

Transportation and Infrastructure

Annual Report
2015–2016

**Transportation and Infrastructure
Annual Report 2015-2016**

Province of New Brunswick
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Transmittal letters

From the Minister to the Lieutenant-Governor

The Honourable Jocelyne Roy Vienneau
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the Annual Report of the Department of Transportation and Infrastructure, Province of New Brunswick, for the fiscal year April 1, 2015, to March 31, 2016.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "B. Fraser", with a long horizontal flourish extending to the right.

Honourable Bill Fraser
Minister

From the Deputy Minister to the Minister

Honourable Bill Fraser
Minister of Transportation and Infrastructure

Sir:

I am pleased to be able to present the Annual Report describing operations of the Department of Transportation and Infrastructure for the fiscal year April 1, 2015, to March 31, 2016.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kelly", with a long horizontal flourish extending to the right.

Kelly Cain
Deputy Minister

Table of contents

Minister's message	1
Deputy Minister's message	3
Strategic priorities	4
Highlights	5
Performance measures	6
Overview of departmental operations	14
Division overview and highlights	15
Financial information	18
Summary of staffing activity	20
Summary of legislation and legislative activity	21
Summary of Official Languages activities	22
Summary of recommendations from the Office of the Auditor General	24
Report on the <i>Public Interest Disclosure Act</i>	25

Minister's message

The Department of Transportation and Infrastructure is committed to providing safe and sustainable building and transportation infrastructure for the people of New Brunswick.

As outlined in this Annual Report, the Department of Transportation and Infrastructure is strategically investing in infrastructure to set the environment for economic growth and private-sector investments. The increased investment will help stimulate our economy, create jobs and move New Brunswick forward. Our government recognizes how important it is to have a safe and efficient transportation system to promote quality of life, trade and travel, and economic activity in our province.

In the 2015-2016 fiscal year, our government followed our commitment to maintain our infrastructure more effectively by using asset management principles and making strategic, evidence-based decisions. Moving forward, we will continue to make sound, transparent and strategic investments while making needed improvements to our aging public infrastructure.

During the last fiscal year our government underwent the Strategic Program Review. This review has given us the insight necessary to pursue significant cost savings measures on behalf of New Brunswick taxpayers. As we move forward, the department will realign and focus on summer maintenance, winter maintenance and project oversight. By focusing on these priorities, we will ensure that New Brunswickers have access to the safe and reliable public infrastructure they expect and deserve, both now and into the future.

A handwritten signature in black ink, appearing to read 'B. Fraser', with a long horizontal flourish extending to the right.

Honourable Bill Fraser
Minister of Transportation and Infrastructure

Deputy Minister's message

The Department of Transportation and Infrastructure continued to focus on becoming a performance-based organization in the 2015-2016 fiscal year.

As part of the Strategic Program Review, the department identified \$10.5 million in savings to be achieved through various measures, including improved outsourcing processes, future selective outsourcing, process improvements and internal efficiencies.

The department also began a realignment process that was carefully designed to permit it to focus on the three key areas of: summer maintenance, winter maintenance and project oversight.

As a result of the realignment, the department will become a more responsive organization to enhance service delivery and meet the needs of the public. The combination of competitive costs to government and the spurring of economic growth in the private sector will mean long-term benefits to all New Brunswickers, including government, private industry and individual workers.

In addition to the realignment work the Department of Transportation and Infrastructure has undertaken, we have made improvements to our salt haul processes, which have saved almost \$100,000 and modernized the special permit process. The department also completed a pilot project to reduce the use of road salt by using mobile blades on our plow trucks, which is more effective at clearing snow and ice from roads while saving taxpayers money.

None of this would have been possible without the hard work of department staff who conducted the analysis and both initiated and continue to lead the change process. I am privileged to work with our dedicated team of professionals who continuously strive for excellence in their service to the people of New Brunswick. I thank the staff of the Department of Transportation and Infrastructure for their responsiveness to the challenges and opportunities our department faces.

A handwritten signature in black ink, appearing to read 'Kelly Cain', with a long horizontal flourish extending to the right.

Kelly Cain
Deputy Minister

Strategic priorities

Strategy management

The **Government of New Brunswick (GNB)** uses 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 to execute strategy and continuously drive improvement.

The development of the strategy, using the formal management system, starts with a strategic vision of *Moving New Brunswick Forward*. This vision is anchored in four strategic themes which include:

- **More jobs** – Creating the best environment for jobs to be generated by New Brunswickers, by businesses, by their ideas, by their entrepreneurial spirit, and by their hard work. This includes providing seamless support to businesses, leveraging new technologies and innovation by supporting research and development, and developing a skilled workforce by improving literacy and education.
- **Fiscal responsibility** – Getting New Brunswick’s fiscal house in order through a balanced approach to decrease costs and increase revenues.
- **Best place to raise a family** – Designing social programs to make life more affordable and make New Brunswick the best place to raise family.
- **Smarter government** – Providing taxpayers with better value for their money by transforming the culture of government by eliminating waste and duplication, adopting new innovations in technology to improve services and savings and improving accountability measures.

Highlights

During the 2015-2016 fiscal year, the Department of Transportation and Infrastructure focused on the following strategic priorities:

Using proven asset management tools to ensure that projects carried out during the 2015-2016 fiscal year and being identified for the 2016-2017 capital budget generate the maximum return and that existing assets will be maintained in the most fiscally responsible manner.

Engaging in a departmental realignment initiative to minimize overlap and duplication of processes as part of government's Strategic Program Review with the aim of achieving an additional \$10.5 million in savings while continuing performance-based organization practices. Formal Management practices have helped the department achieve savings of more than \$60 million since 2010-2011.

Signing a contribution agreement with the Minister of Infrastructure, Communities and Intergovernmental Affairs which will leverage federal funding from the New Building Canada Plan to cost-share strategic transportation projects, including the Centennial Bridge, Route 11 twinning and upgrading, and other projects going forward.

Continuing to improve economic competitiveness and market access by making key infrastructure investments in priority projects including:

- ◆ *\$3.9 million for structural upgrades to the Centennial Bridge in Miramichi,*
- ◆ *\$17.6 million for continued construction on the new Route 11 Caraquet Bypass,*
- ◆ *\$12.8 million for construction on the new Route 11 twinning project between Shediac and Shediac River,*
- ◆ *\$5.6 million for upgrading Route 17,*
- ◆ *\$7.7 million to continue the replacement of the Kouchibouguacis River Bridge, and*
- ◆ *\$4.1 million for upgrading the Nashwaak River Bridge in Fredericton.*

Finalizing an agreement with Bell Mobility Inc. to replace the outdated Mobile Radio Communication System with a more functional, interoperable system that will better respond to the needs of more than 3,400 public safety users across the province.

Increasing the Municipal Designated Highway Program funding by \$16.2 million to provide much-needed infrastructure upgrades to New Brunswick municipalities, while spurring economic activity and job creation across the province. The provincial government strategically partners with municipalities to provide funding assistance for priority projects. In 2015-2016, the province invested \$25.6 million through this program.

Managing \$156.7 million for provincial public works and infrastructure projects, including continued work on the construction of a major expansion at the Chaleur Regional Hospital and the Dr. Georges-L.-Dumont University Hospital Centre.

Receiving about \$100 million from the Province's Strategic Infrastructure Initiative (SII) to increase funding to asset management of roads, bridges, culverts and buildings. SII was also used to increase the budgets of the Energy Retrofit and Renewable Energy Programs and other infrastructure projects.

Performance measures

Based on GNB's four strategic priorities, a framework that translates the organization's strategy into a set of objectives and performance measures was developed. This allows the department to measure progress in meeting objectives.

Seven specific measures from the department's Balanced Scorecard for 2015-2016 have been highlighted in this report (refer to table below).

More jobs	Measures
Invest in strategic infrastructure.	Percentage adherence to asset management for capital expenditures for road surfaces.
	Percentage of roads in poor condition.
	Percentage of bridges with poor condition rating (BCI < 60).
Fiscal responsibility	Measures
Reduce expenditures/grow revenue.	Ratio of actual to (ordinary) budgeted expenditures.
	Ratio of actual to budgeted revenues.
Smarter government	Measures
Drive a culture of innovation and continuous improvement.	Improvement rate via continuous improvement.
Enhance employee involvement, commitment and productivity.	Total number of paid sick days used in the department.

More jobs

Objective of the measure

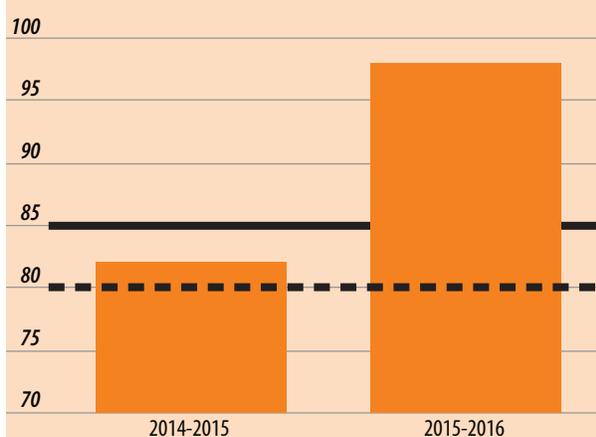
Invest in strategic infrastructure.

Measure

Percentage adherence to asset management for capital expenditures for road surfaces.

Description of measure

This measure is important as high levels of adherence to the Asset Management plan helps ensure minimum rehabilitation spending during the life of the asset.



Overall performance

Ninety-eight per cent of capital expenditures for road surfaces adhered to the Asset Management plan (18 per cent above the full-year target).

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

— Baseline: 85%
- - - Target: 80%
Actual: 98%

Why do we measure this?

Asset Management identifies how assets deteriorate over time and when the appropriate time is to intervene (rehabilitate) to avoid more costly reconstruction. If roads are treated at the appropriate time, rehabilitation costs are reduced and a larger volume of roads can be rehabilitated while achieving higher performance levels (i.e. good/fair/poor)¹.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

Asset Management directed \$130 million to road rehabilitation for asphalt and chipseal surfaces. In accordance with the Asset Management plan, the work included minor, major and reconstruction repairs and covered various highway classifications including arterial, collector and local highways.

In maintaining the minor surface treatments before more expensive repairs are warranted, rehabilitation dollars can be directed to other areas needing work. According to the department's Asset Management Model, \$130 million per year for 10 years is required to bring highways to acceptable conditions and eliminate the infrastructure debt for road surfaces. Should the minimum funding requirements not be met, the infrastructure debt will increase and the life of the asset will decline.

Ongoing efforts are made to improve and expand the department's Asset Management System.

¹ Good: Asset has some minor deterioration but is still functioning at a very high level of performance – some preservation activities can be considered. Fair: Asset has deteriorated to the point where rehabilitation or replacement would be considered – functional performance is still acceptable. Poor: Asset has deteriorated to the point where either a major rehabilitation or complete replacement is required – functional performance is below acceptable levels.

More jobs

Objective of the measure

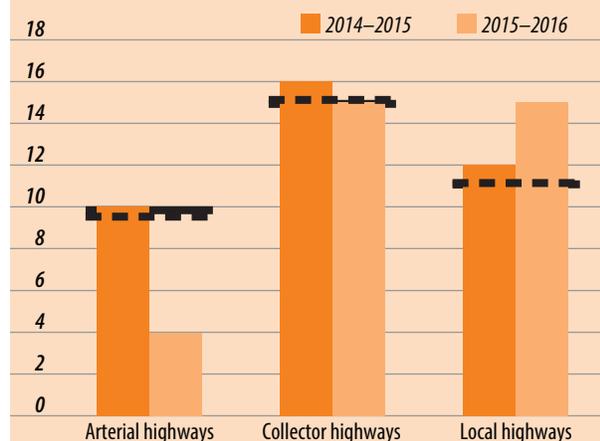
Invest in strategic infrastructure.

Measure

Percentage of roads in poor condition.

Description of measure

The department reports on the condition of highways as good, fair or poor.



Overall performance

For the purpose of the report, results have been broken down to reflect the percentage of roads in poor condition for each of the following highway types.

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

Arterial:

————— Baseline: 9%

- - - - - Target: 9%

Actual: 4%

Collector:

————— Baseline: 15%

- - - - - Target: 15%

Actual: 15%

Local:

————— Baseline: 11%

- - - - - Target: 11%

Actual: 15%

Why do we measure this?

The percentage of roads in poor condition represents a good improvement measure given the impact of such roads on motorists.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The 2015-2016 capital budget appropriated \$130 million to road rehabilitation of asphalt and chipseal surfaces, which represents the annual amount required over a ten year horizon as prescribed by the Asset Management Model to bring roads to good condition. Although previous budgets appropriated less than the amounts required to fund fully rehabilitation as determined by Asset Management, the department has met two of the three identified targets.

More jobs

Objective of the measure

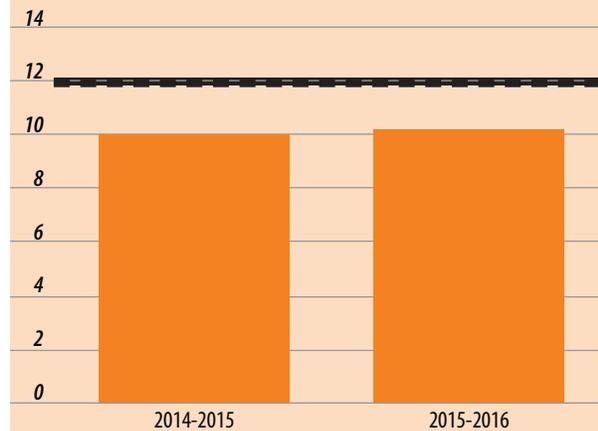
Invest in strategic infrastructure.

Measure

Percentage of bridges with poor condition rating (BCI < 60).

Description of measure

The Bridge Condition Index (BCI) is a tabulation of the condition of a bridge based on the condition of all the components of the structure. It is not used to measure the safety of a bridge.



Overall performance

The department exceeded the targeted level in 2015-2016.

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

— Baseline: 12%
- - - Target: 12%
Actual: 10.2%

Why do we measure this?

This provides information on the condition of provincial bridges and the effectiveness of bridge replacement and rehabilitation programs.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

By the end of the fiscal year, the department was able to work on 29 of the 293 bridges identified in the Auditor General's 2013 report as having a BCI rating of "poor."

Fiscal responsibility

Objective of the measure

Reduce expenditures/grow revenue.

Measure

Ratio of actual to (ordinary²) budgeted expenditures.

Description of measure

This measure focuses on controlling and managing expenditures to meet the department's fiscal year budget.



Overall performance

The ratio of actual to budgeted expenditures for the department was 100.26 per cent.

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

— Baseline: 108.6%
- - - Target: 100%
Actual: 100.26%

Why do we measure this?

This indicator measures the ability of the department to manage its overall expenses to meet its budget. The department 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 initiatives or projects were undertaken in the reporting year to achieve the outcome?

A number of projects contributed to the reduction of departmental expenditures such as engaging in a departmental process improvement initiative as well as continuing performance-based organization practices. However, higher expenditures related to the Winter Maintenance Program offset efficiency savings, notably:

- Following a process improvement initiative, a one-time adjustment was made to the salt inventory on record, resulting in an additional charge to the department's budget for salt management.
- Higher-than-anticipated road salt usage due to freeze thaw cycles, and
- Higher-than-projected equipment rental costs due to an aging fleet.

² The department's expenditures are divided into two categories: ordinary and capital. The Balanced Scorecard measure featured in this report focuses on strategic improvement efforts to ordinary budgeted expenditures, which represent expenditures for day-to-day operating costs of government programs.

Fiscal responsibility

Objective of the measure

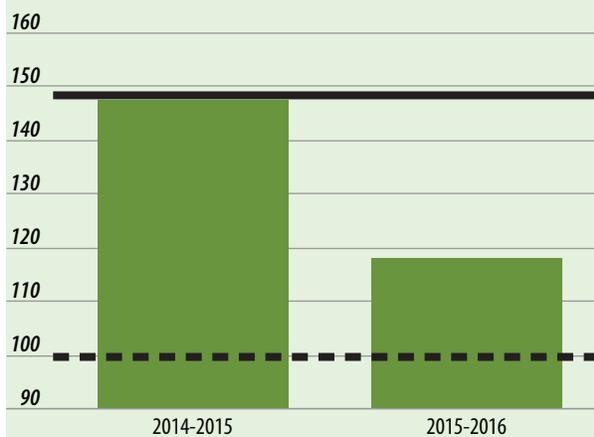
Reduce expenditures/grow revenue.

Measure

Ratio of actual to budgeted revenues.

Description of measure

The measure compares actual revenue to the budgeted revenue to help the department focus on maximizing revenue.



Overall performance

The ratio of actual to budgeted revenues for the department was 118 per cent.

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

— Baseline: 147.6%
- - - Target: 100%
Actual: 118%

Why do we measure this?

Revenue is very important to GNB's fiscal picture. Increased revenue helps to offset GNB's deficit. This measure helps the department maintain awareness of revenue generating opportunities.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

Actual revenues exceeded the department's target budget primarily due to the recovery of summer and winter maintenance expenditures from local governments for roads transferred to them under the annexation process and one-time recoveries such as a cost shared agreement with Quebec for the maintenance of a border overpass structure.

Smarter government

Objective of the measure

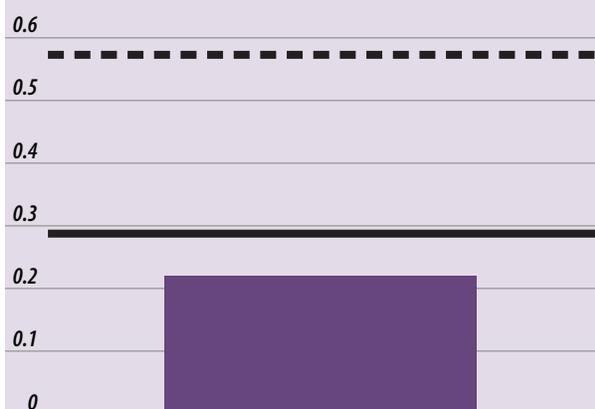
Drive a culture of innovation and continuous improvement.

Measure (new for 2015-2016)

Improvement rate via continuous improvement.

Description of measure

This measure targets both hard and soft cost savings against the department's ordinary budget resulting from Lean Six Sigma activities³.



Overall performance

The improvement rate via continuous improvement efforts for the department was 0.23 per cent.

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

— Baseline: 0.29%
- - - Target: 0.56%
Actual: 0.23%

Why do we measure this?

New Brunswick's Public Service has adopted the GNB Formal Management system in an effort 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, GNB can do more with less.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

As a result of decisions arising from GNB's Strategic Program Review, fewer continuous improvement projects have been undertaken in 2015-2016 in order to focus on the department's realignment initiative. Examples of targeted savings achieved through continuous improvement projects include:

- Streamlining the accounts payable process between the New Brunswick Internal Service Agency and the department with respect to the volume of rejected invoices and duplicate payments.
- Amalgamating separate working groups into one cohesive unit to streamline processes, create efficiencies, and take greater advantage of opportunities for revenue generation.
- Streamlining the salt haulage processes to ensure that road salt supplies can be replenished when required.
- Streamlining the process for the issuance of special permits to meet processing timelines, increase annual revenue and ensure appropriate staffing resources.

³ Continuous Improvement within GNB 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.

Smarter government

Objective of the measure

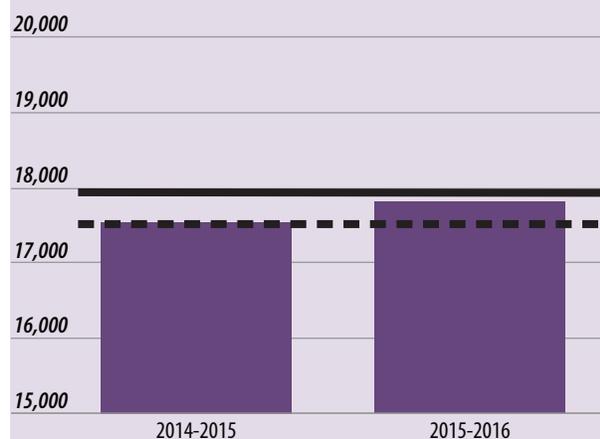
Enhance employee involvement, commitment and productivity.

Measure

Total number of paid sick days used in the department.

Description of measure

This measure identifies the total number of paid sick days used in the department.



Overall performance

Department employees used 17,807 paid sick leave days in 2015-2016, which is slightly higher than the target level.

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

— Baseline: 17,988
- - - Target: 17,478
Actual: 17,807

Why do we measure this?

The department promotes and supports a healthy and safe work environment. When employees need to use sick leave, it is important they return as soon as they are healthy and able to do so for operational and budgetary reasons as well as for the well-being of the employee and workplace morale.

Employee absences due to sick leave are particularly costly in an operational department. Employees who are absent need to be replaced in most cases, as they are providing frontline services to the public. These absences place added pressure on the wage bill and therefore need to be managed in a proactive manner across the department.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department continued to focus on the rollout of GNB's Attendance Support Program through leadership from the Human Resources Branch by:

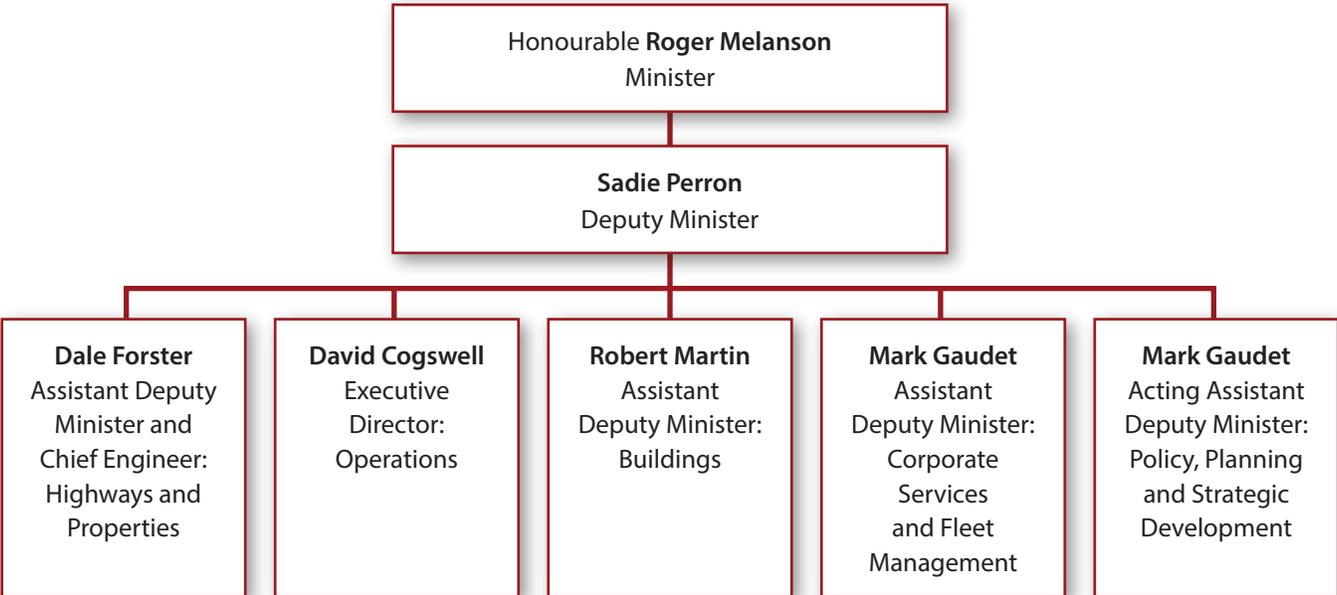
- Publishing a new resource guide to assist and support human resources consultants and management staff in order to accelerate the gradual return to work of employees on long term sick leaves/absences related to workplace injury, support the accommodation process, and promote organizational health.
- Delivering a mandatory attendance support training/information sessions for all employees with a total completion rate of 83 per cent.

Overview of departmental operations

The Department of Transportation and Infrastructure plans, designs, operates and maintains an extensive network of about 19,000 km of highway connected by 3,226 bridges and nine ferry crossings. The department is also responsible for 370 GNB-owned buildings and

145 leases, along with the acquisition and disposal of property. Safety, security and environmental protection are fundamental principles of all department employees as they carry out their daily activities.

High-level organizational chart



Division overview and highlights

Highway and Properties Division

The **Highways and Properties Division** provides a variety of professional services for all aspects of bridge and highway design, construction and maintenance, along with property acquisition and disposal services for highways and buildings.

The division consists of the Design Branch, the Construction Branch, the Engineering and Technical Services Branch and the Property Services Branch.

HIGHLIGHTS

- ◆ *Opened the Route 17 Diversion between Saint-Quentin and Saint-Léonard, a four-year project to improve the connectivity between these two communities.*
- ◆ *Using Asset Management principles, rehabilitated more than 600 kilometres of roads under the chipseal program and more than 445 kilometres of roads under the paving program.*
- ◆ *Continued a commitment to environmentally responsible transportation design and construction by working with Ducks Unlimited Canada to carry out wetland compensation projects to offset impacts of construction/maintenance activities on existing wetlands, resulting in the creation of 35.5 hectares of wetlands.*
- ◆ *Disposed of 37 surplus properties for total revenues of about \$418,000, and avoiding ongoing property maintenance and capital costs.*
- ◆ *Completed 99.4 per cent of scheduled bridge inspections (1,340 out of 1,348 bridges). Reasons for variance include construction and repairs being performed on the structure at the time of the inspection, structures no longer owned by the department or structures not opened to traffic.*
- ◆ *Started major bridge capital projects including the replacement of Benjamin River Bridge No. 1, rehabilitation work on the Renous River Bridge No. 1, rehabilitation on the Miramichi River Bridge No. 1 (Phase 2), and rehabilitation on the Southwest Miramichi Bridge No. 4.*

Operations Division

The **Operations Division** manages and delivers programs, including Summer and Winter Highway Maintenance, Traffic Engineering, Traffic Operations, Commercial Signing and Highway Systems Management. The division oversees three public private partnership (P3) contracts and the Fundy Isles Ferry Service. It operates New Brunswick's mobile radio communication system. Programs for the maintenance and construction of bridges and highways, operation of the river ferry system, and repair services for the government vehicle fleet are delivered through regional transportation districts.

The division consists of six transportation districts, the Maintenance and Traffic Branch and the Projects Group.

HIGHLIGHTS

- ◆ *To address a government commitment, the department has taken a more strategic approach to pothole repair planning by estimating the number of potholes that can be repaired based on the quantity of asphalt and prioritizing according to the severity of the pothole (safety), traffic volumes, and road class. More than 420,000 potholes were repaired under the Summer Maintenance Program.*
- ◆ *Striped about 7,100 kilometres of highways under the Striping Program and achieved savings through a joint tender with the Government of Nova Scotia and various municipalities for supplies.*
- ◆ *Improved service reliability of the Coastal Ferry Program after implementing recommendations from a third-party review of operations.*
- ◆ *Completed three river ferry vessel refits, including the Peninsula Princess, the Henry Nase and the Woolastook to meet departmental obligations under the Canada Shipping Act.*
- ◆ *Addressed a government commitment by increasing investment in the Vegetation Management Program to \$4.1 million and brush clearing 2,300 kilometres of road to help improve sightlines and safety.*

- ◆ *Developed a road closure strategy for Route 2 between the Sackville and the Nova Scotia border that will better coordinate and manage road closures caused by winter conditions.*

Buildings Division

The **Buildings Division** is responsible for the design, construction and maintenance of buildings owned or leased by GNB.

The division consists of the Special Projects Development Branch, the Design and Construction Branch and the Facilities Management Branch.

HIGHLIGHTS

- ◆ *Managed 615 capital improvement projects: 264 for the Department of Education and Early Childhood Development, 97 for the Department of Transportation and Infrastructure, eight for the Department of Health and 246 for other provincial departments.*
- ◆ *Completed the construction of three salt/sand storage domes and the design of five future domes.*
- ◆ *Initiated the design of a new community health centre in Fredericton that will provide more accessible health care in the capital region.*
- ◆ *Continued construction work on four new schools as well as major upgrades work on four existing schools.*
- ◆ *Continued work to design four new schools and major upgrades to three existing schools.*
- ◆ *Continued construction work on 10 nursing homes for the Department of Social Development as part of the \$300-million Nursing Home Capital Renewal Program.*
- ◆ *To help mitigate climate change and support GNB's climate change objectives, invested \$2.5 million in energy efficient lighting in schools, \$3.4 million in biomass heating plants and \$7.3 million in energy system upgrades within provincial buildings. These initiatives were contracted mostly from local suppliers, supporting economic development.*
- ◆ *Continued government office space rationalization efforts by disposing of underused buildings and leased space and relocating staff into more cost-effective options.*

Corporate Services and Fleet Management Division

The **Corporate Services and Fleet Management Division** provides leadership, management and support of financial, administrative, human resource, IT services and Performance Management and Process Improvement. In addition, it provides fleet management services for the GNB.

The division consists of the Financial and Administrative Services Branch, the Human Resources Branch, the Information Management and Technology Branch, the Vehicle Management Agency (VMA)⁴ and the Continuous Improvement Section.

HIGHLIGHTS

- ◆ *Continued to work in alignment with the GNB Formal Management System and lead the department's Realignment Initiative during which an Enterprise Value Stream Mapping Exercise⁵ and several workshops were conducted with executives and senior leaders. These efforts resulted in a focused implementation plan that included several sub-projects expected to achieve \$10.5 million in savings during the next two fiscal years.*
- ◆ *Rolled out the enhanced Performance Management system developed by the Department of Human Resources. Managers across the department were provided with training on the new performance agreement template and tools available to support planning, evaluation and recognition of staff.*
- ◆ *Performed an assessment of the department's computer network infrastructure and developed a three-year modernization plan for upgrading cabling and equipment in more than 120 locations throughout the province. Year One of the plan has been successfully implemented.*

⁴ VMA is a special operating agency under the responsibility of the Department of Transportation and Infrastructure. More information about VMA activities can be found in its annual report available at <http://www2.gnb.ca/content/gnb/en/departments/dti/publications.html>

⁵ A systematic approach to understanding and improving complex organizations through prioritization of opportunities for elimination of waste and increasing value while incorporating necessary management, organizational and culture changes.

- ◆ Continued to enhance the department's permitting system by introducing self-issuance of permits for a subset of the Special Move Permits available to the trucking industry.
- ◆ VMA issued a new Request for Proposals (RFP) for auctioneer services in 2015-2016. New strategies were promoted to increase revenues, which included online bidding, using vendor facilities, and allowing more frequent auctions.
- ◆ VMA continued to work with client departments to expand the installation of GPS tracking devices in the provincial snow plow fleet and school buses and to install GPS devices in light fleet vehicles to monitor idling, speeding, rapid acceleration and aggressive deceleration.

Policy, Planning and Strategic Development Division

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

The division consists of the Policy Branch, the Planning and Strategic Development Branch and the Internal Policy and Legislative Affairs Branch.

HIGHLIGHTS

- ◆ Provided research and developed policy options to support the department's submissions to the Strategic Program Review.
- ◆ Processed 60 Memorandums to Executive Council (MECs) for direction or decisions related to agreements, policies, and financial transactions and processed 46 requests under the Right to Information and Protection of Privacy Act.
- ◆ Through the Atlantic Ministers' forum and the federal/provincial/territorial ministers responsible for transportation and infrastructure forum, achieved key changes to federal infrastructure programs that will help streamline the application process for future federal project funding under the New Building Canada Plan.
- ◆ Completed amendments to the Surplus Property Administrative Directive that will help improve administrative efficiency, and commenced work to amend the Crown Construction Contracts Act and the Highway Act to make them more responsive.
- ◆ As one of a series of summits planned by the Jobs Board Secretariat and Opportunities New Brunswick, coordinated a transportation opportunities summit that brought together 60 transportation stakeholders to discuss how to optimize New Brunswick's transportation infrastructure to promote economic growth.
- ◆ Published four editions of DTI Connections, the department's newsletter, to help keep employees informed of department highlights and accomplishments.

Financial information

Expenditure by Program (000s)

Ordinary program	2015-2016 Main estimates	Appropriation transfers	2015-2016 Budget	2015-2016 Actual	Variance over/(under)
Administration	14,526.0	110.3	14,636.3	13,886.2	(750.1)
Policy, Planning and Strategic Development	1,903.0	16.5	1,919.5	1,895.6	(23.9)
Maintenance	56,845.0	1,685.4	58,530.4	58,198.2	(332.2)
Winter Maintenance	69,079.0	799.5	69,878.5	73,948.9	4,070.5
Bridge and Highway Construction	1,715.0	130.3	1,845.3	1,560.9	(284.4)
Buildings Group	123,847.0	123.2	123,970.2	122,650.8	(1,319.4)
New Brunswick Highway Corporation	29,027.0	0.0	29,027.0	28,454.5	(572.5)
Total - Gross Ordinary	296,942.0	2,865.2	299,807.2	300,595.1	788.0

Expenditures were higher than budget primarily due to the severity of winter.

Capital program	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Permanent Bridges	78,702.0	64,002.8	(14,699.2)
Permanent Highways	214,386.0	227,095.2	12,709.2
Municipal Designated Highway Program	25,000.0	25,632.2	632.2
Federal-Provincial Cost-Shared Program	52,000.0	40,314.6	(11,685.4)
Public Works and Infrastructure	164,841.0	157,595.8	(7,245.2)
Vehicle Management Agency	14,000.0	14,143.4	143.4
Total	548,929.0	528,783.8	(20,145.2)

Expenditures were under budget largely due to schedule changes.

Special purpose account	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Government House	50.0	-	(50.0)
Land Management Fund	1,700.0	1,670.0	(30.0)
Total	1,750.0	1,670.0	(80.0)

Vehicle management agency	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Revenue			
Chargebacks	87,470.0	77,521.6	(9,948.4)
Revenue from Sales of Vehicles and Equipment	700.0	622.9	(77.1)
Total Revenue	88,170.0	78,144.5	(10,025.5)
Expenditure			
Total Expenditures	75,026.0	71,724.2	(3,301.8)
Capital Account Expenditures	14,000.0	14,143.4	143.4
Total Expenditures	89,026.0	85,867.6	(3,158.4)

Revenues and Recoveries (000s)

Ordinary revenue	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Return on Investment	885.0	912.4	27.4
Licences and Permits	1,520.0	1,675.7	155.7
Sale of Goods and Services	5,233.0	5,985.9	752.9
Fines and Penalties	35.0	41.3	6.3
Miscellaneous	82.0	550.2	468.2
Conditional Grants - Canada	26.0	31.5	5.5
Total - Ordinary Revenue	7,781.0	9,197.0	1,416.0

Capital recoveries	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Other	2,600.0	6,397.1	3,797.1
Capital Recoveries - Canada	19,013.0	18,429.8	(583.2)
Total - Capital Recoveries	21,613.0	24,826.9	3,213.9

Land management fund	2015-2016 Main estimates	2015-2016 Actual	Variance over/(under)
Own Source Revenue	46.0	260.9	214.9
Capital Recoveries - Own Source	575.0	202.7	(372.3)
TOTAL - Land Management Fund	621.0	463.6	(157.4)

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 his or her respective departments. Please find below a summary of the staffing activity for 2015-2016 for the Department of Transportation and Infrastructure.

Number of permanent and temporary employees, as of Dec. 31 of each year		
Employee type	2015	2014
Permanent	1,560	1,590
Temporary	229	169
TOTAL	1,789	1,759

The department advertised 116 competitions, including 66 open (public) competition and 50 closed (internal) competitions.

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

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 Aborigines, 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)	3
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	11
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)	0
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*, one complaint alleging favouritism was made to the Deputy Head of the Department of Transportation and Infrastructure and one complaint was submitted to the Ombudsman.

Summary of legislation and legislative activity

Bill #	Name of legislation	Date of Royal Assent	Summary of changes
17	<i>An Act to Amend the Motor Vehicle Act</i> ⁶ http://www1.gnb.ca/legis/bill/editform-e.asp?ID=1152&legi=58&num=1	June 15, 2015	The amendment changed the frequency with which vehicle massing scales must be calibrated from 60 to 120 days.

Name of regulation	Effective date	Summary of changes
Machine Rental Regulation – <i>Crown Construction Contracts Act</i> ⁷	April 15, 2015	This change updated the rates payable on certain pieces of construction machinery as part of Crown construction projects.
Commercial Vehicle Massing Regulation – <i>Motor Vehicle Act</i>	July 31, 2015	This change amended the frequency with which vehicle massing scales must be calibrated from 60 to 120 days.
Controlled Access Highways in Kings County – <i>Highway Act</i>	March 4, 2016	Housekeeping changes.

The acts and regulations for which the Department of Transportation and Infrastructure is responsible are at:
<http://laws.gnb.ca/en/deplinks?subjectnumber=3>

⁶ The *Motor Vehicle Act* is under the jurisdiction of the ministers of Public Safety and Health; however, amendments have been proposed by the Department of Transportation and Infrastructure.

⁷ The *Crown Construction Contracts Act* is under the jurisdiction of the minister of Finance; however, amendments have been proposed by the Department of Transportation and Infrastructure.

Summary of Official Languages activities

Introduction

The department's new Official Languages action plan was developed in 2015 and will continue to be revised as required. The action plan includes strategic activities in each of the main four sectors of activity found in GNB's *Plan on Official Languages – Official Bilingualism: A Fundamental Value*.

Overall, the action plan objectives identified for 2015-2016 have been met. Associated departmental activities can be found in the four main focus areas listed below.

Focus 1

Language of Service

- An extensive review of linguistic profiles has been completed and a tracking mechanism for the renewal of second-language certificates has been implemented to ensure access to quality service in English and French throughout the province.
- The department has finalized the draft GNB Signage Policy for all government buildings and infrastructure (owned or leased). The policy will be implemented in 2016-2017.
- Information about the Official Language of service is regularly communicated to staff and is accessible as needed. The departmental Intranet site is kept up-to-date with resources and contact information for additional support.

Focus 2

Language of Work

- The department's new performance review form and process highlights the employee's right to have their performance review conducted in the Official Language of their choice.
- Small and large meetings are held in a manner that encourages the use of both Official Languages. A new work tool for employees, *Effective Behaviours for Chairing Bilingual Meetings*, has been developed and made available on the department's Intranet.
- Department employees are able to draft documents in the Official Language of their choice.
- The department's Intranet is up-to-date with resources and contact information to support the use of both Official Languages.

Focus 3

Promotion of Official Languages

- The department has formed an Official Languages action plan working group that meets quarterly to ensure that the programs and policies developed and implemented take into account the provinces' Official Languages communities.
- The department ensures that any information received by Executive Council Office, such as the *Official Languages Newsletter* as well as policy changes or updates, are communicated to employees in both Official Languages.

Focus 4

Knowledge of the *Official Languages Act* and other obligations

- Official Languages policies are key components of the employee orientation. Information and resources for employees and managers are made available by the department.
- Tracking tools have been developed to ensure that all new employees have a thorough knowledge and understanding of the *Official Languages Act* and its related policies and regulations.
- Department employees are expected to read the Language of Service and Language of Work policies each year as part of the annual performance review process.

Conclusion

In 2015-2016, the department successfully completed the first year of its new Official Languages action plan. The department also actively participated in the government-wide second-language training system by supporting 38 employees in second-language training.

Summary of recommendations from the Office of the Auditor General

Centennial Building (2015) http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V4/Chap3e.pdf (p.53)	Recommendations	
	Total	Adopted⁸
Capital asset management of the Centennial Building	5	3

Matters Arising Audit of the Financial Statements of the Province (2014) http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2014V1/Agrepe.pdf (p.94)	Recommendations	
	Total	Adopted
Prepare and submit to the Office of the Comptroller for review an annual assessment of asset impairment	1	1

Long Term Infrastructure Plan (2013) http://www.gnb.ca/oag-bvg/2013v2/chap1e.pdf (p.4)	Recommendations	
	Total	Adopted
Develop and implement a comprehensive long-term infrastructure plan	8	8

Provincial Bridges (2013) http://www.gnb.ca/oag-bvg/2013v2/chap3e.pdf (p.83)	Recommendations	
	Total	Adopted
Inspection standards, results, and maintenance and capital planning	8	8
Long term least life cycle approach	1	1
Public reporting on the condition of bridges and the effectiveness of bridge inspection activities	3	3
Funding requirements to maintain the service level of bridges	1	1

Capital Maintenance on Highways (2012) http://www.gnb.ca/oag-bvg/2012v2/chap5e.pdf (p.203)	Recommendations	
	Total	Adopted
Identification of repair requirements	8	8
Reporting performance	2	2

Public-Private Partnership: Eleanor W. Graham Middle School and Moncton North School (2011) http://www.gnb.ca/oag-bvg/2011v3/chap2e.pdf (p.14)	Recommendations	
	Total	Adopted
Decision-making process	1	1
Quality of the assumptions	3	3
VFM Analysis in-line with Common Industry Practice	2	2
Performing due diligence to review the value for money report	1	1
Appropriate capital budgeting	1	1
Following due process when selecting project advisors	1	1

⁸ "Adopted" recommendations include measures that have been completed or that are still underway. Recommendations that have not been adopted have been scheduled for implementation at a later date.

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the Public Service for which the chief executive officer is responsible. The Department of Transportation and Infrastructure did not receive any disclosures of wrongdoings in the 2015-2016 fiscal year.