109 | 2,336 | 2,641 | (305) |
| Partnerships New Brunswick | | | | 157 | (157) |
| Buildings Group | 115,579 | 30 | 115,609 | 112,795 | 2,814 |
| New Brunswick Highway Corporation | 19,998 | - | 19,998 | 20,213 | (215) |
| Total - Ordinary Account | 273,233 | 595 | 273,828 | 288,489 | (14,661) |
| Capital Expenditure | | | | | |
| Permanent Bridges | 43,850 | | 43,850 | 43,026 | 824 |
| Permanent Highways | 66,358 | | 66,358 | 70,448 | (4,090) |
| Rural Road Infrastructure | 38,000 | | 38,000 | 36,476 | 1,524 |
| Canada - New Brunswick Border Infrastructure Program | - | | - | 88 | (88) |
| Canada-New Brunswick National Highway System Program | 585,409 | | 585,409 | 574,901 | 10,508 |
| Public Works and Infrastructure | 164,508 | | 164,508 | 138,921 | 25,587 |
| Vehicle Management Agency | 10,000 | | 10,000 | 10,072 | (72) |
| Total - Capital Account | 908,125 | - | 908,125 | 873,933 | 34,192 |
| Special Purpose Expenditure | | | | | |
| Government House | 50 | | 50 | | 50 |
| Land Management Fund | 1,520 | | 1,520 | 1,740 | (220) |
| | 1,570 | - | 1,570 | 1,740 | (170) |
| Loans and Advances | | | | | |
| Loans and Advances Program | 22,000 | | 22,000 | 8,877 | 13,123 |

Figures may differ due to rounding.

* Budget Adjustments include appropriation transfers from central government.

**Statement of Ordinary Account
Expenditures by District / Branch For the
Fiscal Year Ended 31 March 2013 Unaudited**

\$000

| District / Branch | Administration | Policy, Strategic Development, and Intergovernmental Relations | Maintenance | Winter Maintenance |
|----------------------------------------------------------|----------------|-------------------------------------------------------------------------|---------------|-----------------------|
| Bathurst | 1,453 | | 4,760 | 7,562 |
| Miramichi | 846 | | 3,012 | 4,875 |
| Moncton | 1,401 | | 7,716 | 13,912 |
| Saint John | 1,759 | | 13,392 | 12,338 |
| Fredericton | 1,636 | | 9,602 | 16,724 |
| Edmundston | 1,184 | | 3,579 | 6,652 |
| Maintenance & Traffic | 45 | | 20,748 | 565 |
| Highway Design | 1 | | | |
| Construction | 5 | | | |
| Planning & Land Management | | | | |
| Transportation Policy | | 2,213 | | |
| Strategic Development and Intergovernmental Relations | | 369 | | |
| Financial & Administrative Services | 7,399 | | 1,171 | 4,407 |
| Information Management and Technology | 1,745 | | 203 | 196 |
| Human Resources | 1,047 | | | |
| Partnerships New Brunswick | | | | |
| Buildings Group | | | | |
| Vehicle Management | 8 | | 162 | |
| New Brunswick Highway Corporation | | | | |
| | <u>18,527</u> | <u>2,582</u> | <u>64,344</u> | <u>67,230</u> |

Figures may differ due to rounding.

| Bridge & Hwy Construction | Partnerships New Brunswick | Buildings Group | New Brunswick Highway Corporation | Total Ordinary |
|------------------------------|-------------------------------|-----------------|-----------------------------------------|----------------|
| | | | | 13,776 |
| | | | | 8,732 |
| | | | | 23,028 |
| | | | | 27,489 |
| | | | | 27,962 |
| | | | | 11,415 |
| | | | | 21,357 |
| 1,273 | | | | 1,274 |
| 476 | | | | 481 |
| 892 | | | | 892 |
| | | | | 2,213 |
| | | | | 369 |
| | | | | 12,976 |
| | | | | 2,144 |
| | | | | 1,047 |
| | 157 | | | 157 |
| | | 112,795 | | 112,795 |
| | | | | 170 |
| | | | 20,213 | 20,213 |
| <u>2,641</u> | <u>157</u> | <u>112,795</u> | <u>20,213</u> | <u>288,489</u> |

**Statement of Capital Account
Expenditures by District / Branch
For the Fiscal Year Ended 31 March 2013
Unaudited**

| \$000 | District/Branch | Permanent Bridges | Permanent Highways | Rural Road Infrastructure |
|-------|---------------------------------------|-------------------|--------------------|---------------------------|
| | Bathurst | 1,827 | 5,246 | 4,677 |
| | Miramichi | 4,567 | 2,513 | 4,228 |
| | Moncton | 1,717 | 9,622 | 8,506 |
| | Saint John | 3,602 | 2,587 | 4,913 |
| | Fredericton | 8,670 | 13,295 | 9,569 |
| | Edmundston | 6,871 | 11,542 | 3,974 |
| | Maintenance & Traffic | 143 | 2,460 | |
| | Highway Design | 2,445 | 1,651 | |
| | Construction | | 987 | 609 |
| | Planning & Land Management | | 365 | |
| | Transportation Policy | | 588 | |
| | Financial & Administrative Services | | 505 | |
| | Information Management and Technology | 487 | 464 | |
| | Route 1 Gateway Project | | 3,218 | |
| | Projects Group NBDOT | 12,699 | | |
| | Projects Group FMHP | | 9,072 | |
| | Projects Group TCH | | 6,333 | |
| | Public Works and Infrastructure | | | |
| | Vehicle Management Agency | <u>43,026</u> | <u>70,448</u> | <u>36,476</u> |

Figures may differ due to rounding.

| Canada/NB Border Infrastructure Program | Canada/NB National Highway System Program | Public Works and Infrastructure | Vehicle Management Agency | Total Capital |
|-----------------------------------------------|-------------------------------------------------|------------------------------------|---------------------------------|----------------|
| | | | | 11,749 |
| | | | | 11,308 |
| | | | | 19,845 |
| 88 | 7,654 | | | 18,844 |
| | 13,642 | | | 45,176 |
| | 2,283 | | | 24,670 |
| | | | | 2,603 |
| | 4,523 | | | 8,619 |
| | | | | 1,597 |
| | 3,186 | | | 3,551 |
| | | | | 588 |
| | 20 | | | 526 |
| | 92 | | | 1,043 |
| | 542,349 | | | 545,567 |
| | 1,152 | | | 13,850 |
| | | | | 9,072 |
| | | | | 6,333 |
| | | 138,921 | | 138,921 |
| | | | 10,072 | 10,072 |
| <u>88</u> | <u>574,901</u> | <u>138,921</u> | <u>10,072</u> | <u>873,933</u> |

**Special Operating Agency
Vehicle Management
Statement of Revenue and Expenditures
For the Fiscal Year Ended 31 March 2013**

| \$000 | Main Estimates | Budget Adjustments* | Amended Budget | Actual | Variance |
|-------------------------------|-------------------|------------------------|-------------------|---------------|----------------|
| Revenue | | | | | |
| Chargebacks to clients | 94,335 | - | 94,335 | 89,982 | (4,353) |
| Sale of Vehicles & Equipment | 800 | - | 800 | 384 | (417) |
| Other Miscellaneous Revenue | - | - | - | 162 | 162 |
| Total Revenue | <u>95,135</u> | <u>-</u> | <u>95,135</u> | <u>90,527</u> | <u>(4,608)</u> |
| Expenditures | | | | | |
| Operating Expenditures | 78,223 | - | 78,223 | 78,618 | (395) |
| Vehicle & Equipment Purchases | 10,000 | - | 10,000 | 10,072 | (72) |
| Total Expenditures | <u>88,223</u> | <u>-</u> | <u>88,223</u> | <u>88,690</u> | <u>(467)</u> |

Figures may differ due to rounding.

* Budget Adjustments include appropriation transfers from central government.

Summary of Staffing Activity

Pursuant to section 4 of the *Civil Service Act*, the Deputy Minister of the Department of Human Resources delegates staffing to each Deputy Head for their respective departments. Please find below a summary of the staffing activity for 2012-2013 for the Department of Transportation and Infrastructure.

The department advertised 69 competitions, including 31 open (public) competitions and 38 closed (internal) competitions.

Pursuant to section 15 and 16 of the *Civil Service Act*, the department made the following appointments using other processes to establish merit than the competitive process:

| Appointment Type | Appointment Description | Section of the <i>Civil Service Act</i> | Number |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|--------|
| Specialized Professional, Scientific or Technical | An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> a high degree of expertise and training a high degree of technical skill recognized experts in their field | 15(1) | 0 |
| Equal Employment Opportunity Program | Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities. | 16(1)(a) | 0 |
| Department Talent Management Program | Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness. | 16(1)(b) | 1 |
| Lateral transfer | The GNB transfer process facilitates the transfer of employees from within Part I, II (School Boards) and III (Hospital Corporations) of the Public Service. | 16(1) or 16(1)(c) | 7 |
| Regular appointment of casual/temporary | An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service. | 16(1)(d)(i) | 8 |
| Regular appointment of students/apprentices | Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service. | 16(1)(d)(ii) | 0 |

Pursuant to section 33 of the *Civil Service Act*, zero complaints alleging favouritism were made to the Deputy Head of Department of Transportation and Infrastructure and zero complaints were submitted to the Ombudsman.

Summary of Legislation and Legislative Activity

Statutes under the jurisdiction of the Minister of Transportation and Infrastructure include:

| Act Title | Powers of the Minister |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Highway Act</i> | <ul style="list-style-type: none"> • All aspects of development, design, planning, construction, improvement, repair, operation, management, administration, financing, ownership, regulation, for provincial highways and ferries. • Trade, sell, lease, or dispose of by public tender, any equipment, machinery, motor vehicles or implements no longer required for highway purposes. • Excludes sections 58 to 62.1 regarding the administration and regulation of dumps. |
| <i>Motor Vehicle Act</i> | <ul style="list-style-type: none"> • The Minister of Transportation and Infrastructure is responsible for the following sections: <ul style="list-style-type: none"> • Traffic Control Devices: Section 115, subsections 116(1) and (2) and 119(3) • Rules respecting speed: Sections 140.1 and 141, subsections 142.01(2) and (3), 142.1(1), (3), (4), (5) and (7), paragraph 143(1) (d), subsections 146(2) • Rules of the road: Subsections 153(1), 154(1) and 155(1), paragraph 160(1)(c) • Railway Crossings: paragraphs 183(1)(c) and 186(1)(c), subsection 186(1.1) • Parking rules: subsections 194(4), (5) and (5.1) • Miscellaneous equipment: paragraph 241(4)(d) • Size and Mass requirements: section 251.1 • Maximum mass: Subsections 258(1), 261(1), (3), (3.1), (4.3) and (5), 262(3) • Drive-in Theatres: Subsection 364(1) |
| <i>Motor Carrier Act</i> | <ul style="list-style-type: none"> • Enable concurrent motor carrier hearings with other jurisdictions. • Restrict the operation of public motor buses if a highway is being or would be damaged. • Enter into a reciprocal agreement with any other province of Canada or any state of the United States of America with respect to the carriage of any designated class of passenger within the Province. • Does not include the licensing of motor carriers which is the responsibility of the New Brunswick Energy and Utilities Board. |

| | |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Public Landings Act</i> | <ul style="list-style-type: none"> This Act states the areas or tracts of land in the City of Fredericton established by Chapter 23 of George IV, (1827) as public landings shall cease to be public landings and transfers some of these to the Minister of Transportation and Infrastructure with the right to erect any building or structure and conduct any works and deposit any material as necessary for the public good. |
| <i>Shortline Railways Act</i> | <ul style="list-style-type: none"> License a shortline railway. With the approval of the Lieutenant- Governor in Council, enter into agreements with railway companies. |
| <i>Public Works Act</i> | <ul style="list-style-type: none"> Outlines the powers of the Minister respecting land and buildings designated as public works. Power to make contracts. Vesting of property, sale or lease of public works, etc. |
| <i>Telephone Companies Act</i> | <ul style="list-style-type: none"> Section 5(3) enables the Chief Highway Engineer to authorize telephone equipment on provincial highway property. |

Statutes under the jurisdiction of the Minister of Transportation and Infrastructure and administered by a commission, board, corporation or other authority include:

| Act Title | Governance / Purpose |
|----------------------------------------------------------|---------------------------------------------------------------------------------|
| <i>Motor Carrier Act</i> | New Brunswick Energy and Utilities Board: To regulate public motor bus service. |
| <i>New Brunswick Highway Corporation Act (NBHC)</i> | NBHC Board of Directors: All aspects of highway management, operations. |
| <i>New Brunswick Transportation Authority Act (NBTA)</i> | NBTA Board of Directors: Transportation terminal development. |

Legislation under the jurisdiction of other departments often impacts the business of the Department of Transportation and Infrastructure; examples include the:

- *Crown Construction Contracts Act*;
- *Financial Administration Act*;
- *Expropriation Act*;
- *Trespass Act*;
- *Public Purchasing Act*; and
- Environmental legislation (*Clean Environment Act*; *Clean Air Act*, and *Clean Water Act*).

Legislation governing topsoil preservation, historic site preservation, as well as fish, wildlife and forest protection also influences routine business practices.

Federal legislation governs marine, air, and rail (not including shortline rail). Federal legislation also impacts the truck and bus industries (inter-jurisdictional transport) as well as the environment, fish, migratory birds and wildlife.