



# Infrastructure Canada

## Report on Plans and Priorities (RPP)

2013-14

**The Honourable Denis Lebel, P.C., M.P.**

Minister of Transport, Infrastructure and Communities, and Minister of  
the Economic Development Agency of Canada for the Regions of Quebec

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# Minister's Message

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As Canada's Minister of Transport, Infrastructure and Communities, I am pleased to present Infrastructure Canada's Report on Plans and Priorities for 2013-14. The report outlines our ongoing work with other orders of government to build and improve public infrastructure to support long-term economic growth and sustainability across the nation.

We understand how vital infrastructure investment is to Canadian cities, towns, and communities. World-class public infrastructure from roads and public transit systems, to water works and environmental infrastructure such as waste disposal systems is essential for economic growth and the well-being of Canadians.



That's why this government has made infrastructure funding a priority. From the 2007 Building Canada plan, to the Economic Action Plan, to the development of a future long-term plan for public infrastructure, we have worked and will continue to work effectively with other levels of government to make meaningful and lasting infrastructure investments from coast to coast to coast.

These investments are not only building and revitalizing public infrastructure, they are helping to provide jobs. Since the government launched the Economic Action Plan in 2009, Canada has more than offset the jobs lost during the global economic downturn and has achieved the strongest job growth among G-7 countries over the recovery.

In 2013-14, Infrastructure Canada will build on the momentum of our past accomplishments, and focus our work in several key areas. This includes continuing to advance work on future programs for public infrastructure that will encourage greater private-sector involvement and public-private partnerships. They will be focused on affordability and sustainability over the long term, and will provide the best value for taxpayers.

We will also continue to deliver the Building Canada plan, which is continuing to provide significant funding for provincial, territorial and municipal infrastructure through programs such as the Gas Tax Fund. This fund has been made permanent at an unprecedented \$2 billion annually; ensuring municipalities have the stable and predictable funding they need to support their local infrastructure priorities.

In doing all of this, Infrastructure Canada will continue to manage programs effectively and efficiently to ensure ongoing value for taxpayers. As we continue to deliver for communities and for Canadians, I invite you to follow our progress at [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca).

**The Honourable Denis Lebel, P.C., M.P.**

Minister of Transport, Infrastructure and Communities and Minister of the Economic Development Agency of Canada for the Regions of Quebec

# Section I: Organizational Overview

## 1.1 Raison d'être

Modern, world-class public infrastructure is a key factor in achieving the Government of Canada's priorities of a stronger economy, a cleaner environment, and more prosperous, safer communities. Infrastructure Canada leads the Government of Canada's efforts in addressing Canada's public infrastructure challenges.

## 1.2 Responsibilities

### *I. Overview*

Infrastructure Canada is the main department responsible for federal efforts to enhance Canada's public infrastructure through investments in provincial, territorial and municipal assets, engagement in key partnerships with the provinces, territories, municipalities, and the private sector, and the development and implementation of sound policies. Established in 2002, the Department provides funding support to provincial, territorial and municipal governments to ensure that Canadians benefit from world-class public infrastructure from coast to coast to coast.

### **Project Spotlight: Corridors for Canada**

Project Location: Northwest Territories

The Corridors for Canada Project is receiving a federal financial contribution of \$65 million from the Canada Strategic Infrastructure Fund to support five major corridor improvement projects in the Northwest Territories (NT). Project work is focused on improving the safety, efficiency and reliability of transportation along important shipping routes serving the oil, gas and mining industries.

Along the Mackenzie Valley Winter Road between Wrigley and Norman Wells, ten permanent bridges are being built to replace the seasonal winter road bridges, thereby extending this key northern supply route. In addition, nearly 200-km of the Dempster Highway (Highway 8) between Inuvik and the Yukon-NT border; 36-km of the Yellowknife Highway (Highway 3) and Ingram Trail (Highway 4); were already reconstructed and repaved. Also reconstructed were approximately 38-km of the Liard Highway (Highway 7), from the British Columbia-NT border northward, and a 40-km length of the Mackenzie Highway (Highway 1), which also got new culverts to improve drainage.

These widespread improvements will greatly advance the capacity and safety of the transportation network of the region. Making these routes more efficient will deliver long-standing economic and social benefits.



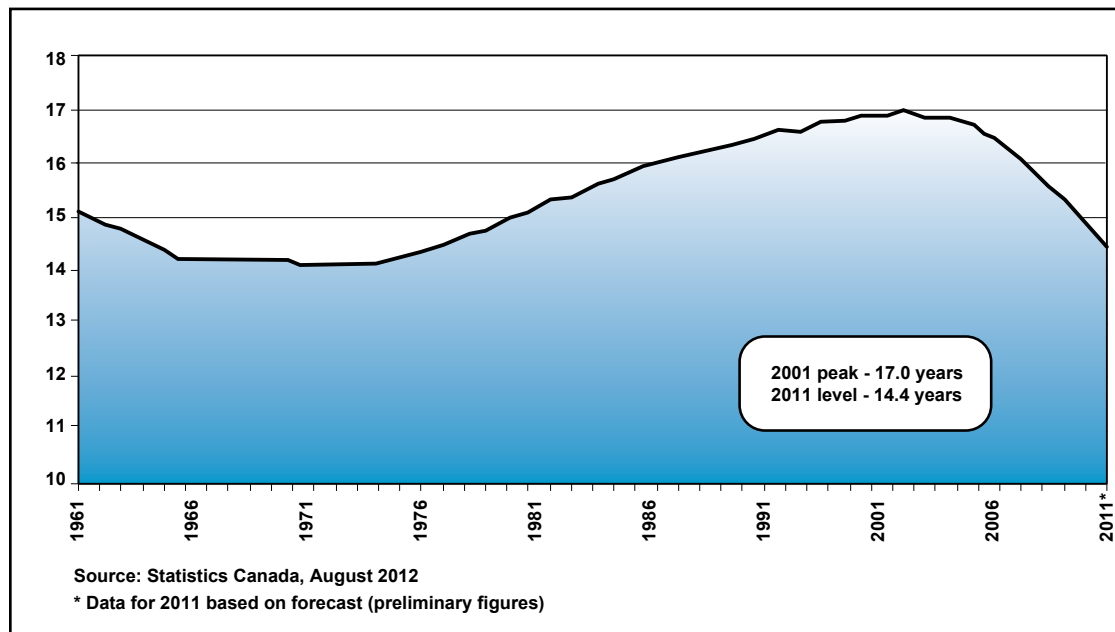
The Government of Canada's investments in infrastructure over the past decade have leveraged funding from provinces, territories and municipalities, resulting in a significant overall increase in spending on municipally-owned, core public infrastructure as well as on provincial and territorial assets. Significant progress has been made. The average age of core public infrastructure is declining after years of trending upwards. From its peak of 17.0 years in 2001, the average age of core public infrastructure was down to 14.4 years in 2011.

In 2007, the Government of Canada launched the \$33-billion Building Canada plan, the first ever federal long-term plan for infrastructure. Through the Building Canada plan, the Government of Canada is supporting thousands of projects in communities large and small that have given Canadians and communities access to better public infrastructure, provided local economic opportunities, and strengthened the national economy.

Furthermore, on December 15, 2011, Bill C-13 entitled *Keeping Canada's Economy and Jobs Growing Act* received Royal Assent, legislating the \$2-billion annual Gas Tax Fund allocation permanently providing a source of long-term sustainable funding that municipalities can count on for their infrastructure needs now and in the future.

In 2013-14, the Department will continue to work to advance future programming for public infrastructure. At the same time, for the 2013-14 planning period, Infrastructure Canada will continue to oversee billions of dollars' worth of investments in infrastructure projects being delivered through existing programs that support a stronger economy, cleaner environment and prosperous communities.

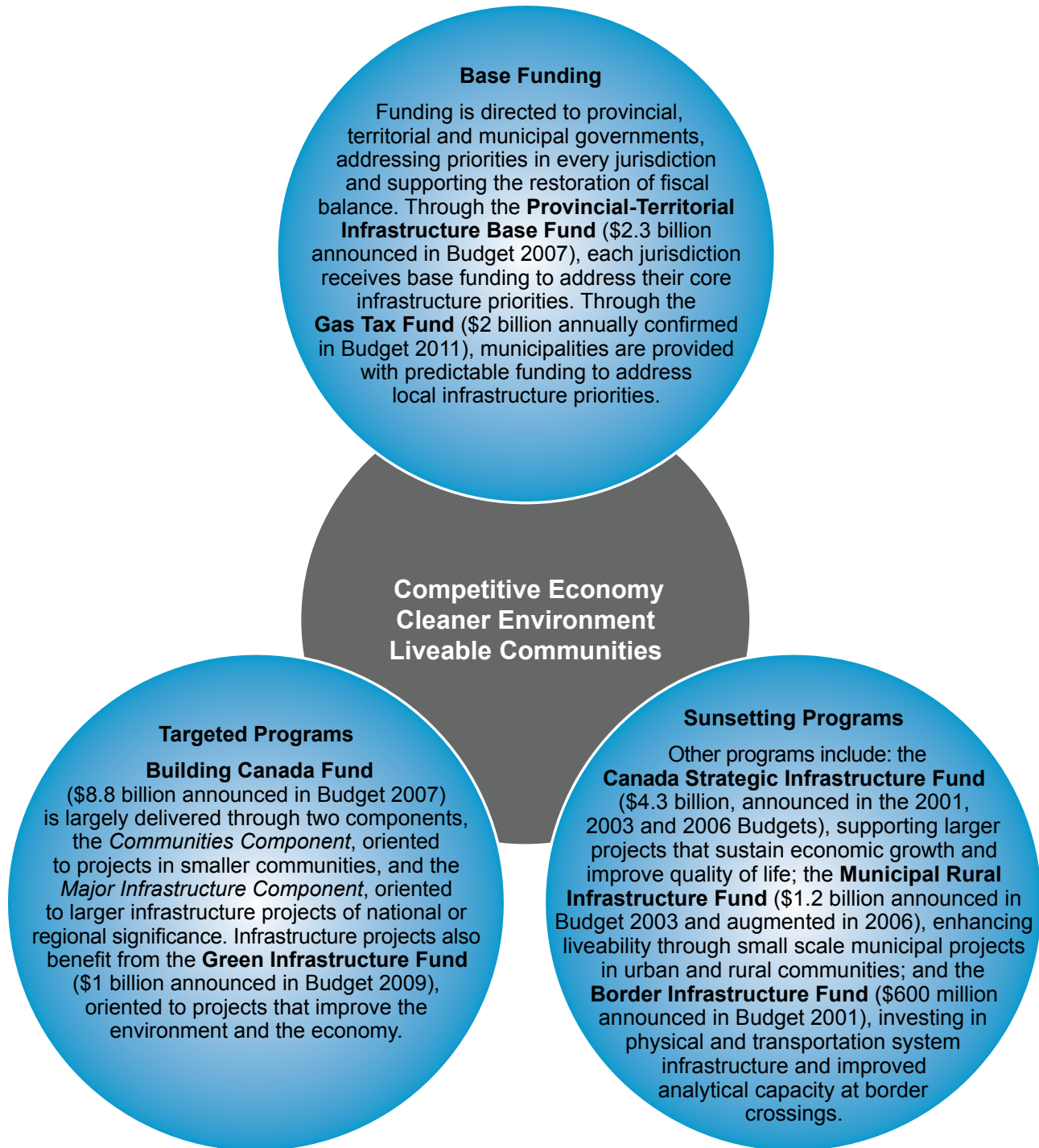
**Figure 1: Average Age of Core Public Infrastructure**





## II. Programs

Infrastructure Canada's funding programs address local and regional infrastructure needs, while advancing national priorities. This, in turn, makes Canada's economy stronger, keeps people and goods on the move, and helps to make our water and air cleaner. The Department delivers funding through various mechanisms:<sup>1</sup>



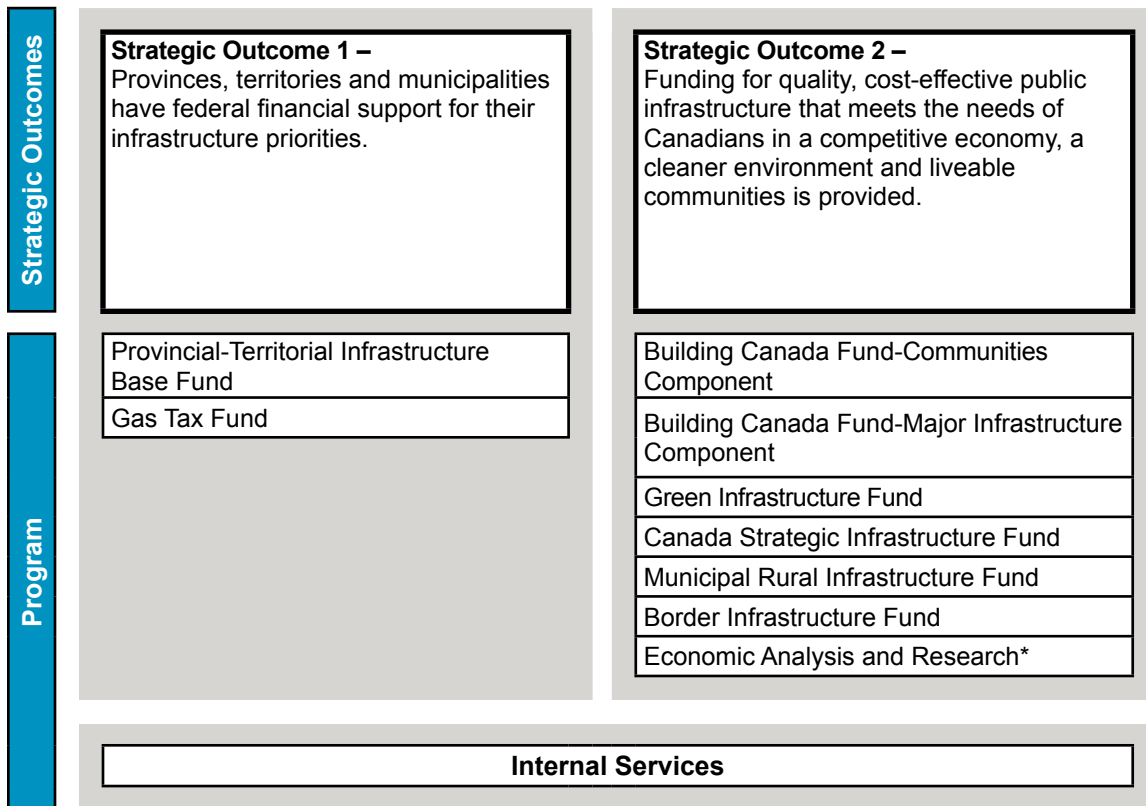
<sup>1</sup> Original allocations for Transfer Payment Programs; these do not reflect transfers out.

### 1.3 Strategic Outcomes and Program Alignment Architecture

Infrastructure Canada's Program Alignment Architecture structure has two Strategic Outcomes comprised of eight active Programs, as well as Internal Services, as detailed in Figure 2. Section II of this report provides additional detail on each program, including Internal Services, which supports all the programs.

Strategic Outcome 1 provides federal transfers to provincial, territorial and municipal governments for their infrastructure priorities in order to help maintain a high level of quality core public infrastructure across the country. Strategic Outcome 2 provides targeted project-specific investments to address federal/provincial/territorial priorities in large and small communities as well as large strategic investments of national and regional benefit. With the exception of the Gas Tax Fund, all of our programs are cost-shared with our partners, primarily other levels of government. All of our programs result in the construction and enhancement of public infrastructure, while contributing to broad federal government objectives of a competitive economy, a cleaner environment and liveable communities. These program design features are reflected in our performance measurement approach.

**Figure 2: Program Alignment Architecture**



\* There is no planned spending for this Program beyond 2012-13. As such, it is not detailed in Section II of this report.

## 1.4 Organizational Priorities

Infrastructure Canada's organizational priorities for 2013-14 include the following:

Priority	Type <sup>2</sup>	Strategic Outcome(s) and/or Program
Negotiate funding agreements with partners to reflect permanent Gas Tax funding (\$2 billion annually).	New	<ul style="list-style-type: none"> <li>Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.</li> </ul>
<b>Description</b>		
<b>Why is this a priority?</b>		
<ul style="list-style-type: none"> <li>Investment in public infrastructure, including programs under Strategic Outcome 1, is in direct fulfillment of the Department's responsibility to make financial support available for public infrastructure that meets the needs of Canadians for a stronger economy, a cleaner environment and more prosperous communities. New agreements will be required to reflect permanency of the Gas Tax Fund. In total, the Department will enter into at least 13 new agreements, and provinces and territories will subsequently enter into arrangements to flow funding to thousands of municipalities.</li> <li>Given the timelines, it will be important to confirm the design of the program in order to undertake negotiations with partners and finalize agreements for successful implementation in 2014.</li> </ul>		
<b>Plans for meeting the priority:</b> The Department will require Treasury Board approval for the terms and conditions of the permanent Gas Tax Fund allocation, as set out in Bill C-13, and will work with partners to renew agreements allowing municipalities across the country to continue receiving stable, annual funding for infrastructure.		

Priority	Type	Strategic Outcome(s) and/or Program
Work with funding partners in the continued implementation of existing programs, while providing prudent stewardship and oversight of these programs.	Ongoing	<ul style="list-style-type: none"> <li>Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.</li> <li>Strategic Outcome 2: Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.</li> </ul>
<b>Description</b>		
<b>Why is this a priority?</b>		
<ul style="list-style-type: none"> <li>This management priority will ensure program governance including management control frameworks, documentation, monitoring, reporting tools and internal audit regimes are implemented and working effectively to ensure prudent stewardship of all program expenditures.</li> <li>The sunsetting of programs like the Municipal Rural Infrastructure Fund and Border Infrastructure Fund, require attention for effective close-out.</li> <li>Investment in public infrastructure, as per Programs under Strategic Outcomes 1 and 2, are in direct fulfillment of the Department's responsibility to provide financial support for public infrastructure that meets the needs of Canadians for a stronger economy, a cleaner environment and more prosperous communities.</li> </ul>		
<b>Plans for meeting the priority:</b> The Department will continue to work with provincial, territorial and municipal governments to identify new infrastructure projects, commit remaining funding and advance projects through the approval and funding agreement negotiation process, while ensuring continued prudent stewardship and oversight. The Department will ensure proper file closure for projects under the Building Canada plan and sunsetting programs are completed, including, as necessary, project and program audits and evaluations. The Department will also continue to work with its partners to ensure timely completion of projects.		

<sup>2</sup> Type is defined as follows: previously committed to—committed to in the first or second fiscal year prior to the subject year of the report; ongoing—committed to at least three fiscal years prior to the subject year of the report; and new—newly committed to in the reporting year of the Report on Plans and Priorities.

Priority	Type	Strategic Outcome(s) and/or Program
Renew the Shared Information Management System for Infrastructure in preparation for future infrastructure programs.	New	<ul style="list-style-type: none"> <li>• Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.</li> <li>• Strategic Outcome 2: Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.</li> </ul>

#### Description

##### Why is this a priority?

- The Shared Information Management System for Infrastructure is an important system used to support Infrastructure Canada program delivery. In the future, the Shared Information Management System for Infrastructure must become more adaptable, offer greater efficiency in program management, provide increased data quality, be technologically sustainable, and cost effective.
- The Government of Canada's information technology modernization strategy also calls for greater consolidation and standardization of federal information technology solutions.
- In addition, in support of the legislated mandate of Shared Services Canada for information technology hosting, the Department must successfully transfer the Shared Information Management System for Infrastructure hosting to Shared Services Canada and establish a new applications services model, ideally before new infrastructure programs are implemented.

**Plans for meeting the priority:** The Department will conclude the Enterprise Data Warehouse Re-engineering project, which will increase sustainability and improve program reporting. This project is expected to deliver operational cost savings. The Department will work closely with Shared Services Canada to ensure the timely transfer of Shared Information Management System for Infrastructure to Shared Services Canada servers, and will enhance its internal capacity to deliver application services.

Priority	Type	Strategic Outcome(s) and/or Program
Work to develop future programming for public infrastructure that extends beyond the expiry of the Building Canada plan.	Previously committed to	<ul style="list-style-type: none"> <li>• Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.</li> <li>• Strategic Outcome 2: Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.</li> </ul>

#### Description

##### Why is this a priority?

- In Budget 2011, and reiterated in Budget 2012, the Government of Canada committed to work with provinces, territories, Canada's municipal sector and stakeholders to develop a future long-term plan for public infrastructure that extends beyond the expiry of the Building Canada plan in 2014. Infrastructure Canada has the lead federal responsibility for this commitment.
- The development of a future long-term plan may have significant impacts on all current and future Infrastructure Canada programs and may therefore impact Strategic Outcomes 1 and 2.

**Plans for meeting the priority:** Building on discussions with its partners and stakeholders during 2012, the Department is working to advance future programming for public infrastructure. New programs will help leverage new investments in infrastructure that promote growth and prosperity, while respecting taxpayers' ability to pay.

Priority	Type	Strategic Outcome(s) and/or Program
Pursue operational efficiencies in the effective delivery of the Department's mandate – prudent management, stewardship and implementation of its current suite of programs.	Previously committed to	<ul style="list-style-type: none"> <li>• Strategic Outcome 1: Provinces, territories and municipalities have federal financial support for their infrastructure priorities.</li> <li>• Strategic Outcome 2: Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.</li> </ul>
<b>Description</b>		
<p><b>Why is this a priority?</b></p> <ul style="list-style-type: none"> <li>• Maximizing operational efficiencies will ensure ongoing value for Canadians. Budget 2012 confirms the government's efforts to look for ideas on how to better administer and deliver its government programs and services.</li> </ul> <p><b>Plans for meeting the priority:</b> Infrastructure Canada will continue to focus on prudent stewardship in the implementation of its existing programs, pursuing further cost efficiencies while working to stabilize the operational foundation of the Department. Infrastructure Canada will continue to systematically review direct program spending and operating costs to find efficiencies and reallocate funds in support of the government's overarching strategic review objective of management excellence and fiscal responsibility. As a result of the 2010 Strategic Review, the Department has identified savings opportunities to improve efficiency and the delivery of programs and services. Savings identified through the review totaled \$124.5 million, comprised of administrative efficiencies, and a portion of unallocated program funding over a three-year period, concluding in 2013-14.</p>		

## 1.5 Risk Analysis

### 1.5.1 Risk Management Approach

Infrastructure Canada systematically manages a variety of risks as it advances its strategic outcomes. As new environmental risk factors emerge and risk responses are implemented, the Department continues to apply a comprehensive approach to actively identify, assess and manage risks at the strategic, operational, program and project levels. This approach includes conducting regular environmental scans to identify internal and external risk factors, direct participation of the Department's executives in identifying and assessing key risks, and the development of adequate risk responses to achieve departmental priorities and advance strategic outcomes. This information is then captured in the Department's Corporate Risk Profile and semi-annual update reports. Finally, risk management is fully integrated into Infrastructure Canada's decision-making processes, and the lessons learned from these regular risk update exercises are embedded into the Department's culture at all working levels, enhancing program efficiency as well as stewardship.

The most recent update to the Corporate Risk Profile occurred in the summer of 2012 and reflects announcements in Budget 2012 including the potential impact of a future long-term plan for public infrastructure. Risk categories are derived from the Infrastructure Canada Risk Taxonomy and ranking is based on the likelihood of the risk and impact including potential consequences and existing risk responses.

### 1.5.2 Departmental Risks

The new Corporate Risk Profile lists six departmental risks that represent a significant change from the eight risks presented in the 2011 risk profile. This is attributed to the close-out of the Economic Action Plan infrastructure investment programs while continuing to deliver major programs such as the Building Canada Fund. For 2013-14, the following are the three highest ranked risks to the achievement of the Department's strategic outcomes:

**i) The absence of an approved multi-year operating budget may impact Infrastructure Canada's capacity to fully deliver on its mandate.**

As a key risk response, and recognizing that public infrastructure is an ongoing priority for the Government of Canada, Infrastructure Canada will continue to work with Central Agencies towards a resolution of this challenge.

**ii) Infrastructure Canada may be unable to quickly and efficiently address information management and information technology challenges for new programs over the planning period.**

Risk responses will include the fostering of a strong relationship with Shared Services Canada and the implementation of the Electronic Data Warehouse Re-engineering project.

**iii) Infrastructure Canada may not be able to accurately plan for and maintain the right mix of skills in the right positions to address its uncertain mid- to long-term strategic needs.**

The Department's risk responses will be addressed through the update and implementation of the Integrated Business and Human Resources Plan to support future programming for public infrastructure and the continued implementation of the existing suite of contribution programs such as the Building Canada Fund.

**1.5.3 Risk Tolerance**

Senior executives at Infrastructure Canada considered their tolerance level for each risk. In undertaking this activity, risk tolerance was defined as the willingness of the organization to accept or reject a given level of residual risk (exposure). It recognizes that clarity on risk tolerance at all levels of the organization is necessary to support informed risk taking and to foster risk-smart approaches to decision-making.

For 2013-14, all six key departmental risks were designated as "tolerable". This conclusion was derived from the fact that existing and additional risk responses were deemed adequate to manage the risks. It also recognized that, in some cases, the potential occurrence of the risk rests primarily outside the Department's control.

## 1.6 Planning Summary

Infrastructure Canada has supported thousands of provincial, territorial and municipal infrastructure projects under our programs, including the Building Canada plan, the Green Infrastructure Fund and sunseting programs.

The Department will continue to make significant investments in 2013-14, with forecast spending of \$3.9 billion towards construction of public infrastructure across the country. In 2013-14 and beyond, Infrastructure Canada will continue to work with funding partners to implement existing programs, ensure timely completion of projects and provide stewardship and oversight as we process and pay thousands of claims for projects. While delivering on this program mandate, and on the organizational priorities outlined in Section 1.4, the Department will ensure ongoing value for Canadians – pursuing further cost efficiencies by looking for ways to better administer and deliver programs. The Building Canada plan and sunseting programs will continue to deliver results for communities well beyond 2014.

From coast to coast to coast, the Gas Tax Fund plays an important role in advancing infrastructure renewal. In 2013-14, Infrastructure Canada will continue to make available \$2 billion annually through the Gas Tax Fund, providing municipalities with predictable funding to support environmentally sustainable municipal infrastructure that will contribute to desired outcomes of cleaner air, cleaner water and reduced greenhouse gas emissions. Through legislation passed in December 2011, the federal government has made this a permanent annual investment of \$2 billion per year beyond 2014 to provide greater certainty for local infrastructure planning. As current agreements for this funding conclude in 2014, Infrastructure Canada will work with provinces and territories to renew agreements to allow municipalities across the country to receive stable, annual funding for their long-term infrastructure priorities.

Infrastructure Canada will also continue to lead the Government of Canada's efforts to address the public infrastructure needs of the country. Building on a history of successful and collaborative projects, Infrastructure Canada is committed to working with partners and stakeholders to improve public infrastructure across the country. In 2013-14, the Department will continue to work to advance future programming for public infrastructure for Canada. Any new programs will aim to ensure affordability and sustainability over the long term, and provide lasting benefits to Canadians, while respecting taxpayers' ability to pay.



### 1.6.1 Financial and Human Resources

Infrastructure Canada's financial and human resources information over the planning period are summarized in the two tables that follow.

#### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates 2013-14)	Planned Spending 2013-14	Planned Spending 2014-15 <sup>3</sup>	Planned Spending 2015-16 <sup>3</sup>
3,924,706	3,924,706	3,136,440	3,014,212

#### Human Resources (Full-Time Equivalents–FTE)

2013-14	2014-15 <sup>4</sup>	2015-16 <sup>4</sup>
331	TBD	TBD

Infrastructure Canada's full-time equivalents are managed flexibly. Employees are readily reallocated as needed during the year to reflect specific requirements of funding programs, operational requirements and other government priorities. Operating funding is also allocated to the administration of individual programs on a similar basis.

Infrastructure Canada does not have a regular and ongoing level of A-Base funding for departmental operational costs (e.g. salaries, operations and maintenance). Up to the end of 2012-13, the Department's entire operating budget has been sourced from its programs' funding envelopes, with annual funding for operational requirements fluctuating in response to the actual oversight and management necessary for active programs. For 2013-14, an operating budget was approved based on a source of funds provided through Budget 2012. Infrastructure Canada will continue to work with the Treasury Board Secretariat and Finance Canada to confirm operating funding for 2014-15 and future years.

3 Planned Spending beyond 2013-14 does not reflect funding for future public infrastructure programming as financial details are not yet available.

4 Number of full-time equivalents to be determined, depending on the status of ongoing operational funding and on the elements of future public infrastructure programming.

## 1.6.2 Program by Strategic Outcome and Planned Spending

The planning summary table below identifies the planned spending and strategic outcomes for each departmental program, as well as the alignment of these Programs to the Government of Canada outcomes.

**Planning Summary Table (in \$ thousands)<sup>5</sup>**

Strategic Outcome 1	Program	Actual Spending 2010-11	Actual Spending 2011-12	Forecast Spending 2012-13	Planned Spending			Alignment to Government of Canada Outcomes
					2013-14	2014-15	2015-16	
Provinces, territories and municipalities have federal financial support for their infrastructure priorities.	Provincial-Territorial Infrastructure Base Fund	437,548	188,695	348,141	265,490	0	0	Strong Economic Growth
	Gas Tax Fund	1,752,697	2,206,246	2,098,236	1,976,236	2,000,070	2,000,071	Strong Economic Growth
<b>Sub-Total:</b>		<b>2,190,245</b>	<b>2,394,942</b>	<b>2,446,377</b>	<b>2,241,726</b>	<b>2,000,070</b>	<b>2,000,071</b>	

Strategic Outcome 2	Program	Actual Spending 2010-11	Actual Spending 2011-12	Forecast Spending 2012-13	Planned Spending			Alignment to Government of Canada Outcomes
					2013-14	2014-15	2015-16	
Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.	Building Canada Fund-Communities Component	225,825	213,884	218,608	188,734	115,418	213,005	Strong Economic Growth
	Building Canada Fund-Major Infrastructure Component	407,499	759,828	1,130,814	942,955	612,324	547,498	Strong Economic Growth
	Green Infrastructure Fund	35,430	30,274	160,970	125,030	89,646	81,249	Clean and Healthy Environment
	Canada Strategic Infrastructure Fund	336,451	188,382	379,458	289,102	266,089	170,408	Strong Economic Growth
	Municipal Rural Infrastructure Fund	146,646	88,043	57,644	78,763	0	0	Strong Economic Growth
	Border Infrastructure Fund	67,881	35,042	23,354	22,965	51,032	0	Strong Economic Growth
	Economic Analysis and Research <sup>6</sup>	1,750	3,143	0	0	0	0	Innovative and Knowledge-Based Economy
	<b>Sub-Total:</b>		<b>1,221,482</b>	<b>1,318,595</b>	<b>1,970,848</b>	<b>1,647,549</b>	<b>1,134,509</b>	<b>1,012,160</b>

<sup>5</sup> Totals may not add due to rounding.

<sup>6</sup> There is no planned spending for this Program beyond 2012-13. It is included in this table only to document Actual Spending for 2010-11 and 2011-12, and Forecast Spending for 2012-13.

Strategic Outcome 3 (Historic)	Actual Spending 2010-11	Actual Spending 2011-12	Forecast Spending 2012-13	Planned Spending			Alignment to Government of Canada Outcomes
				2013-14	2014-15	2015-16	
Construction-ready infrastructure projects are provided with federal funding support <sup>7</sup> .  (Includes timely, targeted and temporary stimulus programs under the 2009 Economic Action Plan, which were implemented between 2009 to 2011).	2,790,799	771,049	0	0	0	0	Strong Economic Growth
<b>Sub-Total:</b>	<b>2,790,799</b>	<b>771,049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

#### Planning Summary Table for Internal Services (in \$ thousands)

Program	Actual Spending 2010-11	Actual Spending 2011-12	Forecast Spending 2012-13	Planned Spending		
				2013-14 <sup>8</sup>	2014-15 <sup>8</sup>	2015-16 <sup>8</sup>
Internal Services <sup>9</sup>	49,265 <sup>10</sup>	55,525 <sup>10</sup>	35,430 <sup>10</sup>	35,431 <sup>10</sup>	1,861	1,981
<b>Sub-Total:</b>	<b>49,265</b>	<b>55,525</b>	<b>35,430</b>	<b>35,431</b>	<b>1,861</b>	<b>1,981</b>

#### Planning Summary Total (in \$ thousands)

Strategic Outcomes, Programs and Internal Services	Actual Spending 2010-11	Actual Spending 2011-12	Forecast Spending 2012-13	Planned Spending		
				2013-14	2014-15	2015-16
<b>Total</b>	<b>6,251,791</b>	<b>4,540,110</b>	<b>4,452,655</b>	<b>3,924,706</b>	<b>3,136,440</b>	<b>3,014,212</b>

7 There is no Planned Spending for the timely, targeted and temporary stimulus programs under this Strategic Outcome as they were completed prior to 2012-13. They are included in this table only to document Actual Spending for 2010-11 and 2011-12.

8 These amounts include operating funding for core administration and program delivery. Planned Spending for 2014-15 and 2015-16 only reflects opening balances. As Infrastructure Canada does not have a permanent source of operating budget, the amounts for 2014-15 and 2015-16 will be increased once the operating budgets for these years are approved by Treasury Board.

9 Internal Services are groups of related activities and resources that are supportive of, but not associated to corporate obligations of an organization. As such, the Internal Services Program level is a stand-alone element that does not align to a particular departmental Strategic Outcome or any specific Government of Canada Outcome area.

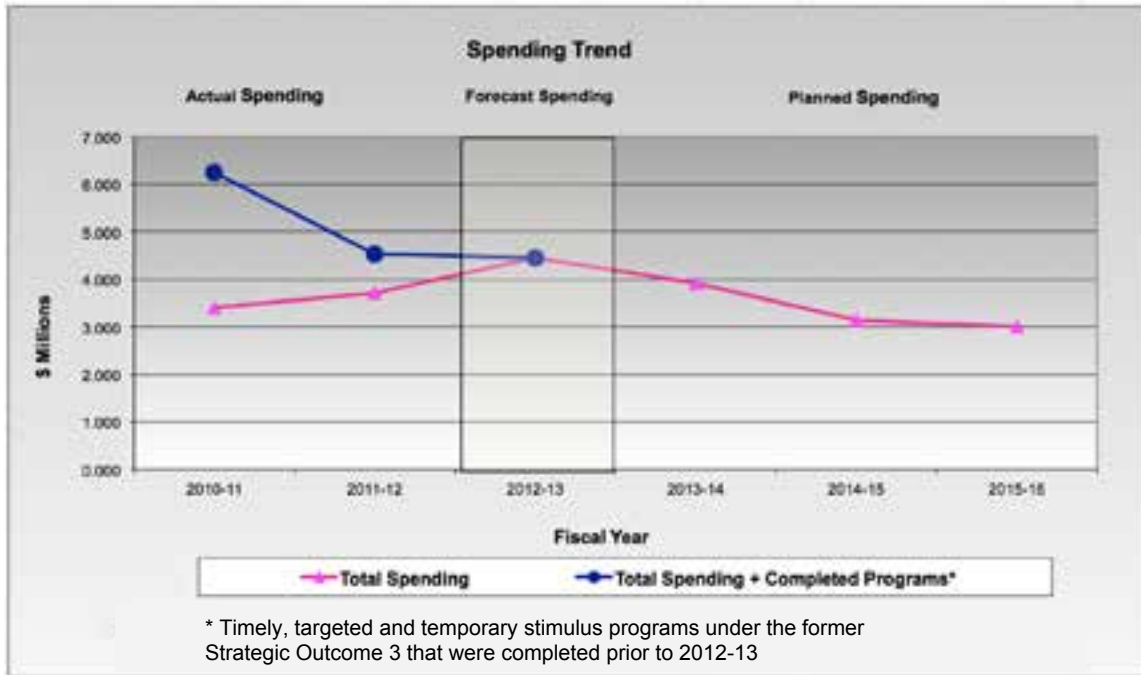
10 These amounts also include spending related to the Shared Information Management System for Infrastructure. In the future, spending related to the Shared Information Management System for Infrastructure will be reported against the specific infrastructure programs that the technology directly supports.

## 1.7 Expenditure Profile

### 1.7.1 Spending Trends

In 2013-14, Infrastructure Canada has planned spending of \$3.9 billion on infrastructure investments under its programs to meet the expected program results and contribute to its strategic outcomes.

Figure 3: Departmental Spending Trend



### 1.7.2 Variations in Program Spending Trends

In 2011-12 significant effort was dedicated to the scheduled closing out of two timely, targeted and temporary programs the Department was responsible for under the Economic Action Plan (EAP): the Infrastructure Stimulus Fund (ISF) and the Building Canada Fund-Communities Component Top-Up (BCF-CC Top-Up). At the same time, the Department continued to implement programs under the Building Canada plan.

Since 2009-10, the Department's spending continued to increase, peaking in 2010-11 with the implementation of the ISF and the BCF-CC Top-Up. From 2010-11 to 2013-14, the level of spending declines as the programs under the EAP were completed in 2011-12 (with the exception of the Green Infrastructure Fund, which extends beyond 2013). Beyond 2013-14, the Department will continue to flow funding towards the implementation of its existing programs under the Building Canada plan as well as the Green Infrastructure Fund. In addition, this graph does not include spending for future infrastructure programming as financial details are not yet available.

## 1.8 Estimates by Vote

For information on our organizational votes and/or statutory expenditures, please see the 2013-14 Main Estimates publication. An electronic version of the Main Estimates is available at: <http://www.tbs-sct.gc.ca/est-pre/20132014/me-bpd/info/info-eng.asp>.

## 1.9 Contribution to the Federal Sustainable Development Strategy

The Federal Sustainable Development Strategy outlines the Government of Canada's commitment to improve the transparency of environmental decision-making. The strategy outlines key strategic environmental goals and targets, and ensures that they are considered in decision-making.

Although Infrastructure Canada is not one of the 27 departments required to table a Departmental Sustainable Development Strategy or to report on its contribution to the Federal Sustainable Development Strategy, it continues to play an important role in helping create a more sustainable future.

The Department's broad range of infrastructure programs supports thousands of projects across Canada that contribute to a cleaner environment in areas such as drinking water, wastewater, clean energy, public transit and brownfield redevelopment. Many of these infrastructure investments directly support two of the Federal Sustainable Development Strategy Themes:

1. Maintaining Water Quality and Availability.
2. Addressing Climate Change and Air Quality.

Beyond providing funding through federal infrastructure funding programs, Infrastructure Canada's measures support the Federal Sustainable Development Strategy's Theme 4, *Shrinking the Environmental Footprint – Beginning with Government*. The Department continues to implement its recent Greening Action Plan, which includes measures in green procurement, waste and energy reduction and awareness and promotion. More details on our green procurement initiatives can be found in the Supplementary Information Tables on Greening Government Operations, on Infrastructure Canada's website at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

### Project Spotlight: Major upgrades to drinking water treatment

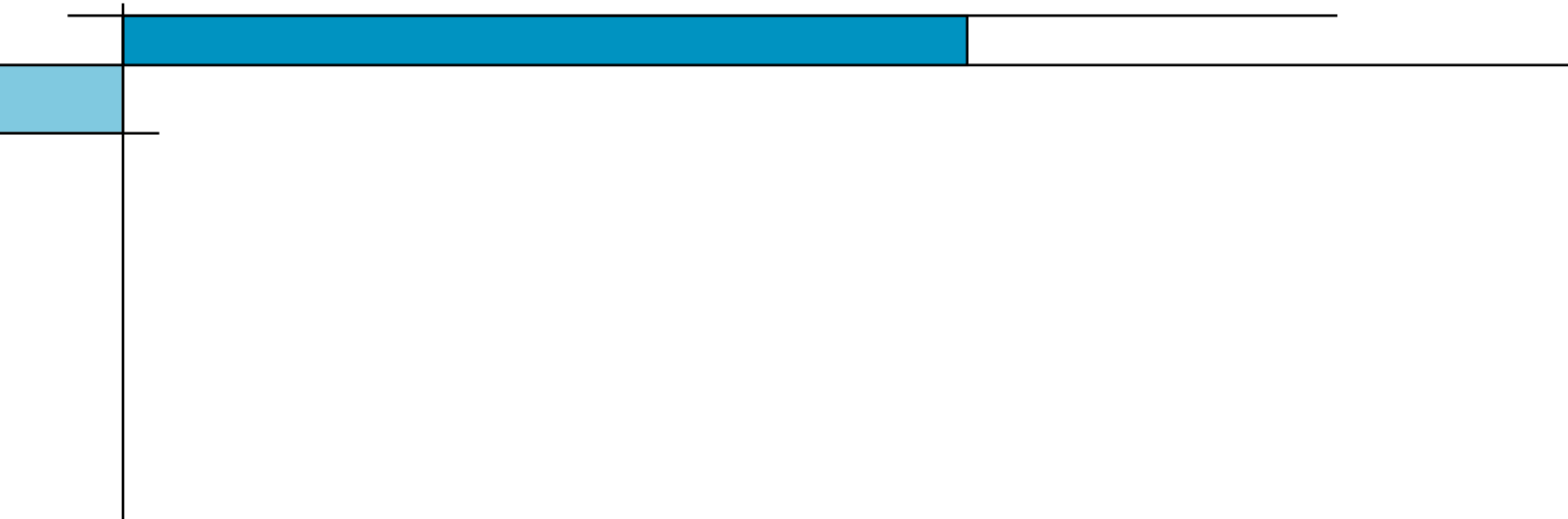
Project Location: Thetford Mines, Quebec

Thetford Mines is taking major steps to ensure its citizens enjoy high-quality drinking water for generations to come. Using \$25.2 million from the Major Infrastructure Component of the Building Canada Fund, the Town is building a new filtration plant, renovating and upgrading its pumping and water storage facilities, installing new water supply system connections, and enhancing its protection of groundwater supply wells, among other work.

The project, one of the largest ever undertaken by the municipality, is making use of some innovative materials. The foundations, walls, columns, beams and structural slab of the chemical treatment ponds of the new plant will incorporate more than 67 kilometres of fibreglass reinforcement rod instead of traditional steel reinforcing bars. Fibreglass rods are lighter and do not react to chemicals, salt particles or the alkaline in concrete, thereby greatly reducing corrosion damage.

These fibreglass rods were in the past used only for road construction and military applications. By demonstrating potential alternative uses, this project could open up new markets for the local firm that manufactures them. As a result, not only will Thetford Mines residents enjoy improved water quality and reliability, the project could also stimulate the local economy and inspire innovative measures to increase the durability of concrete-based public infrastructure.





# Section II: Analysis of Programs by Strategic Outcomes

## 2.1 Programs and Strategic Outcomes

Infrastructure Canada's Program Alignment Architecture has two Strategic Outcomes and eight active Programs, as well as Internal Services in support of its mandate. The information presented in this section is organized according to Infrastructure Canada's Program Alignment Architecture structure:

### **1) Provinces, territories and municipalities have federal financial support for their infrastructure priorities.**

Programs:

- Provincial-Territorial Infrastructure Base Fund
- Gas Tax Fund

### **2) Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.**

Programs:

- Building Canada Fund-Communities Component
- Building Canada Fund-Major Infrastructure Component
- Green Infrastructure Fund
- Canada Strategic Infrastructure Fund
- Municipal Rural Infrastructure Fund
- Border Infrastructure Fund

#### **Project Spotlight: Investing in Public Transit**

Project Location: York Region, Ontario

Encompassing more than nine towns and cities, the Regional Municipality of York in the Greater Toronto Area now has more than a million residents.

To support ongoing growth and prosperity in the area, York Region has been working steadily to expand and enhance its public transit services. It launched a large-scale transit expansion initiative in 2005 called VIVA, which introduced Bus Rapid Transit services to help reduce traffic congestion and improve transit efficiency for users.

The second phase of transit expansion in the area—VivaNext—includes extending two subway lines, building two light rail transit lines, and expanding the Bus Rapid Transit network using dedicated bus lanes.

The second phase is being supported by an \$85-million federal funding contribution from the Canada Strategic Infrastructure Fund. The funding will go towards the purchase of 36 articulated Bus Rapid Transit vehicles and the construction of a new 32,200-square-metre operations control, maintenance and storage facility with sufficient room for 180 vehicles. It will also support the building of a new terminal in Cornell that will provide connections to local transit, Durham Transit and GO bus services.

This "smart growth" initiative reflects the Region's commitment to the principles of new urbanism, which seeks to reduce urban sprawl by integrating active transportation and public transit into planning decisions and better integrating residential and commercial zones.



## 2.2 Strategic Outcome 1

**Provinces, territories and municipalities have federal financial support for their infrastructure priorities.**

Under Strategic Outcome 1, the Gas Tax Fund and the Provincial-Territorial Infrastructure Base Fund continue to provide stable, predictable funding for jurisdictions and offers them significant flexibility in funding their core infrastructure priorities.

### **Project Spotlight: Expo Line Upgrade**

Project Location: Metro Vancouver, British Columbia

SkyTrain is an electrically powered system that produces no greenhouse gases or other emissions. Operational since 1986, it has grown from a single, 15-station line to an interconnected transit network serving a metropolitan population of more than two million.

In the years since it was first built, two new lines have been added and a fourth is under construction, making it one of the longest, fully automated rapid transit systems in the world.

Traffic gridlock, environmental concerns and the rising costs of operating private vehicles are contributing to an ever-growing demand for public transit services. To accommodate the growing demands, TransLink steadily increased the number of vehicles in the SkyTrain fleet and introduced larger, heavier vehicles, increasing the demand for power on its more than 25-year-old power supply system. Extensive electrical upgrades along the Expo Line were required.

Thanks to funding from the province's annual share of the federal Gas Tax Fund, TransLink is now moving forward with the much-needed power upgrades along the backbone of Metro Vancouver's transit network. These improvements will help ensure the system can meet rising demand for years to come.





**2.2.1 Program: Provincial-Territorial Infrastructure Base Fund  
2013-14 Main Estimates - \$265,490,056**

**– Predictable Funding for Provinces and Territories –**

**Program Description:**

This program provides base funding to each province and territory for core infrastructure priorities. In addition, funding under the Building Canada Fund for the three territories is managed under this fund. The Provincial-Territorial Infrastructure Base Fund was designed to help restore fiscal balance while enhancing Canada's public infrastructure system. It also supports economic growth and productivity, and promotes a cleaner environment and prosperous communities. While payments are made to provinces and territories, ultimate recipients can also include local and regional governments or private sector bodies. In order for federal funding to flow, provinces and territories submit a list of infrastructure initiatives through a capital plan which must be accepted by the Minister of Transport, Infrastructure and Communities. Payments are made in advance and cost-sharing provisions apply to a capital plan as a whole, and not individual initiatives. Provinces and territories may pool, bank, or cash-manage these funds to give them flexibility in implementation.

**Financial Resources (in \$ thousands)**

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	265,490	0	0

**Human Resources (Full-Time Equivalent-FTE)**

2013-14	2014-15	2015-16
3	0	0

Program Expected Results	Performance Indicators	Targets
Infrastructure Canada funding through the Provincial-Territorial Infrastructure Base Fund leverages investments in infrastructure by other partners	Funding leveraged from the Provinces, and other partners, as a percentage of federal funding	≥ 100%
	Funding leveraged from the Territories, and other partners, as a percentage of federal funding	≥ 33%
Recipient organizations are accountable for funding provided through the Provincial-Territorial Infrastructure Base Fund	Number of jurisdictions in compliance with annual expenditure reporting requirements in accordance with signed Funding Agreements	13

## Planning Highlights

In order to provide provinces and territories with federal financial support for their infrastructure priorities, key planning highlights under this program include:

- Work with provinces and territories to commit all remaining funding by the end of fiscal year 2013-14. In advance of the planning period, at least 11 jurisdictions will have fully committed the balance of their Provincial-Territorial Infrastructure Base funding. By the end of fiscal year 2013-14, all program funding (\$2.3 billion) is expected to be committed;
- Review and, when ready, approve provincial/territorial Expenditure Reports, including any planned final Expenditure Reports required in order to release final federal payments to jurisdictions under the program;
- Prepare for program close-out in provinces and territories that meet all applicable program end requirements; and
- Ensure the sound administration of the Provincial-Territorial Infrastructure Base Fund by maintaining ongoing focus on program stewardship and prudent management.

The Provincial-Territorial Infrastructure Base Fund will continue to provide predictable funding to provinces and territories to help them address their core infrastructure priorities.

**2.2.2 Program: Gas Tax Fund  
2013-14 Main Estimates - \$1,976,235,536**

**– Stable, Predictable and Long-Term Funding for Municipalities –**

**Program Description:**

This program provides municipalities with predictable long-term funding, enabling local decision-making in the building and rehabilitation of core public infrastructure. The federal government entered into Gas Tax Fund Agreements with provinces, territories, the Association of Municipalities of Ontario, the Union of British Columbia Municipalities and the City of Toronto, which are in effect from 2005-06 to 2014-15. These agreements establish an accountability framework allowing the Government of Canada to flow Gas Tax Fund money twice a year to signatories which, in turn, flow funds to municipalities based on an agreed-upon allocation formula. For their part, municipalities decide which projects to prioritize within established investment categories. Projects focus on environmental objectives, including cleaner air, cleaner water and reduced greenhouse gas emissions, and increasing communities' long-term planning capacities. Municipalities can pool, bank and borrow against this funding, providing significant additional financial flexibility. Eligible recipients are required to report annually on their use of funds and their compliance to terms and conditions of the Gas Tax Fund Agreements.<sup>11</sup>

**Financial Resources (in \$ thousands)**

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	1,976,236	2,000,070	2,000,071

**Human Resources (Full-Time Equivalent–FTE)**

2013-14	2014-15	2015-16
16	TBD	TBD

Program Expected Results	Performance Indicators	Targets
Provinces, Territories and Municipal Associations are accountable for funding provided to local governments through the Gas Tax Fund	Percentage of jurisdictions in compliance with annual expenditure reporting and periodic outcomes reporting requirements	100%
Municipalities have access to stable and predictable funding to build and improve infrastructure	Amount of provincial/territorial allocation flowed to municipalities for spending on municipal infrastructure priorities (as a % of annual allocation)	95%*
Gas Tax Fund promotes investments in environmentally sustainable municipal infrastructures	Value of spending on projects that promote a cleaner and sustainable environment and makes communities more liveable	\$1.98 billion**

\* Calculation based on previous year amounts flowed to municipalities.

\*\* Calculation is based on spending reported by municipalities in most recent reporting period.

11 Legislation enacting permanent funding for the Gas Tax Fund received Royal Assent on December 15, 2011.

## Planning Highlights

In order to provide municipalities with federal financial support for their infrastructure priorities, key planning highlights under this program include:

- Collaborate with provincial, territorial and municipal partners to ensure that municipal governments have ongoing access to funds for infrastructure and that recipient organizations have access to funding to build and improve municipal infrastructure; and
- Obtain Treasury Board approval for the terms and conditions of the permanent Gas Tax Fund allocation, as set out in Bill C-13, and work with partners to renew agreements allowing municipalities across the country to continue receiving stable, annual funding for Infrastructure.

In 2013-14, projects funded under the Gas Tax Fund will continue to contribute to cleaner water and air as well as reduced greenhouse gas emissions in Canada's cities and communities and, in doing so, address municipal infrastructure priorities.

## 2.3 Strategic Outcome 2

**Funding for quality, cost-effective public infrastructure that meets the needs of Canadians in a competitive economy, a cleaner environment and liveable communities is provided.**

This Strategic Outcome reflects the Department's longer term infrastructure programs, comprising targeted programs like the Green Infrastructure Fund and the Building Canada Fund. The Department provides funding to partners for large- and small scale projects as well as those with national and regional benefits, and funding is leveraged from partners and invested in the construction, renewal and enhancement of infrastructure in communities across the nation.

### **Project Spotlight: Twinning the TransCanada Highway**

Project Location: Corner Brook, Newfoundland and Labrador



In Newfoundland and Labrador, the federal government is providing over \$5.4 million from the Major Infrastructure Component of the Building Canada Fund to support the expansion of the Trans-Canada Highway to four lanes between the Massey Drive Interchange and the Corner Brook Industrial Access Road.

Work also includes reconfiguring on- and off-ramps to accommodate the twinning, building an underpass for all-terrain vehicles and snowmobile traffic, and creating an access road to the site of the future Corner Brook water treatment plant.

This is a busy section of highway in a growing area of the province. Corner Brook is the largest population center outside the Avalon Peninsula and functions as a service hub for western and northern Newfoundland. It is home to extensive retail outlets, government offices, a Memorial University campus, and the region's largest hospital.

This project will greatly enhance the flow of people and goods in the area, further contributing to its growth and prosperity.

**2.3.1 Program: Building Canada Fund-Communities Component  
2013-14 Main Estimates - \$188,733,842**

**– Supporting the Infrastructure Needs of Smaller Communities –**

**Program Description:**

This program supports infrastructure needs of smaller communities with populations of less than 100,000. Project costs are shared with provincial, territorial and municipal governments, with each order of government generally contributing one-third of the eligible costs. The fund supports the construction, renewal, and enhancement of basic infrastructure such as potable water, wastewater treatment, local roads, and other infrastructure needs of small communities.<sup>12</sup>

**Financial Resources (in \$ thousands)**

<b>Total Budgetary Expenditures (Main Estimates) 2013-14</b>	<b>Planned Spending 2013-14</b>	<b>Planned Spending 2014-15</b>	<b>Planned Spending 2015-16</b>
3,924,706	188,734	115,418	213,005

**Human Resources (Full-Time Equivalent-FTE)**

<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
11	TBD	TBD

<b>Program Expected Results</b>	<b>Performance Indicators</b>	<b>Targets*</b>
Infrastructure Canada funding through the Building Canada Fund-Communities Component leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 200%
Infrastructure is implemented that promotes a cleaner environment for smaller communities	Number of projects completed that promote cleaner air, water and land and contribute to green energy Value of projects completed that promote cleaner air, water and land and contribute to green energy	206 projects \$737.6 million

<sup>12</sup> As a result of the 2010 Strategic Review, Infrastructure Canada is saving \$5.4 million on administration by improving the delivery of the BCF-CC. These funds are available for other Government of Canada priorities. No announced infrastructure projects have been cancelled or otherwise affected as a result of these funding reductions.

Infrastructure is implemented that promotes a competitive economy for smaller communities	Number of projects completed that promote a stronger, competitive and a sustainable economy Value of projects completed that promote a stronger, competitive and a sustainable economy	7 projects \$14 million
Infrastructure is implemented that promotes liveable small communities	Number of projects completed that promote safety in communities and makes communities more liveable Value of projects completed that promote safety in communities and makes communities more liveable	485 projects \$1.4 billion

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

### Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Oversee program implementation, in collaboration with our Federal Delivery Partners through the Service Level Agreement (signed August 2010), to ensure that proponents are supported and that projects begin, work continues, and projects complete as planned; and
- Develop and implement nationally consistent tools and best practices to improve program monitoring and ensure compliance with the terms and conditions of the program.

Projects funded under the Building Canada Fund-Communities Component will help smaller communities invest in projects that support the national priorities of a competitive economy, cleaner environment and prosperity in small communities.

### 2.3.2 Program: Building Canada Fund-Major Infrastructure Component 2013-14 Main Estimates - \$942,955,457

#### – Supporting Nationally and Regionally Significant Projects –

#### Program Description:

This program targets larger infrastructure projects of national or regional significance. It increases overall investment in public infrastructure and contributes to broad federal objectives: economic growth, a cleaner environment and strong and prosperous communities. At least two-thirds of the funding is targeted to national priorities: water, wastewater, public transit, the core national highway system, and green energy. The Major Infrastructure Component has 12 additional eligible categories of investment, and priority projects are identified through discussions with provinces. By providing federal funding on a cost-shared basis (typically up to one-half of eligible costs for provincial projects and up to one-third of eligible costs for municipal projects), it leverages additional contributions from other partners to increase overall investment in infrastructure. Eligible recipients include provinces, local or regional governments and private sector bodies, including non-profit organizations. Projects must be supported by a business case and undergo a federal review against key program criteria.<sup>13</sup>

#### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	942,955	612,324	547,498

#### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
22	TBD	TBD

Program Expected Results	Performance Indicators	Targets*
Infrastructure Canada funding through the Building Canada Fund-Major Infrastructure Component leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 100%
Large infrastructure is implemented that promotes a cleaner environment	Number of projects completed that promote cleaner air, water and land and contribute to green energy Value of projects completed that promote cleaner air, water and land and contribute to green energy	6 projects \$310 million

<sup>13</sup>As a result of the 2010 Strategic Review, Infrastructure Canada is saving \$4.9 million on administration by improving the delivery of the BCF-MIC. These funds are available for other Government of Canada priorities. No announced infrastructure projects have been cancelled or otherwise affected as a result of these funding reductions.



Large infrastructure is implemented that promotes a competitive economy	<p>Number of projects completed that promote efficiency and integration of Canada's transportation networks, expand broadband networks and economic development</p> <p>Value of projects completed that promote efficiency and integration of Canada's transportation networks, expand broadband networks, and economic development</p>	<p>47 projects</p> <p>\$4.5 billion</p>
Large infrastructure is implemented that promotes liveable communities	<p>Number of projects completed that promote safety in communities and makes communities more liveable</p> <p>Value of projects completed that promote safety in communities and makes communities more liveable</p>	<p>37 projects</p> <p>\$1.5 billion</p>

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

### Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Continue to work with provincial governments to identify major infrastructure projects for funding in order to commit the remaining provincial allocations. By the end of fiscal period 2013-14, over 97 percent (or approximately \$6 billion) of program funding is expected to be committed;
- Continue to expedite approved major infrastructure projects through streamlined federal evaluations;
- Continue to sign project-specific contribution agreements for major infrastructure projects announced as funding priorities under the Building Canada Fund; and
- Continue to oversee the implementation of project-specific agreements, ensuring that the terms of agreements are respected, that claims for payment are processed efficiently and that close-out of projects is completed.

Projects funded under the Building Canada Fund-Major Infrastructure Component will contribute to a competitive economy, cleaner environment and liveable communities by targeting larger infrastructure projects of national or regional significance.

### **2.3.3 Program: Green Infrastructure Fund 2013-14 Main Estimates - \$125,029,718**

#### **– Investing in Environmental Infrastructure –**

#### **Program Description:**

This program supports environmental infrastructure projects that promote cleaner air, reduced greenhouse gas emissions and cleaner water. Targeted investments in green infrastructure can contribute to improving the quality of the environment and a more sustainable economy over the longer term. There are five eligible categories of investment: wastewater infrastructure, green energy generation infrastructure, green energy transmission infrastructure, solid waste infrastructure, and carbon transmission and storage infrastructure. By providing up to 50 percent federal funding on a cost-shared basis, the fund leverages additional investments from other partners. Eligible recipients include provinces, territories, local or regional governments, public sector bodies, non-profit organizations and private sector companies, either alone or in partnership with a province, territory or a government body.

In keeping with the Government of Canada's commitment to address priority initiatives within existing funding envelopes, the Government of Canada made a policy decision to transfer \$169.98 million<sup>14</sup> from the Green Infrastructure Fund to other federal departments to support high-priority initiatives.

As part of the 2010 Strategic Review process, \$45 million in unallocated funds from the Green Infrastructure Fund was removed from departmental reference levels, and made available for other Government of Canada priorities. This was approved in Budget 2011. As well, in the 2012-13 Main Estimates, \$58.7 million was reallocated from the Green Infrastructure Fund as a source of funds for the operating requirements of the Department. No announced infrastructure projects have been cancelled or otherwise affected as a result of these reallocations.

While some project announcements are still to follow, all remaining project funding under the Green Infrastructure Fund has now been allocated.<sup>15</sup>

<sup>14</sup> Prior to fiscal year 2013-14, \$132.58 million has been reallocated from Infrastructure Canada to other departments, with the balance of \$37.4 million included in the 2013-14 Main Estimates. Detailed information on the transfers and amounts can be found in the Supplementary Information Tables of the 2013-14 Report on Plans and Priorities at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

<sup>15</sup> The funding profile under the Green Infrastructure Fund has been extended to March 31, 2019 to allow for the completion of projects with federal funding commitments.

### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	125,030	89,646	81,249

### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
29	TBD	TBD

Program Expected Results	Performance Indicators	Targets*
Infrastructure Canada funding through the Green Infrastructure Fund leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 100%
Infrastructure is implemented that promotes cleaner air, cleaner water and cleaner land	Number of projects completed that reduce environmental impacts to air, water and land Value of projects completed that reduce environmental impacts to air, water and land	1 project \$142 million

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

### Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Continue to sign project-specific agreements for green infrastructure projects announced as funding priorities under the Green Infrastructure Fund; and
- Continue to oversee the implementation of project-specific agreements, ensuring that the terms of agreements are respected and that claims for payment are processed efficiently.

Projects funded under the Green Infrastructure Fund will contribute to cleaner air, reduced greenhouse gas emissions and cleaner water, and will support a more sustainable economy over the long term.

### 2.3.4 Program: Canada Strategic Infrastructure Fund 2013-14 Main Estimates - \$289,102,148

– Enhancing Quality of Life and Economic Prosperity –

#### Program Description:

This program supports projects that sustain economic growth and enhance the quality of life of Canadians. Investments are made in cooperation with the provinces, territories, municipalities, and the private sector, and contribute to the construction, renewal and/or enhancement of public infrastructure. The Canada Strategic Infrastructure Fund leverages additional contributions from other partners by providing up to 50 percent funding for eligible projects.<sup>16</sup>

#### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	289,102	266,089	170,408

#### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
10	TBD	TBD

Program Expected Results	Performance Indicators	Targets*
Infrastructure Canada funding through the Canada Strategic Infrastructure Fund leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 100%
Large-scale infrastructure is implemented that promotes a competitive economy	Number of projects completed that promote a stronger, competitive and a sustainable economy	10 projects
	Value of projects completed that promote a stronger, competitive and a sustainable economy	\$859.3 million
Large-scale infrastructure is implemented that promotes liveable communities	Number of projects completed that promote liveable communities	36 projects
	Value of projects completed that contributes to liveable communities	\$4.5 billion
Large-scale infrastructure is implemented that promotes a cleaner environment	Number of projects completed that promote environmentally sustainable treatment of wastewater	13 projects
	Value of projects completed that promote environmentally sustainable treatment of wastewater	\$2.8 billion

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

16 Of the \$4.3 billion originally allocated to the CSIF, \$50 million was transferred to the Parks Canada Agency to support a high priority infrastructure project. These funds were reallocated through Estimates processes prior to 2013-14. In addition, \$12.8 million was also removed from the CSIF funding envelope through various government-wide reduction and reallocation exercises prior to the 2010 Strategic Review.

## Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Oversee the implementation of project-specific agreements, in collaboration with partners as appropriate, ensuring that the terms of the agreements are respected and that claims are processed efficiently;
- Collaborate with partners to complete amendments to individual project funding agreements, to allow sufficient time for recipients to complete all projects;
- Oversee project completion and close-out adhering to consistent monitoring and review procedures; and
- Assemble and analyze project information for reporting purposes.

Projects funded under the Canada Strategic Infrastructure Fund will improve the quality of life of Canadians while contributing to economic prosperity, thus contributing to a competitive economy, cleaner environment and liveable communities.

### 2.3.5 Program: Municipal Rural Infrastructure Fund 2013-14 Main Estimates - \$78,763,106

#### – Investing in Communities –

#### Program Description:

This sunsetting program supports small-scale municipal infrastructure projects designed to promote and improve quality of life in both urban and rural communities. At least 80 percent of funding has been dedicated to municipalities with a population of less than 250,000. For most projects, the Municipal Rural Infrastructure Fund provides up to one-third federal funding for eligible projects. Its long-term commitment (since 2003) to public infrastructure helps to promote sustainable economic growth, innovation and healthy communities. Projects contribute to the construction, renewal and/or enhancement of public infrastructure to build capacity in partnership with recipients. It is delivered through a partnership with federal regional development agencies.<sup>17</sup>

#### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	78,763	0	0

#### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
8	0	0

Program Expected Results	Performance Indicators	Targets*
Infrastructure Canada funding through the Municipal Rural Infrastructure Fund leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 200%
Small-scale infrastructure is implemented that promotes a competitive economy for rural and urban communities	Number of projects completed that promote a stronger, competitive and a sustainable economy Value of projects completed that promote a stronger, competitive and a sustainable economy	21 projects \$70 million
Small-scale infrastructure is implemented that promotes liveable rural and urban communities	Number of projects completed that promote liveable communities Value of projects completed that promote liveable communities	1,417 projects \$2.2 billion
Small-scale infrastructure is implemented that promotes a cleaner environment for rural and urban communities	Number of projects completed that promote a cleaner environment Value of projects completed that promote a cleaner environment	403 projects \$1.1 billion

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

<sup>17</sup> Under the 2010 Strategic Review process, \$23 million in unallocated funds from MRIF was reallocated to other government priorities. These funds were removed from departmental reference levels through Estimates processes prior to 2013-14. No infrastructure projects have been cancelled or otherwise affected as result of this reallocation.

## Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Continue to work with Federal Delivery Partners on project and program close-out; and
- Assemble and analyze project information for reporting purposes.

Projects funded under the Municipal Rural Infrastructure Fund will contribute to improved drinking water, solid waste management, public transit, local roads, culture, tourism and green energy, in order to contribute to a competitive economy, cleaner environment and liveable communities.

### 2.3.6 Program: Border Infrastructure Fund 2013-14 Main Estimates - \$22,965,393

#### – Improving Canada’s Border Crossings –

#### Program Description:

This program provides funding for investments in physical infrastructure, transportation system infrastructure and improved analytical capacity at the largest surface border crossings between Canada and the United States, as well as several other crossing points in Canada. Announced in Budget 2001, the fund provides up to 50 percent federal funding to support eligible projects at Canada’s border crossings. Transport Canada is the federal delivery partner for this program.<sup>18</sup>

#### Financial Resources (in \$ thousands)

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14	Planned Spending 2014-15	Planned Spending 2015-16
3,924,706	22,965	51,032	0

#### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
1	TBD	0

Program Expected Results	Performance Indicators	Targets*
Infrastructure Canada funding through the Border Infrastructure Fund leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	≥ 100%
Transportation system infrastructure is implemented that improves the flow of people and goods at the border crossings	Number of transportation systems projects completed that promote improvements in the efficiency and capacity at border crossings Value of transportation infrastructure systems projects completed that promote improvements in the efficiency and capacity of border crossings	10 projects \$301 million

\* Cumulative number/value of projects to be completed under the program, up to and including March 31, 2014.

18 Of the \$600 million originally allocated to the BIF, approximately \$18 million was transferred to the Canada Border Services Agency for border projects. These funds were reallocated through Estimates processes prior to 2013-14.

Under the 2010 Strategic Review process, \$10.4 million in unallocated funds from the Border Infrastructure Fund was identified for reallocation to other government priorities. These funds were reallocated through Estimates processes prior to 2013-14. No infrastructure projects have been cancelled or otherwise affected as result of this reallocation.



## Planning Highlights

In order to provide funding for quality, cost-effective public infrastructure that meets the needs of Canadians, key planning highlights under this program include:

- Monitor the implementation of project-specific agreements in partnership with Transport Canada;
- Oversee project completion and close-out adhering to consistent monitoring and review procedures; and
- Assemble and analyze project information for reporting purposes.

Projects funded under the Border Infrastructure Fund will enhance border infrastructure and improve the efficiency of the flow of trade between Canada and the United States, contributing to a competitive economy while improving federal security and increased safety for Canadians.

## 2.4 Program: Internal Services

### 2013-14 Main Estimates - \$35,430,532

#### Program Description:

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are: Management and Oversight Services, Communications Services and Legal Services, Human Resources Management Services, Financial Management Services, Information Management Services, Information Technology Services, Real Property Services, Material Services, Acquisition Services, and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not to those provided specifically to a program.

#### Financial Resources (in \$ thousands)<sup>19</sup>

Total Budgetary Expenditures (Main Estimates) 2013-14	Planned Spending 2013-14 <sup>20</sup>	Planned Spending 2014-15 <sup>20</sup>	Planned Spending 2015-16 <sup>20</sup>
3,924,706	35,431 <sup>21</sup>	1,861	1,981

#### Human Resources (Full-Time Equivalent–FTE)

2013-14	2014-15	2015-16
231	TBD	TBD

#### Planning Highlights

The planning highlights for Internal Services focus on eight key activities, described below, which help strengthen the services that support the Department in its mandate.

#### Governance and Management Support

##### Management and Oversight:

Internal Audit:

During the planning period, the Department will:

- Proactively monitor the audit universe (coverage of the “auditable” environment comprised of the Department’s major risks and activities) and identify emerging risks;
- Implement approved risk-based audit plan, and report audit findings to an external Audit Committee; and
- Provide an enhanced evidence-based management action plan follow-up process for all outstanding audit recommendations.

<sup>19</sup>These amounts include operating funding for core administration and program delivery.

<sup>20</sup>These amounts include operating funding for core administration and program delivery. Planned Spending for 2014-15 and 2015-16 only reflects opening balances. As Infrastructure Canada does not have a permanent source of operating budget, the amounts for 2014-15 and 2015-16 will be increased once the operating budgets for these years are approved by Treasury Board.

<sup>21</sup>This amount also includes planned spending related to the Shared Information Management System for Infrastructure. In the future, spending related to the Shared Information Management System for Infrastructure will be reported against the specific infrastructure programs that the technology directly supports.

#### Evaluation:

During the planning period, the Department will:

- Implement approved risk-based evaluation plan, and report evaluation findings to an Evaluation Committee; and
- Provide an enhanced evidence-based management action plan follow-up process for all outstanding evaluation recommendations.

#### Risk Management:

During the planning period, the Department will:

- Monitor and report on the implementation and effectiveness of the risk responses; and
- Review and update the Department's Corporate Risk Profile through its established risk management approach including an environmental scan, risk identification and assessment, risk responses and risk monitoring.

#### ***Communications:***

During the planning period, the Department will:

- Communicate the results of our significant infrastructure investments to Canadians, in particular the \$2 billion annual Gas Tax Fund;
- Communicate, as required, decisions related to future infrastructure programming;
- Continue to ensure that key information is readily available to local and national media through announcements and other public affairs activities;
- Continue to update and improve the public website with information for Canadians and stakeholders;
- Undertake outreach with stakeholder organizations through conferences, key ministerial engagements and other means; and
- Provide internal communications that continue to support organizational effectiveness and employee engagement.

#### ***Access to Information and Privacy Services:***

During the planning period, the Department will:

- Ensure timely responses to Access to Information and Privacy inquiries through adequate resourcing and ongoing training for employees; and
- Implementation of the Privacy Management Framework.

## **Resource Management Services**

### ***Information Management/Information Technology:***

During the planning period, the Department will:

- Support Shared Information Management System for Infrastructure evergreening to prevent “rust out”: a number of maintenance projects will be completed to support the evergreening of the Shared Information Management System for Infrastructure, and position the Department to support the Government of Canada’s move towards greater use of customized “off the shelf” solutions;
- Support the Shared Information Management System for Infrastructure migration: Infrastructure Canada will ensure the successful migration of the Shared Information Management System for Infrastructure data hosting to Shared Services Canada, in support of Shared Services Canada’s mandate, to provide cost savings to Canadians, and in preparation for the delivery of future infrastructure programs;
- Support the Government of Canada’s *Directive on Recordkeeping*: An Infrastructure Canada recordkeeping management project will be concluded to ensure compliance with the Treasury Board Secretariat *Directive* by March 31, 2015; and
- Pursue operational savings by reducing its Information Management/Information Technology contract budget and building internal capacity in 2013-14 for application services, while continuing to engage the private sector where cost-effective.

### ***Financial Management:***

During the planning period, the Department will:

- Continue to strengthen the overall effectiveness of financial management by:
  - Working with the Treasury Board Secretariat and Finance Canada to confirm operating funding for 2014-15 and future years;
  - Finalizing the implementation of the Department’s Action Plan for the Policy on Internal Control (PIC) by focusing on the testing of design and operating effectiveness of key controls, the testing of its entity-level controls and its information technology general controls, and the ongoing monitoring and reporting of the effectiveness of Internal Control over Financial Reporting (ICFR), with an overarching goal to complete the full assessment of the Department’s control environment by the end of fiscal year 2014-15; and
  - Continuing to efficiently support program delivery by implementing the Department’s detailed corporate costing model to determine new resource requirements for departmental activities and to justify existing resource levels.

### ***Human Resource Management:***

During the planning period, the Department will:

- Deliver on the Department’s Integrated Business and Human Resources Plan and People Management strategies as well as foster a healthy workplace and a representative workforce; and
- Develop and implement innovative ways to operate in the context of fiscal restraint, while continuing to make progress in addressing the priorities set out in the Public Service Renewal Action Plan, which includes engaging employees in the excellence agenda, continuing efforts to renew the workforce and support and develop our employees, and ensuring that the workplace supports the well-being, wellness and productivity of our employees.

# Section III: Supplementary Information

## 3.1 Financial Highlights

### Future-Oriented Condensed Statement of Operations and Departmental Net Financial Position For the Year (ended March 31)

(\$ millions)

	\$ Change	Future-Oriented 2013-14	Future-Oriented 2012-13
Total Expenses	(518)	3,854	4,372
Total Revenues	0	0	0
Net Cost of Operations before government funding and transfers	(518)	3,854	4,372
<b>Departmental Net Financial Position</b>	<b>(1)</b>	<b>3</b>	<b>4</b>

### Future-Oriented Condensed Statement of Financial Position

For the Year (ended March 31)

(\$ millions)

	\$ Change	Future-Oriented 2012-13	Future-Oriented 2011-12
Total Net Liabilities	(1)	283	284
Total Net Financial Assets	0	281	281
Departmental Net Debt	(1)	2	3
Total Non-Financial Assets	(1)	6	7
<b>Departmental Net Financial Position</b>	<b>(1)</b>	<b>3</b>	<b>4</b>

## 3.2 Future-Oriented Financial Statements

The future-oriented financial highlights presented in this report are intended to serve as a general overview of Infrastructure Canada's financial position and financial operations. They are prepared on an accrual basis to ensure accountability and transparency in financial management. Infrastructure Canada's Future-Oriented Financial Statements are available on the departmental website at: <http://www.infrastructure.gc.ca/pub/fofs-efp/fofs-efp-2013-eng.html>.

## 3.3 List of Supplementary Information Tables

The following supplementary information tables are available electronically at Infrastructure Canada's website at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

- Details on Transfer Payment Programs
- Greening Government Operations
- Horizontal Initiatives
- Upcoming Internal Audits and Evaluations over the Next Three Fiscal Years

### 3.4 Tax Expenditures and Evaluations Report

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance publishes cost estimates and projections for these measures annually in the [Tax Expenditures and Evaluations](#) publication. The tax measures presented in the *Tax Expenditures and Evaluations* publication are the sole responsibility of the Minister of Finance.

## Section IV: Other Items of Interest

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### 4.1 Organizational Contact Information

For more information about the Department, please visit [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca) or contact:

Infrastructure Canada  
180 Kent Street, Suite 1100  
Ottawa, Ontario  
K1P 0B6

National information line on infrastructure: 613-948-1148

Telephone toll free: 1-877-250-7154

For more information about infrastructure programs, please visit [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca).