

# ANNUAL REPORT

# 2024-2025

## Transportation and Infrastructure



## MESSAGE FROM THE MINISTER

As the Minister of Transportation and Infrastructure, I am pleased to present the department's annual report, which provides an overview of our performance for the 2024-25 fiscal year. I take full responsibility for the content and results outlined in this report, which has been prepared in accordance with the **Transparency and Accountability Act**, under which the department is classified as a Category 1 entity. I acknowledge my colleagues, the Honourable John Abbott and the Honourable Fred Hutton, both of whom served in the portfolio during the reporting period.

During the 2024-25 fiscal year, the department made progress on three key strategic issues: Road Asset Management, Employee Safety and Wellness, and Infrastructure Renewal. The Road Asset Management Division has been planning to implement a structured approach for preserving our provincial road assets. In addition, the department launched a new employee wellness program designed to promote a culture of safety and well-being across all departmental areas. We also successfully completed major construction of the new Adult Mental Health and Addictions Centre in St. John's, finishing on schedule and within budget. This facility will help enhance the delivery of health care services to the residents of our province.

I would like to take this opportunity to recognize and thank departmental staff and industry partners for their dedication and hard work in providing safe and reliable services for the benefit of all Newfoundlanders and Labradorians.

Hon. Elvis Loveless  
Minister of Transportation and Infrastructure

"Safety is a continuing journey, not a final destination."

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## Departmental Overview

### Organizational Structure

#### Introduction to Transportation and Infrastructure

Transportation and Infrastructure (TI) is responsible for the construction and maintenance of the provincial highways; provision of the provincial ferry services; management of the Provincial Government fleet of light vehicles and heavy equipment; operation and maintenance of the Provincial Government air ambulances and water bombers; NLSchools student transportation and facilities, construction and management of Provincial Government buildings, and management of leased buildings.

#### Organizational Structure

TI employs a total of 2,534 staff members across the entire province. The department's operations span over seven regional offices and encompass 79 depots/units strategically located throughout the province. TI is divided into five branches, as outlined below: Building Operations (including NLSchools, leases, real estate and telecommunications); Air and Marine Services, Infrastructure; Roads; and Strategic and Corporate Services.

#### Staff and Budget

Branch	# of Employees	Budget 2025/26
Building Operations	1,074	\$245,827,500
Roads	972	\$527,035,000
Air and Marine Services	303	\$157,222,900
Infrastructure	84	\$451,892,400
Strategic and Corporate Services	101	\$11,566,200
	<b>2,534</b>	<b>\$1,393,544,000</b>

Note: Executive and Support Services are included with the Strategic and Corporate Services Branch

## Vision

The vision of the Department of Transportation and Infrastructure is to provide safe, reliable, and sustainable transportation and public works infrastructure and services. This demonstrates the department's commitment to delivering excellent service that meets Newfoundland and Labrador's social and economic needs.

## Mandate

- As derived from the **Executive Council Act**, TI's responsibilities include the administration, supervision, control, regulation, management and direction of all matters relating to transportation and public works, including:
  - Design, construction, improvement, repair and maintenance of highways, local roads, airstrips, ferry terminals and related facilities;
  - Acquisition, use, maintenance, and operation of ferries under ownership, charter, or administration;
  - Acquisition, use, maintenance and operation of provincial air ambulance, waterbomber and other aircraft and services under ownership, charter, or administration;
  - Property that belongs to or is held or occupied by the Crown, and the works and properties acquired, constructed, extended, enlarged, repaired, or improved at the expense of the province, or for the acquisition, construction, extension, enlargement, repair, or improvement of which public funds are voted and appropriated by the Legislature, other than property and works assigned to another Minister or department of the Government of Newfoundland and Labrador;
  - Property management including the design, construction, repair, maintenance, heating, lighting, cleaning and security of buildings, including school facilities, that belong to or are held or occupied by the Crown and grounds that belong to those buildings;
  - Management of government investments in municipal infrastructure;
  - The leasing of real property by the Crown and related activities;

- The disposition of surplus provincial assets and real property;
- Highway signage;
- Transportation of students to and from school; and,
- The administration of Acts under the responsibility of the department and of all orders and regulations passed or made under those Acts, including those powers, functions or duties necessary or desirable for carrying out the purpose of those Acts.

## Lines of Business

### **Building Operations**

- The Building Operations branch is responsible for:
  - Provision and maintenance of provincial buildings, including management and maintenance of approximately 640,000 square metres of floor space, consisting of approximately 865 buildings, on 366 sites across the province;
  - Provision of security services in government-owned buildings or those held or occupied by provincial government departments;
  - Provision of space for Provincial Government departments in government-owned buildings and leased accommodations;
  - Provision of realty services for the department;
  - Provision of phone services to all Provincial Government departments;
  - Provision of student transportation using approximately 371 government-owned buses, in addition to maintaining 10 depots and utilizing 757 contracted buses; providing service to approximately 63,000 students; and,
  - Provision of maintenance and custodial services for approximately 95,000 square metres of floor space across roughly 250 schools and about 40 housing units.

## Roads

- The Roads branch is responsible for:
  - Summer and winter maintenance (snow clearing and ice control) on 9,763 kilometres of primary and secondary highways, community access roads and 1,304 bridges;
  - Snow clearing for external jurisdictions, including Gros Morne National Park, through a contract with Parks Canada;
  - Purchasing salt and sand for 160 town councils, health entities, and other external entities;
  - Operation and management of eight provincial airstrips on the island portion of the province and 12 provincial airstrips in Labrador;
  - Management of the Provincial Government's fleet of over 1,700 vehicles, including light vehicles and heavy equipment;
  - Provision of up-to-date road condition information utilizing one wind warning system, 28 Road Weather Information Systems (RWIS) stations, and 31 highway camera locations throughout the province;
  - Construction of new roads and management of road improvement projects on 9,763 kilometres of primary and secondary highways, community access roads and 1,304 bridges;
  - Development and maintenance of road asset inventory;
  - Assessment and evaluation for long-term planning; and,
  - Procurement of asset preservation services, including, but not limited to, activities such as targeted asphalt milling and patching, crack sealing, small culvert replacement, shoulder and ditch reconstruction, guiderail replacement, etc.

## Air and Marine Services

- The Air and Marine Services branch is responsible for the provision, maintenance, and management of provincial air services, including:

- Operation and maintenance of the Provincial Government's fleet of two air ambulances, completing approximately 1,400 medical missions annually;
- Operation and maintenance of the Provincial Government's fleet of five water bombers to combat approximately 50 forest fires annually;

In addition, the provision, maintenance, and management of provincial marine services, including:

- Eight provincially owned and operated vessels and seven privately-owned contracted vessels;
- Marine operations transporting approximately 761,000 passengers, 401,000 vehicles, and 15,700 tonnes of freight annually;
- Provision of vessel modifications and refits of provincially owned vessels; and,
- Operation of provincially owned vessels with a complement of approximately 203 marine staff.

## **Infrastructure**

- The infrastructure branch is responsible for:
  - Construction of new buildings and management of other capital projects for Provincial Government departments and Provincial Government-funded public bodies;
  - Provision of environmental services for Provincial Government buildings and provincial road projects;
  - Oversight and preparation of the government's overall infrastructure plan and annual infrastructure budget;
  - Analysis and assessment of major infrastructure projects to identify opportunities for alternative project delivery methodologies. Providing leadership, direction, and oversight in both the consideration of these alternatives and their subsequent implementation and execution;
  - Administration of federal/provincial funding programs related to municipal infrastructure;

- Development and maintenance of policies related to the funding and provision of municipal infrastructure projects; and,
- Development and maintenance of standardized specifications for municipal water/sewer and road projects.

## **Strategic and Corporate Services**

- The Strategic and Corporate Services branch is responsible for:
  - Provision of financial services for the department;
  - Provision of information management services for the department, including Access to Information and Protection of Privacy;
  - Provision of policy, planning and evaluation services for the department;
  - Provision of centralized mail and messenger services for the Provincial Government;
  - Provision of tendering services on behalf of government departments and various agencies, and municipalities;
  - Administration of the government's insurance policies and management of claims;
  - Provision of support and guidance on occupational health and safety to all branches and divisions within the department; and,
  - Development, implementation, and evaluation of the department's process improvement/continuous improvement program.

## **Highlights and Partnerships**

### **Mental Health and Addictions Centre**

Major construction of the new adult Mental Health and Addictions Centre in St. John's was completed on schedule and on budget, representing another successful Public-Private-Partnership (P3) infrastructure project in Newfoundland and Labrador. This new, 240,000-square-foot, six-story, state-of-the-art facility has 102 beds that will provide a modern approach to mental health and addiction-based care, which links physical and mental health services, offering patients and their families holistic and integrated care.

The new centre will be an integral part of a mental health and addictions system and provide a user-friendly environment for health care professionals and modern mental health services for patients and clients.

The building incorporates modern-day architectural and design features that recognize the relationship between design and healing environments. With features such as abundant open spaces, natural light and therapeutic spaces inside and out, and places to engage with family and the community, the centre provides a village-like atmosphere with positive and uplifting spaces. From concept to design, to implementation and launch, persons with lived and living experience, along with government partners, NL Health Services, and community stakeholders, have played a crucial role in its healing-focused design.

Another P3 delivery model for the new Adult Mental Health and Addictions Centre in St. John's included Mills and Wright Landscape Architecture playing a key role in shaping a therapeutic and inclusive outdoor environment.

The landscape design was fully integrated with the building's architecture to create a human-scaled, nature-based setting that supports healing and well-being. Outdoor spaces were used as central planning elements—not simply as background features—reinforcing the facility's commitment to reducing stigma and promoting dignity in mental health care. The result is a cohesive, accessible, and supportive environment that reflects the centre's holistic approach to patient care and community service.

### **War Memorial Project**

Major refurbishment of the Newfoundland National War Memorial in St. John's has concluded, completing a significant project ahead of its centennial celebrations on July 1, 2024. This solemn undertaking has ensured the enduring dignity of the site, which now includes the deeply meaningful addition of a Tomb of the Unknown Soldier. The project involved comprehensive upgrades to the memorial's infrastructure, including enhanced

accessibility, restored granite, refreshed landscaping, and improved lighting, all designed to create a more impactful and reflective space for visitors and the community. This vital restoration solidifies the War Memorial's place as a cornerstone of remembrance, honouring the profound sacrifices of Newfoundlanders and Labradorians across generations.

This significant undertaking has also garnered national recognition, with the Newfoundland National War Memorial revitalization project winning a prestigious National Award of Excellence from the Canadian Society of Landscape Architects. This award celebrates the project's outstanding contribution to landscape architecture, public space design, and heritage preservation, underscoring its thoughtful and respectful approach to enhancing one of our most iconic and historically significant sites.

Mills and Wright Landscape Architecture again partnered with the Government of Newfoundland and Labrador on the design and restoration of the National War Memorial, including the creation of a tomb for the Unknown Soldier. This significant undertaking involved a comprehensive refurbishment of the entire site to enhance both its dignity and accessibility.

The project scope included the cleaning and repointing of the granite walls and the central monument, improvements to accessibility features, and a full evaluation of existing lighting and mature trees. Deteriorating infrastructure, such as staircases, was redesigned, and the surrounding green spaces were revitalized to preserve the site's historical importance and ensure it remains a place of respectful reflection for generations to come.

### **Atlantic Wildfire Centre**

Newfoundland and Labrador is taking the lead to establish a world-class Atlantic Wildfire Centre in Central Newfoundland that will strengthen and enhance efforts to protect Atlantic Canada's communities and forests. Related initiatives will be supported in part through a \$32 million cost-shared, four-year investment in partnership with Natural

Resources Canada under the Fighting and Managing Wildfires in a Changing Climate: Equipment fund.

Located at Gander International Airport, the Atlantic Wildfire Centre is intended to provide leadership and expertise in wildfire fighting and prevention, focusing on specialized expertise, applied science, training and education programs, wildfire response and service delivery, and wildfire management and training facilities.

### **Canada Housing Infrastructure Fund (CHIF)**

On February 1, 2025, the governments of Newfoundland and Labrador and Canada finalized a 10-year agreement under the Canada Housing Infrastructure Fund (CHIF) aimed at existing municipal infrastructure needs and those associated with future housing developments.

Through this agreement, Newfoundland and Labrador has been allocated \$123.1 million to address municipal infrastructure projects that preserve existing capacity or increase reliability and access to drinking water, wastewater, stormwater and solid waste systems to support current and future populations. By building or improving this critical infrastructure in the province, opportunities to build new homes and support community growth are increased.

## **Report on Performance**

### **Issue One – Road Asset Management**

Newfoundland and Labrador's provincial road network consists of 9,763 kilometres of highway, requiring periodic rehabilitation and improvement. The safety of provincial highways and roads is a top priority for the department. Each year, the province invests significant resources in making improvements to this vast network. Various factors are considered in determining the priorities for annual road rehabilitation, including safety

considerations, traffic volumes, climate change and resilience factors, as well as input from departmental engineers, stakeholder groups, and members of the public.

Road assets, such as asphalt surfaces, bridges, and culverts, are all designed to have relatively long lifespans. An asphalt surface can last close to 20 years if constructed properly, while modern bridges can last up to 75 years. A key component in maximizing the useful life of these assets is ensuring periodic preservation activities are conducted to address minor issues as they occur. Preservation projects might include, for example, asphalt crack sealing or targeted grind and patchwork.

In 2024-25, the Road Asset Management (RAM) Division continued to deliver a structured approach to the preservation of provincial road assets. This division works with the Road Operations Division and the Highway Design and Construction Division to develop and maintain a new Road Asset Management System (RAMS) to guide long-term planning, maintenance, and asset preservation activities along the provincial road network. This work supports the strategic direction of Improved Provincial Road Asset Management.

## **Goal**

By March 31, 2026, the department will have implemented a comprehensive asset management system to guide long-term planning, maintenance, and asset preservation of the provincial road network.

## **2024-25 Objective**

By March 31, 2025, the department will have developed a framework for strategic road asset management.

### **Indicators:**

- Successfully issued and awarded the tender for the Field Technician equipment.

- Commence the data collection for the GIS data and build a dashboard to collate and integrate the data into the Road Asset Management System.
- Completed the planned 2024-25 strategic projects to preserve road assets, including asphalt patching and crack sealing, as well as guide rail and road sign replacement.

Indicator 1: Successfully issued and awarded the tender for the Field Technician equipment.

In collaboration with the Newfoundland and Labrador Statistics Agency and the Office of the Chief Information Officer (OCIO), the department procured new tablets for utilization by Roads Asset Management field technicians to support their operations and field work needs.

Indicator 2: Commenced the data collection for the GIS data and built a dashboard to collate and integrate the data into the Road Asset Management System.

The Department experienced a delay in the configuration and deployment of tablets for field data collection due to unforeseen compatibility issues with network security protocols. The originally procured tablets, purchased in consultation with the Newfoundland and Labrador Statistics Agency, were found to be incompatible with the Office of the Chief Information Officer's (OCIO) network security requirements.

To address this, and based on OCIO's recommendation, the Department acquired a different tablet model, which met all required security standards. These devices were delivered on March 31, 2025, and are now being configured by the Newfoundland and Labrador Statistics Agency for use with the RAMS application.

With this issue resolved, the Department is back on track to begin road asset data collection in summer 2025, with completion anticipated by spring 2026. The Statistics Agency is also providing training and support for data collection, data loading, and data

verification and editing processes. The existing RAMS will continue to serve as the foundation for baseline road feature inventory data.

In addition, the Newfoundland and Labrador Statistics Agency is enhancing the RAMS by developing new reporting functionality to support the collection of critical road feature attributes identified by the Roads Asset Management Division. These upgrades will strengthen the province's capacity to manage road infrastructure effectively and support evidence-based decision-making.

**Indicator 3:** Completed the planned 2023-24 strategic projects to preserve road assets, including asphalt patching and crack sealing, as well as guide rail and road sign replacement.

During the 2024-25 fiscal year, the department completed 11 project carryovers from the 2023-24 fiscal year, valued at \$2.7 million. These projects focused on the preservation of road assets and included activities such as asphalt patching, crack sealing, and the replacement of guide rails and road signage.

In 2024-25, the department issued a total of 56 solicitations related to road asset preservation, comprising 31 public tenders and 25 Requests for Quotations (RFQs). Through these procurement efforts, the department invested \$13.9 million in preserving and maintaining the province's road infrastructure.

### **2025-26 Objective**

By March 31, 2026, the department will have begun implementation of the framework for strategic road asset management.

#### **Indicators:**

- Commence the data collection for the GIS data and build a dashboard to collate and integrate the data into the Road Asset Management System.

- Completed the planned 2025 strategic projects to preserve road assets, including asphalt patching and crack sealing, as well as guide rail and road sign replacement.

## **Issue Two – Employee Safety and Wellness**

The safety of employees, clients, and the public is a top priority for the department. Ensuring safe and healthy workplaces is essential for effective service delivery, with a particular focus on psychological health and safety.

In 2024-25, TI launched a comprehensive Employee Wellness Program for all staff, which includes updates on Occupational Health and Safety (OHS) practices and monthly wellness communications. This initiative promotes a culture of safety and well-being across all departmental areas, supporting the strategic direction of Enhanced Employee Safety and Wellness.

Following a review of TI's Occupational Health and Safety Management System (OHSMS), the department identified opportunities for improvement. TI is implementing a two-phased enhancement approach, starting with a gap analysis to benchmark against legislative requirements and industry best practices. This analysis will guide the adoption of a Safety Maturity Model to foster a proactive safety culture by improving leadership engagement, operational processes, and performance management.

### **Goal**

By March 31, 2026, the department will have fostered a strong safety culture through the implementation of a new comprehensive, integrated, and sustainable OHS Management System.

## **2024-25 Objective**

By March 31, 2025, the department will have implemented the OHS Management System.

### **Indicators:**

- 50 per cent of TI management/executive staff being trained on the updates in OHS operations, practices, and procedures.
- Developed and implemented an employee Wellness Program framework for all TI staff.
- Completed six (6) training sessions on the new Wellness Program throughout the province.
- Developed and administered a Wellness Toolkit to all TI Staff via the TI Intranet.

Indicator 1: 50 per cent of TI management/executive staff being trained on the updates in OHS operations, practices and procedures.

As of March 2025, the Department of Transportation and Infrastructure successfully implemented its Occupational Health and Safety Management System (OHSMS), meeting its 2024–25 objective. All 12 core elements have been established, including leadership commitment, hazard identification and control, employee training and competence, wellness and disability management, and clear operational procedures. Two-way safety communication is in place across all levels, and systems for incident management, contractor safety oversight, and emergency preparedness have been implemented. Performance is being measured through real-time data, with annual management reviews ensuring alignment with regulatory requirements and continuous improvement.

To support the goal of building a strong safety culture, over 50 per cent of TI management and executive staff have been engaged in ongoing training and awareness efforts. Monthly executive briefings serve as a key training mechanism, capturing OHSMS

elements and emphasizing updates to operations, practices, and procedures. These sessions raise awareness of emerging trends, share performance metrics, and reinforce accountability and continuous improvement at the leadership level. With these foundations in place, the department is now setting the stage for progression to a higher level of safety maturity, strengthening its commitment to a safer, healthier, and more engaged workforce.

TI also enhanced its Snow School program in 2024, aligning frontline training with current OHS standards. The program included 22 province-wide sessions for operators and encouraged leadership participation to strengthen safety commitment at all levels.

In 2024, the SafeTI Committee was established as a cross-functional governance body to provide strategic oversight for Occupational Health and Safety (OHS) initiatives. This committee is made up of senior leaders from all divisions and meets every two months to review safety performance, address concerns, and promote improvements. The executive sponsor for the committee is the Assistant Deputy Minister of Strategic and Corporate Services. With these foundations, the department is advancing toward greater safety maturity and a more engaged, healthy, and safe workforce.

**Indicator 2: Developed and implemented an employee Wellness Program framework for all TI staff.**

Building on the positive feedback from the Employee Safety and Wellness (ESW) pilot at the White Hills depot, the department launched a comprehensive wellness program across its worksites and offices. Given the diversity and geographic spread of TI worksites across the island and the Labrador region, the Corporate Safety Team adopted a phased implementation approach. This allowed for the tailoring of content and delivery methods to best suit the needs of specific employee groups, such as ferry services, depots, and administration.

Implementation began in January 2025, with full operational deployment anticipated across all sites by July 2025. In addition to the custom content developed specifically for

TI, the department has integrated all corporate Employee Safety and Wellness (ESW) programs and offerings into its framework. This comprehensive integration enhances both the quality and accessibility of wellness information and support services available to TI employees, while aligning with broader government wellness initiatives. Monthly communications are distributed through email and published on the TI intranet, and wellness materials are prominently displayed on Occupational Health and Safety (OHS) depot billboards. Positive employee engagement is evident through verbal feedback, strong participation in wellness challenges, and growing interest in related activities.

**Indicator 3: Completed six (6) training sessions on the new Wellness Program throughout the province.**

As part of the organization's ongoing Wellness Program, six WorkplaceNL Musculoskeletal Injury (MSI) training sessions were successfully delivered at Confederation Building, Foxtrap Depot, White Hills, Air Services, Gander, and Deer Lake. These sessions, conducted in Fall 2024, focused on identifying the causes of musculoskeletal injuries and implementing effective strategies to manage risks associated with manual labor. In addition to MSI prevention, the sessions also included discussions on healthy eating habits and mindfulness techniques to support overall employee well-being. This initiative promotes a healthier, more engaged workforce across all TI locations. The training efforts engaged a wide cross-section of employees and made a meaningful contribution to the program's overarching goal of fostering a healthier, safer, and more engaged workforce. Based on the strong participation and positive feedback received, additional MSI training workshops are planned for 2025-26 further to advance employee wellness and injury prevention across all regions.

Supporting these efforts, the department launched several key wellness initiatives. The TI Wellness Hub was introduced as a dedicated intranet page offering monthly wellness materials, tools, and resources. Virtual Employee Safety and Wellness (ESW) workshops were incorporated into the department's wellness calendar, expanding access to programming. Additionally, targeted health resources addressing men's and women's health were developed to better meet the diverse needs of employees.

**Indicator 4: Developed and administered a Wellness Toolkit to all TI Staff via the TI Intranet.**

The Wellness Toolkit was developed in 2024 and officially launched in January 2025. A dedicated page was included on the TI Intranet featuring links to Toolbox Talks - these brief, informal safety chats serve to improve workplace safety by keeping team members alert to possible hazards and help to improve team communication.

### **2025-26 Objective**

By March 31, 2026, the department will have evaluated the OHS Management System to ensure effectiveness and ongoing improvement.

#### **Indicators:**

- Establish a unified communication strategy to ensure consistent understanding and application of safety practices across TI and NLSchools.
- Develop and deliver ongoing wellness programs tailored to all TI divisions, fostering improved physical and mental well-being among TI employees.
- Continued progression to a higher level of safety maturity by strengthening the commitment to a safer, healthier, and more engaged workforce. This will be verified through the annual audit of the TI Occupational Health and Safety Management System (OHSMS).

## **Issue Three – Infrastructure Renewal**

The Provincial Government's investments in infrastructure support the well-being of communities by improving access to services, creating new jobs, and providing a safe, reliable transport network. Budget 2023 announced an investment of more than \$1.1 billion for infrastructure and nearly \$1.4 billion, over five years, to improve highway and road transportation infrastructure, which will help generate economic activity and create hundreds of new jobs for Newfoundland and Labrador tradespeople. The Budget for 2024 made significant allocations aimed at enhancing the province's transportation

infrastructure. A total of \$288 million is designated for comprehensive upgrades to provincial highways and roads, ensuring safer and more efficient travel for residents and visitors alike. In addition, \$29 million is earmarked for the development and improvement of marine services infrastructure, which is vital for supporting coastal communities and fostering economic growth. Furthermore, \$77 million is set aside for the operation of ferries that connect various regions across the province, facilitating the movement of people and goods and enhancing accessibility for all citizens.

Delivering transportation and infrastructure-based services to provincial residents has its challenges, such as the rising cost of goods and services, including general labour rate increases, and volatile fuel prices. Infrastructure renewal must be carried out in a fiscally responsible way that ensures the best value for public funds. TI leads the government's infrastructure planning and project delivery to ensure healthcare, education, justice, and municipal infrastructure renewal support programs and service delivery upon which the population relies.

In 2024-25, TI utilized cost-shared funding to partner with the Federal Government and municipalities throughout the province to progress important infrastructure projects. This funding encompassed the completion of the new Adult Mental Health and Addictions Centre, as well as highway and bridge improvements aimed at enhancing public safety and bolstering our ability to withstand climate change. These efforts align with the strategic goals of infrastructure renewal.

## **Goal**

By March 31, 2026, the Department will have advanced and completed key infrastructure projects.

## **2024-25 Objective**

By March 31, 2025, the department will have advanced priority infrastructure projects.

**Indicators:**

- Substantial completion of the new Adult Mental Health and Addictions Facility.
- Successfully tendered the final phase of the Team Gushue Highway.
- Request for Qualifications issued for the TCH Twinning project.
- Technical proposal received from the successful proponent of the new penitentiary.

**Indicator 1: Substantial completion of the new Adult Mental Health and Addictions Facility**

Major construction was completed on time and on budget for the new adult Mental Health and Addictions Centre in St. John's, representing yet another successful Public-Private-Partnership (P3) infrastructure project in Newfoundland and Labrador. NL Health Services is now in operational control of the facility and has completed the process of moving equipment and staff to the new facility.

The new, 240,000-square-foot, six-story, state-of-the-art facility has 102 beds and will provide a modern approach to mental health and addiction-based care, which links physical and mental health services, offering patients and their families holistic and integrated care.

**Indicator 2: Successfully tendered the final phase of the Team Gushue Highway.**

The Provincial Government has awarded a contract for \$30 million to Bursey Excavating and Development Inc. for the completion of the Team Gushue Highway. The project involves the completion of a north-south arterial highway route in St. John's and Mount Pearl. The end of the Team Gushue Highway will be connected to the Pitts Memorial Drive (Route 2) and Robert E. Howlett Memorial Drive (Route 3) interchange using a roundabout corridor. This will involve extending the paved highway from Topsail Road – where the Team Gushue Highway currently ends – to the Commonwealth Avenue, Brookfield Road and Heavy Tree Road area.

The project also includes installing drainage culverts, an overpass structure and auxiliary access roads, as well as re-aligning a section of Brookfield Road. Once completed, this project will alleviate traffic congestion, improve safety and enhance access to and from the cities of St. John's and Mount Pearl and the surrounding urban and rural communities.

Construction started in the Fall of 2024, and since that time, significant progress has been made. Clearing and grubbing have been completed for the complete project, and roadbed construction is ongoing from Topsail Road to Commonwealth Avenue and Roundabout #1. Additionally, roadbed construction is also ongoing at realigned Brookfield Road, Tobin's Road Connector, and Tobin's Road Stormwater Detention Pond. The highway extension is scheduled to open in the Fall of 2026.

**Indicator 3: Request for Qualifications issued for the TCH Twinning project.**

A Request for Qualifications (RFQ) was issued on November 1, 2024, seeking qualifications from proponents interested in and capable of providing Fairness Advisory Services for the Project.

Three proposals were received in response to the RFQ by the submission date of November 18, 2024. The Evaluation Committee met on December 3, 2024, and evaluated the Professional Services Submissions and Cost Submissions of each proposal, in accordance with the terms of the RFQ.

**Indicator 4: Technical proposal received from the successful proponent of the new penitentiary.**

The technical proposal was received from the successful proponent on February 28, 2025. The proposal is being evaluated and, should the proposal meet the requirements set out in the RFP, TI will proceed to the process of issuing a contract early in fiscal year 2025-26.

## **2025-26 Objective**

By March 31, 2026, the department will have advanced infrastructure projects and programs.

### **Indicators:**

- Complete contract finalization and commence site preparation and initial construction for the Trans-Canada Highway (TCH) Twinning project.
- Finalize contract negotiations and initiate site preparation and early construction activities for the new penitentiary.

## **Opportunities and Challenges**

Newfoundland and Labrador's road network encompasses approximately 9,763 kilometres of primary and secondary highways, necessitating periodic rehabilitation and enhancements.

TI continues to experience budget pressures in road maintenance as a result of supply chain challenges and higher cost of materials, mostly due to the rising cost of traffic paint, asphalt and dust control products. TI is facing budget challenges in many lines of business driven by geopolitical factors affecting the price of oil and other commodities such as steel.

While these costs have all increased, the funding available from current funding agreements has not kept pace. Newfoundland and Labrador are experiencing challenges in maintaining current service levels for road improvement projects due to decreasing federal funding and increasing bid prices. The levels of most funding agreements have not changed in over a decade. The department will continue to seek opportunities for collaboration with the Federal Government through existing and future cost-sharing programs to deliver projects that benefit Newfoundlanders and Labradorians.

In addition to financial constraints, the department is facing ongoing challenges related to the recruitment and retention of skilled personnel in several critical roles. Positions such

as engineering, skilled trades, pilots, bus drivers, custodians, and security personnel are increasingly difficult to fill and retain, especially in rural and remote areas of Newfoundland and Labrador. Competitive pressures from other jurisdictions, an aging workforce, and a limited local talent pool have exacerbated these issues.

These staffing shortages directly impact the department's ability to deliver infrastructure projects on schedule and maintain essential public services at the expected levels. High turnover rates and unfilled vacancies lead to a greater reliance on overtime and contracted services, further straining operational budgets.

The department continues to explore strategies to address these challenges, including targeted recruitment initiatives, enhanced training programs, partnerships with educational institutions, and improvements in working conditions and compensation where possible. Efforts are also being made to create more sustainable career pathways within government to attract and retain skilled workers in the long term.

Despite these ongoing fiscal and human resource challenges, the department remains committed to delivering safe, reliable, and efficient infrastructure for the people of Newfoundland and Labrador. By pursuing innovative recruitment strategies, fostering collaborative funding opportunities and adapting to evolving market conditions, the department will continue working to ensure the sustainability and resilience of the province's transportation network and public services well into the future.

## Financial Information

Statement of Expenditures and Revenue				
Summary of Expenditures and Related Revenue (Unaudited)				
For the year ending March 31, 2025				
		Estimates		
		Actuals	Amended	Original
<b>Executive and Support Services</b>				
Ministers Office		377,329	406,600	318,600
General Administration		11,453,219	11,805,000	10,868,800
Less: Revenue		(1,526,620)	(750,000)	(750,000)
		<b>10,303,929</b>	<b>11,461,600</b>	<b>10,437,400</b>
<b>Operations</b>				
Road Maintenance		104,770,693	105,471,700	98,949,400
Less: Revenue		(3,643,438)	(4,105,000)	(4,105,000)
Equipment Maintenance		89,235,617	92,528,700	77,752,100
Less: Revenue		(55,447)	(162,000)	(162,000)
Building Maintenance, Operations and Accommodations		109,075,320	113,609,300	102,226,700
Less: Revenue		(35,254,768)	(19,470,400)	(19,470,400)
Airstrips Operations and Maintenance		2,065,356	2,272,700	2,272,700
Less: Revenue		(1,749,177)	(1,030,000)	(1,030,000)
School Operations		171,115,460	172,357,800	157,277,800
Less: Revenue		(469,008)	(497,200)	(497,200)
		<b>435,090,608</b>	<b>460,975,600</b>	<b>413,214,100</b>
<b>Infrastructure</b>				
Road Construction		266,584,776	284,005,800	288,036,400
Less: Revenue		(15,317,991)	(19,853,900)	(19,853,900)
Building Design and Construction		282,559,500	305,928,000	363,204,900
Marine Infrastructure		2,315,115	9,975,800	9,975,800
Municipal Infrastructure		154,207,945	154,875,500	176,107,500
Less: Revenue		(46,107,391)	(59,983,100)	(59,983,100)
		<b>644,241,954</b>	<b>674,948,100</b>	<b>757,487,600</b>
<b>Air and Marine Services</b>				
Marine Operations		132,503,845	135,965,000	96,499,200
Less: Revenue		(7,096,505)	(7,663,400)	(7,663,400)
Air Services		20,030,896	27,975,100	33,687,100
Less: Revenue		(314,138)	(5,675,000)	(5,675,000)
		<b>145,124,098</b>	<b>150,601,700</b>	<b>116,847,900</b>
<b>Total Net Expenditure</b>		<b>1,234,760,589</b>	<b>1,297,987,000</b>	<b>1,297,987,000</b>
<b>Summary:</b>				
Total Expenditure		1,346,295,071	1,417,177,000	1,417,177,000
Total Related Revenue		(111,534,482)	(119,190,000)	(119,190,000)
<b>Net Expenditure</b>		<b>1,234,760,589</b>	<b>1,297,987,000</b>	<b>1,297,987,000</b>

