

Infrastructure Canada

Departmental Performance Report (DPR)

2014–2015

FZW a` agdTVB_ SdWFEaZlB51? BZ
? [[efWaX` XScfgUgdV5a_ _g` [fW

This publication is available upon request in accessible formats.

Contact:

Communications Directorate

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

TTY #: 1-800-465-7735

Email: info@infcc.gc.ca

This publication is available at: <http://www.tbs-sct.gc.ca/ems-sgd/esp-pbc/dpr-rmr-eng.asp>,
and at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

Permission to Reproduce

Except as otherwise specifically noted, the information in this publication may be reproduced, in part or in whole and by any means, without charge or further permission from Infrastructure Canada, provided that due diligence is exercised in ensuring the accuracy of the information reproduced; that Infrastructure Canada is identified as the source institution; and that the reproduction is not represented as an official version of the information reproduced, nor as having been made in affiliation with, or with the endorsement of, Infrastructure Canada.

For permission to reproduce the information in this publication for commercial redistribution, please email:

info@infcc.gc.ca.

©Her majesty the Queen in Right of Canada, as represented by the Minister of the Office of Infrastructure of Canada, 2015.

Catalogue No. T91-1E-PDF

ISSN 2368-0423

Aussi offert en français sous le titre *Infrastructure Canada - Rapport ministériel sur le rendement, 2014-2015*.

Table of Contents

Minister’s Message	1
Section I: Organizational Expenditure Overview.....	3
Organizational Profile	3
Organizational Context.....	4
Actual Expenditures	11
Alignment of Spending With the Whole-of-Government Framework	13
Departmental Spending Trend.....	14
Expenditures by Vote.....	14
Section II: Analysis of Programs by Strategic Outcome	15
Strategic Outcome.....	15
Program 1.1: Funding for Provincial-Territorial Priorities.....	23
Program 1.2: Permanent and Flexible Public Infrastructure Funding.....	24
Program 1.3: Investments in National Infrastructure Priorities	26
Program 1.4: Large-Scale Infrastructure Investments.....	28
Program 1.5: Infrastructure Investments in Smaller Communities	31
Program 1.6: New Bridge for the St. Lawrence Corridor Project (NEW)...	34
Internal Services	36
Section III: Supplementary Information.....	39
Financial Statements Highlights.....	39
Financial Statements	39
Supplementary Information Tables	40
Tax Expenditures and Evaluations	40
Section IV: Organizational Contact Information.....	41
Appendix: Definitions	43
Endnotes	47

Minister's Message

As Canada's Minister of Infrastructure and Communities, I am pleased to present Infrastructure Canada's Departmental Performance Report for 2014-2015. The report outlines the Department's achievements in building world-class infrastructure that supports modern, inclusive and diverse communities – and a strong Canada.

Our communities are the environmental, social, cultural and economic fabric of our country – and their infrastructure is crucial to ensuring a high quality of life for all Canadians. Infrastructure is much more than roads, bridges, transit, water and sewers. It's about communities, and about people.

It's about making sure everyone has an affordable place to live. It's about safe and nurturing places to provide child care. It's ensuring there are facilities for seniors to live in dignity and comfort. It's about having a shelter for a woman fleeing domestic abuse. And it's having recreational and cultural facilities where people can gather, learn, play and grow.

Modern infrastructure is also the economic foundation of our communities and cities – creating jobs, supporting trade and helping businesses grow. For our communities to remain economically vibrant, all orders of government must continue to work in partnership to invest in them.

Strategic federal infrastructure investments and the process of rebuilding Canada for the 21st century are some of the overarching goals of the Government of Canada. Working together, we will meet our commitment to double current infrastructure investments across the country for the next two years, and increase federal investments by an additional \$60 billion over the next 10 years.

I look forward to working closely with our provincial, territorial and municipal partners to meet the commitments outlined in my [mandate letter](#)¹ from the Prime Minister and to build modern, livable and vibrant communities for the benefit of all Canadians.

The Honourable Amarjeet Sohi
Minister of Infrastructure and Communities



Section I: Organizational Expenditure Overview

Organizational Profile

Appropriate Minister: The Honourable Amarjeet Sohi, P.C., M.P.

Institutional Head: Jean-François Tremblay

Ministerial Portfolio: Minister of Infrastructure and Communities

As per the Order in Council P.C. 2014-144 dated February 10, 2014, the control and supervision of that portion of the federal public administration in the Department of Transport known as the Unit Responsible for Federal Bridges in the Region of Montreal, which includes the New Bridge for the St. Lawrence Corridor (NBSLC) project¹ and oversight of the Jacques Cartier and Champlain Bridges Incorporated (JCCBI) was transferred from the Minister of Transport to the Minister of Infrastructure, Communities and Intergovernmental Affairs, and Minister of the Economic Development Agency of Canada for the Regions of Quebec, effective February 13, 2014.

Enabling Instruments:

- *Canada Strategic Infrastructure Fund Act*ⁱⁱ (2002, c. 9, s. 47) (CSIF);
- Order in Council PC 2004-0325; and
- The following pieces of legislation are related to the Gas Tax Fund:
 - *Keeping Canada's Economy and Jobs Growing Act*ⁱⁱⁱ, S.C. 2011, c. 24.
 - *Economic Action Plan 2013 Act*^{iv}, No. 1, S.C. 2013, c. 33, section 233.
- The following legislation is related to the New Bridge for the St. Lawrence Corridor (NBSLC) Project:
 - *New Bridge for the St. Lawrence Act*^v.

Year of Incorporation / Commencement: The Office of Infrastructure of Canada was established in 2002.

Other: Infrastructure Canada (INFC) works in collaboration with other federal departments and agencies to deliver some of its transfer payment programs. These departments and agencies share their knowledge of local needs and priorities. INFC's federal delivery partners for certain sunset programs are:

- Atlantic Canada Opportunities Agency;
- Economic Development Agency of Canada for the Regions of Quebec;
- Canadian Northern Economic Development Agency;
- Federal Economic Development Agency for Southern Ontario;

¹ The project is also commonly referred to as the New Champlain Bridge Corridor Project.

- Western Economic Diversification Canada; and
- Transport Canada.

In addition, INFC works with PPP Canada (as public-private partnership (P3) advisors) for both the New Building Canada Fund (NBCF) and the NBSLC project which also works with Public Works and Government Services Canada (as the contract authority).

Organizational Context

Raison d'être

The key to building Canada for the 21st century is a strategic and collaborative long-term infrastructure plan that builds cities and communities that are economically vibrant, strategically planned, sustainable and inclusive. INFC works in partnership with all orders of government and other partners to enable investments in economic, social and environmental infrastructure as well as the infrastructure needed to increase trade and economic growth.

Responsibilities

Canada's public infrastructure forms the backbone of our nation and contributes to its quality of life. From the water we drink to the roads we drive on, infrastructure benefits all Canadians every day. Our systems of public infrastructure support strong communities and a resilient, competitive economy. Public infrastructure investments support economic growth and productivity by allowing goods and people to move more efficiently, facilitating trade activities, and promoting local and regional development.

Infrastructure Canada leads the Government of Canada's efforts² in addressing Canada's public infrastructure challenges. This is accomplished through three main activities: investing in provincial, territorial and municipal assets; engaging in key partnerships with the provinces, territories, municipalities, municipal associations, not-for-profit organizations and the private sector; and developing and implementing sound policies. Established in 2002, the Department helps to ensure that Canadians benefit from world-class public infrastructure from coast to coast.

INFC delivers billions of dollars' worth of infrastructure investments through various cost-sharing arrangements (transfer payment programs). Certain arrangements leverage funding from other partners, such as provinces, territories, municipalities or the private sector to address

² The Department along with other federal departments and agencies such as Transport Canada, Finance Canada, PPP Canada, Aboriginal Affairs and Northern Development, Atlantic Canada Opportunities agency, Economic Development for the Regions of Quebec, Federal Economic Development Agency for Southern Ontario, the Western Economic Diversification Canada and the Royal Canadian Mounted Police provide federal support for provincial, territorial and municipal infrastructure as shown in Figure 3.

national priorities as well as local and regional infrastructure needs. INFC uses various program models to deliver infrastructure funding, including direct contribution agreements with project recipients for large scale infrastructure projects and funding agreements with delivery partners (provinces, territories, and other federal departments) to administer community-based programming on INFC's behalf. These transfer payment programs operate under the New Building Canada Plan (NBCP), the 2007 Building Canada Plan (now in a later stage of its lifecycle), as well as earlier-announced sunsetting programs. In addition, the Gas Tax Fund (GTF) and the Provincial-Territorial Base Fund provides predictable and flexible funding to provinces, territories and municipalities to support their infrastructure priorities.

Through the New Building Canada Plan, the Government of Canada's investments span the country and cover priorities in all major public infrastructure categories. More information on the [New Building Canada Plan](#)^{vi} can be found on INFC's website.

Furthermore, the Department works to ensure that large infrastructure projects are delivered in the most cost-effective manner possible. In some cases, Public-Private Partnerships (P3s) improve the delivery of public infrastructure for Canadians, and provide better value for money for taxpayers through performance-based contracts. A portion of the funding from the New Building Canada Plan goes to the P3 Canada Fund which is administered by PPP Canada, a federal Crown corporation.

INFC is the project authority charged with delivering the NBSLC project in Montreal, Quebec. In order to ensure safe and efficient transportation for commuters and commercial vehicles, the Government of Canada is committed to building a new bridge for the St. Lawrence to replace the existing Champlain Bridge, which is nearing the end of its useful life. INFC is responsible for ensuring that the new bridge is in service by December 2018, with the rest of the corridor to be completed by November 2019. This project is being carried out as a P3, allowing the Government to harness the innovation of the private sector to build the bridge on time and on budget, and providing better value for money for taxpayers and users.

Strategic Outcome and Program Alignment Architecture

For 2014-2015, INFC's Program Alignment Architecture (PAA) was amended to include one Strategic Outcome and six Programs, as well as Internal Services³ in support of its activities. During the 2014-2015 fiscal year, the PAA was further amended to include the NBSLC project following the transfer in February 2014. The Programs are discussed in detail in Section II of this report.

³ Internal Services funding includes operating funding for core administration and program delivery.

Strategic Outcome: Public Infrastructure for a More Prosperous Canada

1.1 Program: Funding for Provincial-Territorial Priorities

1.2 Program: Permanent and Flexible Public Infrastructure Funding

1.3 Program: Investments in National Infrastructure Priorities

1.4 Program: Large-Scale Infrastructure Investments

1.5 Program: Infrastructure Investments in Smaller Communities

1.6 Program: New Bridge for the St. Lawrence Corridor Project

Internal Services

The six Programs of the PAA outline the Department's key business lines and initiatives for 2014-2015. INFC has two distinct core business lines. Firstly, it provides flexible funding support for municipal, provincial and territorial infrastructure priorities and leverages funding for infrastructure projects, by partnering with and providing funding to provinces, territories, municipalities, municipal associations, not-for-profit organizations and private sector partners. Secondly, it is responsible for completing the NBSLC project.

Organizational Priorities

Priority 1	Type ⁴	Strategic Outcome(s) [and/or] Program(s)
Work with partners to implement renewed Gas Tax Fund agreements	New	Program: Permanent and Flexible Public Infrastructure Funding
Summary of Progress		
INFC negotiated and signed all renewed Gas Tax Fund agreements by early 2014-2015, and issued annual funding letters to each jurisdiction, ensuring a seamless transition.		
By March 31, 2015, a total of \$1.97 billion flowed to all provinces and territories under the <u>Gas Tax Fund</u> ^{vii} .		

Priority 2	Type	Strategic Outcome(s) [and/or] Program(s)
Work with funding partners to implement the New Building Canada Fund	New	Programs: <ul style="list-style-type: none"> • Investments in National Infrastructure Priorities • Large-Scale Infrastructure Investments • Infrastructure Investments in Smaller Communities

⁴ 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 or the Departmental Performance Report.

Summary of Progress

Following the launch of the New Building Canada Fund, in March 2014, INFC has made significant progress.

INFC has engaged with provinces and territories to identify priorities for federal funding under the New Building Canada Fund: Provincial-Territorial Infrastructure Component, National/Regional Projects. As of March 31, 2015, the Government of Canada has announced funding for 15 projects supporting economic growth, a cleaner environment and stronger communities.

During 2014-2015, under the Provincial-Territorial Infrastructure Component, Small Communities Fund, 26 projects were approved and \$15.9 million of the \$1 billion federal share was committed for this program.

Further, under the New Building Canada Fund: National Infrastructure Component, INFC received 14 business cases from proponents and announced funding support for two projects for priorities of national significance representing investments in port infrastructure and local regional airport infrastructure.

Priority 3	Type	Strategic Outcome(s) [and/or] Program(s)
Work with funding partners in the continued implementation of existing programs, while providing prudent stewardship and oversight of these programs	Ongoing	Programs: <ul style="list-style-type: none"> • Funding for Provincial-Territorial Priorities • Investments in National Infrastructure Priorities • Large-Scale Infrastructure Investments • Infrastructure Investments in Smaller Communities

Summary of Progress

INFC worked with provincial, territorial and municipal governments, as well as non-governmental recipients to identify new infrastructure projects, commit remaining funds and advance projects through the approval and funding agreement negotiation process, while ensuring prudent stewardship and oversight.

In addition, INFC ensured proper file closure for projects under the 2007 Building Canada Plan and other sunseting programs, including project and program audits and evaluations, as required. INFC used a streamlined process and effective oversight, working with provinces and territories, to commit the remaining funds and to ensure the timely completion of projects currently underway.

Priority 4	Type	Strategic Outcome(s) [and/or] Program(s)
Continue to implement operational efficiencies in the effective delivery of the Department's mandate	Previously committed to	Programs: <ul style="list-style-type: none"> • Funding for Provincial-Territorial Priorities • Permanent and Flexible Public Infrastructure Funding • Investments in National Infrastructure Priorities; • Large-Scale Infrastructure Investments • Infrastructure Investments in Smaller Communities • Internal Services

Summary of Progress

In 2014-2015, INFC continued to develop tools, frameworks, streamlined processes and approaches to ensure the appropriate review and due diligence with respect to New Building Canada Fund (NBCF) projects.

In an effort to streamline processes and increase efficiencies, INFC undertook a Lean exercise of four key processes related to Human Resources, Information Management, Internal Audit, and transfer payment claims.

The launch of the NBCF provided an opportunity to standardize and integrate pre-approval risk-assessments with current reporting tools. It is anticipated that the use of this tool will build upon lessons learned, will reduce duplication in terms of development and maintenance of information management tools, and will lead to increased collaboration between INFC and Transport Canada.

Risk Analysis

For the 2014-2015 fiscal year, Infrastructure Canada originally identified three risks to the achievement of its Strategic Outcome. In the fall of 2014, the Department amended its Corporate Risk Profile to reflect the transfer of responsibility of the New Bridge for the St. Lawrence Corridor (NBSLC) project from Transport Canada, to INFC.

INFC applies a comprehensive approach to identify, assess and manage risks at the strategic, operational, program and project levels. This approach includes conducting regular environmental scans with direct participation of the INFC Senior Management. In order to improve the integration between risk management and corporate planning, INFC also established new linkages between the elements of the Corporate Risk Profile and branch-level planning components contained in the Integrated Business Plan.

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Timely launch of the New Building Canada Plan programs ⁵	<p>Launched on March 28, 2014, the NBCF officially opened for business allowing new projects to be identified and approved in fiscal year 2014-2015.</p> <p>INFC also worked with provinces, territories, municipalities and municipal associations to ensure that all agreements for the permanent Gas Tax Fund (GTF) were signed on time to allow the 2014-2015 payments to flow.</p>	<ul style="list-style-type: none"> • Permanent and Flexible Public Infrastructure Funding • Investments in National Infrastructure Priorities • Large-Scale Infrastructure

⁵ As this risk has been fully mitigated, it was removed during the update process leading to the Amended 2014 Corporate Risk Profile.

	<p>Negotiations for the renewed GTF were completed and agreements signed with all jurisdictions by July 31, 2014. INFC continues to work with partners to implement these agreements, supporting the infrastructure priorities of Canadian communities.</p>	<p>Investments</p> <ul style="list-style-type: none"> • Infrastructure Investments in Smaller Communities
<p>The number of current and future large scale whole-of-government IM/IT initiatives may impact the Department's ability to react quickly and nimbly to other internal business pressures that require timely IM/IT solutions and ongoing service availability⁶</p>	<p>INFC continued to foster a strong relationship with Shared Services Canada (SSC) by holding regular meetings (e.g., monthly DG-level meetings, bi-weekly meetings with the SSC Account Executives and Service Delivery Executives) and by communicating early to SSC the IM/IT requirements contained in its departmental plan.</p> <p>Further, IM/IT implemented processes to effectively engage SSC to ensure the most efficient correction of issues during the SIMSI Migration Project. As a result, this project was successfully completed.</p> <p>IM/IT has also completed the Program Information Management System (PIMS) project, which was launched in April 2014 to support the NBCF. Final phases of this project were completed in March 2015.</p> <p>Finally, planning, staffing and procurement actions have been taken to ensure adequate resources to support the delivery of IM/IT plans and initiatives.</p>	<ul style="list-style-type: none"> • Internal Services
<p>The Department's ability to deliver the NBCF and future programs could be diminished and lead to delays in providing timely infrastructure funding given factors such as the three-year cap on its operating budget and need to maintain sufficient capacity⁶</p>	<p>INFC implemented key strategic actions from its Integrated Business and Human Resources Plan to increase its capacity to deliver infrastructure programs and implement new government-wide initiatives. Human Resources has consulted with Branch heads to identify critical positions requiring immediate staffing actions. INFC also continued to provide employees with sufficient developmental opportunities. For example, Human Resources launched a talent management program and continued to manage an inter-departmental mentoring program. Furthermore, internal Information sessions, titled INFRA Recess, were</p>	<ul style="list-style-type: none"> • Internal Services

⁶ The focus of this risk was changed during the update process leading to the Amended 2014 Corporate Risk Profile. Therefore the wording is slightly different from the wording used in the 2014-2015 RPP.

	<p>introduced in 2014-2015 to allow employees with expertise in any work-related subject to volunteer to lead sessions.</p> <p>INFC also adapted its organizational structure to ensure proper alignment of its resources to effectively deliver on its priorities. Senior Management approved a revised governance structure for improved decision-making capacity.</p>	
Timely delivery of the New Bridge for the St. Lawrence Corridor Project ⁷	INFC focused on concluding agreements with governmental and municipal entities. Negotiations to obtain signed agreements with the Government of Quebec, the municipalities and other entities deemed relevant are well underway.	New Bridge for the St. Lawrence Corridor Project

The Project Review Panel (PRP) provides assurance to the Deputy Minister, and the Minister that, for each project, an independent challenge function is performed by senior management (includes the Assistant Deputy Minister of Policy and Communications, the Assistant Deputy Minister of Program Operations, the Assistant Deputy Minister of Corporate Services and the Chief Financial Officer (CFO) and two independent external members). It also provides assurances that the delegated authority for the Minister to proceed without TB approval is documented and fully justified. The PRP has proven to be an effective means of providing the Minister with a high level of assurance that all pertinent factors related to a project's risk have been assessed. The PRP has demonstrated its capacity to review, perform its challenge function and either send back or recommend for approval a large number of projects within a short period of time. In addition, projects which have been assessed and recommended for Ministerial approval through PRP have been successfully implemented taking into account all risk mitigation measures. The PRP reviews projects at two stages: first, to recommend the project for approval-in-principle to the Minister, and second, before the legally binding contribution agreement is signed. In Fiscal Year 2014-15, the PRP reviewed 13 projects under the NBCF, 28 projects under the BCF-MIC, and 2 under the GIF.

⁷ New risk introduced to reflect the transfer of responsibility of the New Bridge for the St. Lawrence Corridor project from Transport Canada to INFC.

Actual Expenditures

Budgetary Financial Resources (dollars)

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	Difference (actual minus planned)
3,321,597,771	3,321,597,771	3,713,614,655	3,095,882,113	(225,715,658)

Human Resources (Full-Time Equivalents [FTEs])

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ⁸	333	Not Applicable ⁸

Infrastructure Canada's program design recognizes the provincial, territorial and municipal responsibility for a majority of public infrastructure, and the Department's participation as a funding partner. Accordingly, Infrastructure Canada is not responsible for the management of infrastructure projects, with the exception of the NBSLC. More specifically, in the case of its contribution programs, Infrastructure Canada reimburses eligible expense claims submitted by the recipients – the project managers. As such, it is important to note that the Department's cash flows almost always lag behind the actual rate of construction of projects. Work begins upon project approval: contracts are put in place, plans drawn up, materials are ordered and construction starts. While the Department commits funds upon project approval, federal funding does not actually flow to recipients until they have submitted claims for actual costs incurred. This is a key risk-management approach for the Department, one that ensures that it only pays for work that has already been undertaken. This also means that Infrastructure Canada performance results are directly affected by project proponents' schedules, which may change. In particular, INFC Programs targeting large-scale projects can experience delays due to factors that are outside the Department's control such as inclement weather, technical or other construction-related complexities.

The Department works continually with provinces, territories, municipalities and other partners to ensure that forecasts are as accurate as possible, and to reprofile Infrastructure Canada's funding to meet the needs of its partners.

⁸ The 2014-2015 Report on Plans and Priorities did not present Planned FTEs indicating that this was to be determined. INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

Budgetary Performance Summary for Strategic Outcome and Programs (dollars)

Strategic Outcome, Programs and Internal Services	2014–2015 Main Estimates	2014–2015 Planned Spending	2015–2016 Planned Spending	2016–2017 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2013–2014 Actual Spending (authorities used)	2012–2013 Actual Spending (authorities used)
Strategic Outcome: Public Infrastructure for a More Prosperous Canada								
Funding for Provincial-Territorial Priorities	55,351,611	55,351,611	91,061,247	31,890,514	62,678,546	25,078,120	191,464,385	236,858,957
Permanent and Flexible Public Infrastructure Funding	1,973,411,002	1,973,411,002	1,976,213,928	2,074,891,927	1,974,402,893	1,974,387,706	2,107,905,313	1,965,101,267
Investments in National Infrastructure Priorities ⁹	193,145,913	193,145,913	148,607,942	263,432,775	251,121,321	139,119,440	See footnote 9	See footnote 9
Large-Scale Infrastructure Investments ⁹	958,832,530	958,832,530	1,174,990,518	1,214,341,987	1,078,295,752	787,479,954	See footnote 9	See footnote 9
Infrastructure Investments in Smaller Communities ⁹	139,431,232	139,431,232	171,319,905	204,271,622	184,946,167	92,993,364	See footnote 9	See footnote 9
New Bridge for the St. Lawrence Corridor Project	0 ¹⁰	0 ¹⁰	42,661,977	0 ¹¹	124,863,136	40,687,967	See footnote 10	See footnote 10
Programs under Former PAA	0	0	0	0	0	0	1,179,051,643	1,508,590,450
Sub-Total	3,320,172,288	3,320,172,288	3,604,855,517	3,788,828,825	3,676,307,815	3,059,746,551	3,478,421,341	3,710,550,674
Internal Services Sub-Total	1,425,483¹²	1,425,483¹²	28,407,230	27,932,752	37,306,840	36,135,562	35,404,150	42,105,718
Total	3,321,597,771	3,321,597,771	3,633,262,748	3,816,761,576	3,713,614,655	3,095,882,113	3,513,825,491	3,752,656,392

⁹ There were no expenditures under these programs in 2012-2013 and 2013-2014, as until March 31, 2014 INFC had a different Program Alignment Architecture (PAA) structure. The Department's current PAA structure came into effect on April 1, 2014.

¹⁰ Although no planned spending was included in INFC's 2014-2015 Main Estimates, nor planned spending and human resources (HR) requirements included in the 2014-2015 RPP, planned spending and HR requirements were estimated when the NBSLC project was under Transport Canada's responsibility. The NBSLC project was transferred to the Minister of Infrastructure and Communities' responsibility from the Minister of Transport on February 13, 2014 through Order-in-Council.

¹¹ There is currently no 2016-2017 Planned Spending expenditures for this program. Funding for this program in 2016-2017 is expected to be obtained through 2015-2016 Supplementary Estimates processes.

¹² Internal Services funding amounts for 2014-2015 Main Estimates and 2014-2015 Planned Spending do not reflect funding for Infrastructure Canada's operating budget. These amounts represent opening balances only, as operating budget amounts for 2014-2015 and beyond had not yet been confirmed.

INFC provides significant funding for some large, complex projects which can result in variance in programs 1.3 for national infrastructure priorities and 1.4, large infrastructure investments. It is typical for some of these projects to require a significant amount of upfront planning, design and procurement. For these programs as well as for program 1.5 for smaller communities, even once construction has started, a number of factors beyond the control of funding recipients can result in lower spending than forecasted. These factors range from lower-than-anticipated project costs to project delays as a result of inclement weather, technical and other construction-related complexities. It is also important to note that the disbursement of federal contributions follows the actual construction of projects as recipients are reimbursed for incurred expenditures only once they submit claims.

Alignment of Spending With the Whole-of-Government Framework

Alignment of 2014-2015 Actual Spending With the [Whole-of-Government Framework](#)^{viii} (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2014-2015 Actual Spending
Public Infrastructure for a More Prosperous Canada	Funding for Provincial-Territorial Priorities	Economic Affairs	Strong Economic Growth	25,078,120
	Permanent and Flexible Public Infrastructure Funding	Economic Affairs	Strong Economic Growth	1,974,387,706
	Investments in National Infrastructure Priorities	Economic Affairs	Strong Economic Growth	139,119,440
	Large-Scale Infrastructure Priorities	Economic Affairs	Strong Economic Growth	787,479,954
	Infrastructure Investments in Smaller Communities	Economic Affairs	Strong Economic Growth	92,993,364
	New Bridge for the St. Lawrence Corridor Project	Economic Affairs	Strong Economic Growth	40,687,967

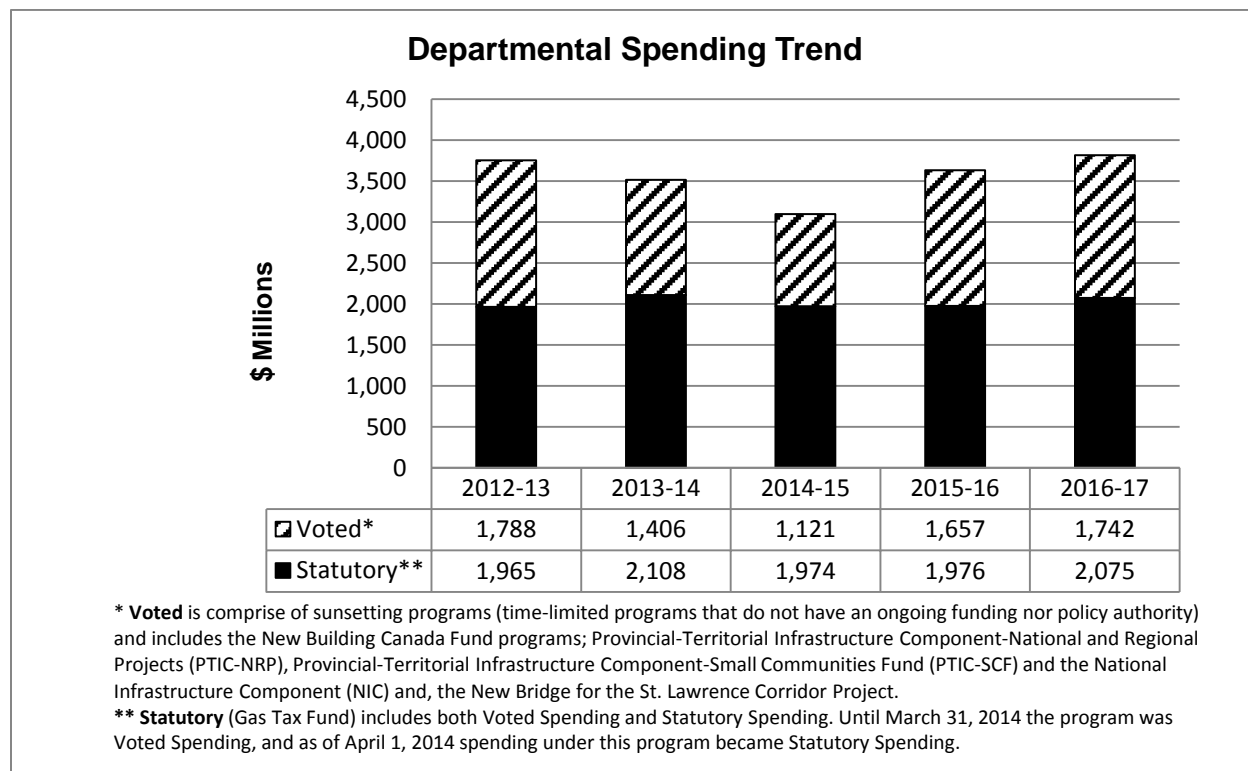
Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	3,320,172,288	3,059,746,551

Note: The Total Planned Spending number provided in this table does not include expenses made by the Department under its Internal Services.

Departmental Spending Trend

In 2014-2015, INFC’s actual spending was nearly \$3.1 billion on infrastructure investments under its Programs to meet the expected program results and contribute to its Strategic Outcome.



Departmental spending has decreased from approximately \$3.7 billion and \$3.5 billion in 2012-2013 and 2013-2014 respectively to nearly \$3.1 billion in 2014-2015, as sunsetting programs are approaching completion.

In 2014, the GTF became statutory with spending at around \$2 billion a year. As announced in Budget 2013, a new wave of programs under the NBCF was introduced, and formally launched in March 2014. Spending under the NBCF programs started in 2014-2015 with funding obtained through 2014-2015 Supplementary Estimates.

Expenditures by Vote

For information on INFC’s organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2015](#),^{ix} which is available on the [Public Works and Government Services Canada website](#).^x

Section II: Analysis of Programs by Strategic Outcome

In 2014-2015, INFC's Program Alignment Architecture included one Strategic Outcome, six Programs and Internal Services. The information presented in this section is organized according to INFC's Program Alignment Architecture structure:

Strategic Outcome: Public Infrastructure for a More Prosperous Canada

Programs:

- Funding for Provincial-Territorial Priorities;
- Permanent and Flexible Public Infrastructure Funding;
- Investments in National Infrastructure Priorities;
- Large-Scale Infrastructure Investments;
- Infrastructure Investments in Smaller Communities; and
- New Bridge for the St. Lawrence Corridor Project (NEW).

Strategic Outcome

Public Infrastructure for a More Prosperous Canada

Our quality of life, prospering communities and resilient economy depend on good public infrastructure. Provincial, territorial, and municipal governments continue to make significant investments to prioritize and address public infrastructure needs across the country. As a funding partner, Infrastructure Canada provides federal contributions to public infrastructure projects through long-term, stable, and predictable funding programs that leverage funding from partners and support local, regional and national priorities. Collectively, these investments are making a difference.

Indicators for INFC's Strategic Outcome are tied to investments in public infrastructure at the national level (including independent investments by local, provincial, and territorial governments). The first indicator compares public investment in infrastructure in Canada to that of its G7 counterparts. For the second indicator, a proxy of average age of core public infrastructure is compared to its remaining life-span. The third indicator, core public infrastructure stock per capita, provides an indication of the amount of our stock of core public infrastructure relative to our population.

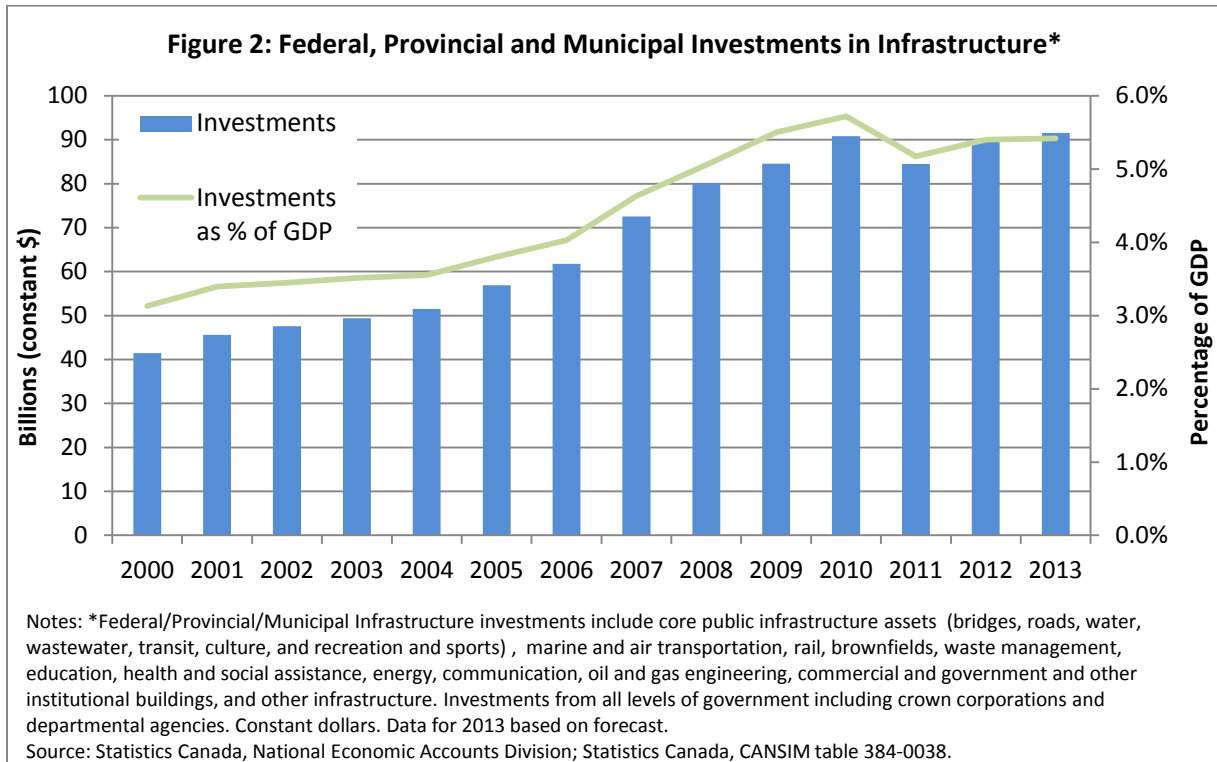
Performance Measurement

Performance Indicators	Targets	Actual Results
Rank among G7 countries for public investment in infrastructure as a percentage of GDP	Above G7 average (using 2011 data) by March 31, 2015	Ranked 2 nd (using 2013 forecast data)
Average age of core public infrastructure as a percentage of useful life (as defined by Statistics Canada)	53.0% (based on 2012 forecast data) by March 31, 2015	52.5% (using 2013 forecast data)
Core public infrastructure stock per capita	\$10,800 (based on 2012 forecast data) by March 31, 2015	\$15,204 (using 2013 forecast data)

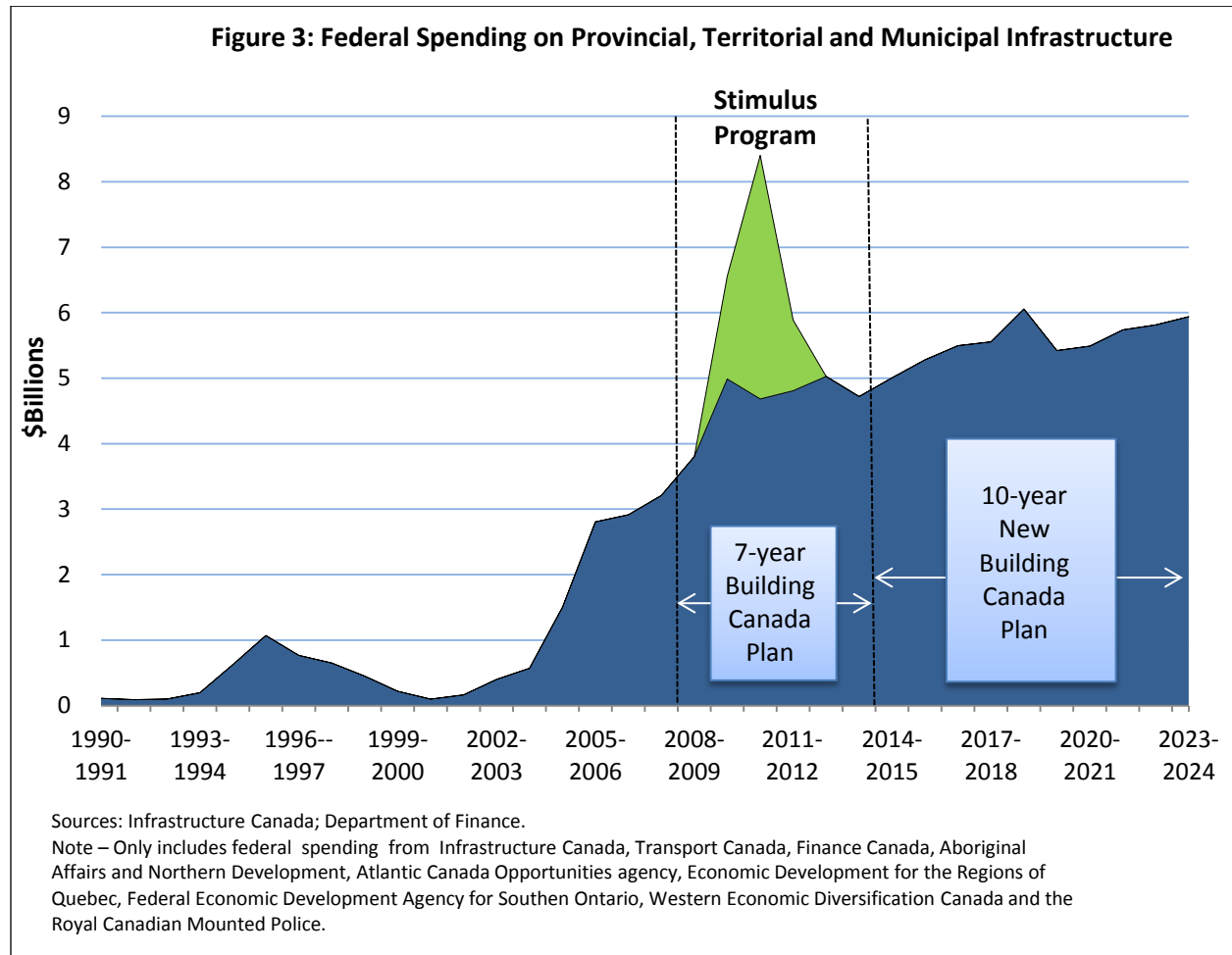
Note: Sources for these indicators are OECD and Statistics Canada data.

Trending Information is available for all three of the indicators at the Strategic Outcome level:

Figure 2 shows all public sector infrastructure investments as a percentage of Canada’s GDP. It illustrates that investments in infrastructure have been over 5% of the GDP since 2008. As previously noted, INFC is a funding partner working with other orders of government as well as the private and not-for-profit sectors, to provide funding support for public infrastructure projects.



Over 95% of Canada’s Core Public Infrastructure (CPI) is owned by provinces, territories and municipalities. Figure 3 illustrates that, since 2006, the Government of Canada has made increasing commitments to infrastructure investments, including \$33 billion through the Building Canada Plan for provincial, territorial and municipal infrastructure priority projects. Over the course of the 7-year Building Canada Plan, federal spending increased from \$3.2 billion in 2007-2008 to just over \$5 billion in 2014-2015. Starting in 2014-2015, the New Building Canada Plan is providing funding of \$53 billion over a 10-year period.



As illustrated in figure 4, Provincial/Territorial (P/T) and Municipal investments in CPI have doubled between 2003 and 2013, increasing from \$14.5 billion to \$29.5 billion. Within the 10-year time frame of 1992 to 2002, P/T and Municipal investments had only increased by \$3 billion, from \$11 billion in 1992 to \$14 billion in 2002. Transfers made by the federal government to other levels of government under various infrastructure programs have remained consistently over \$3 billion since 2012-2013. These transfers are included in the P/T and Municipal investments.

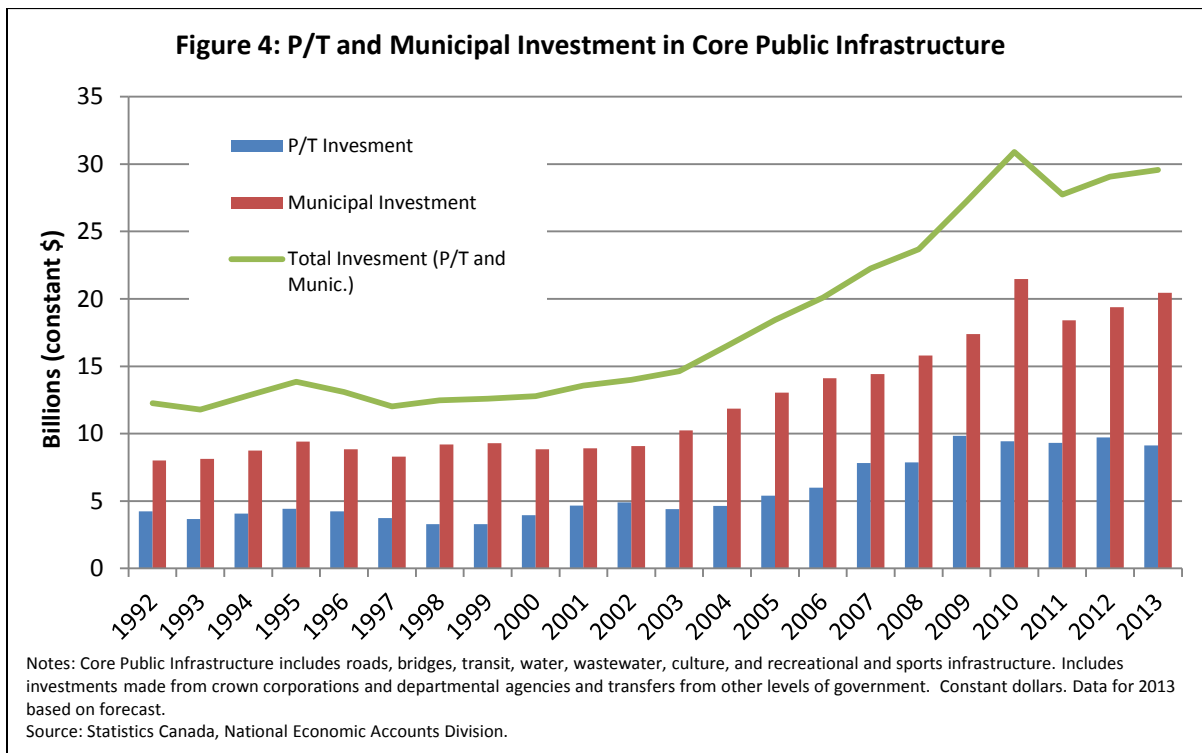
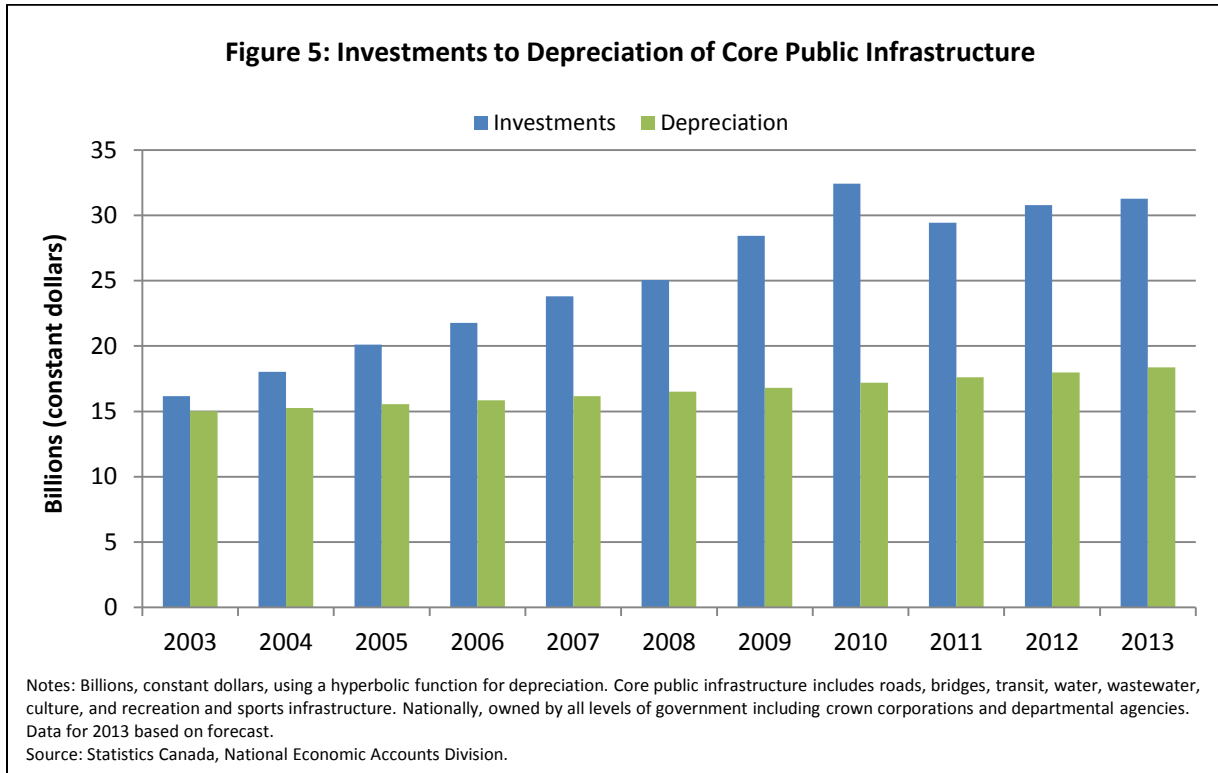
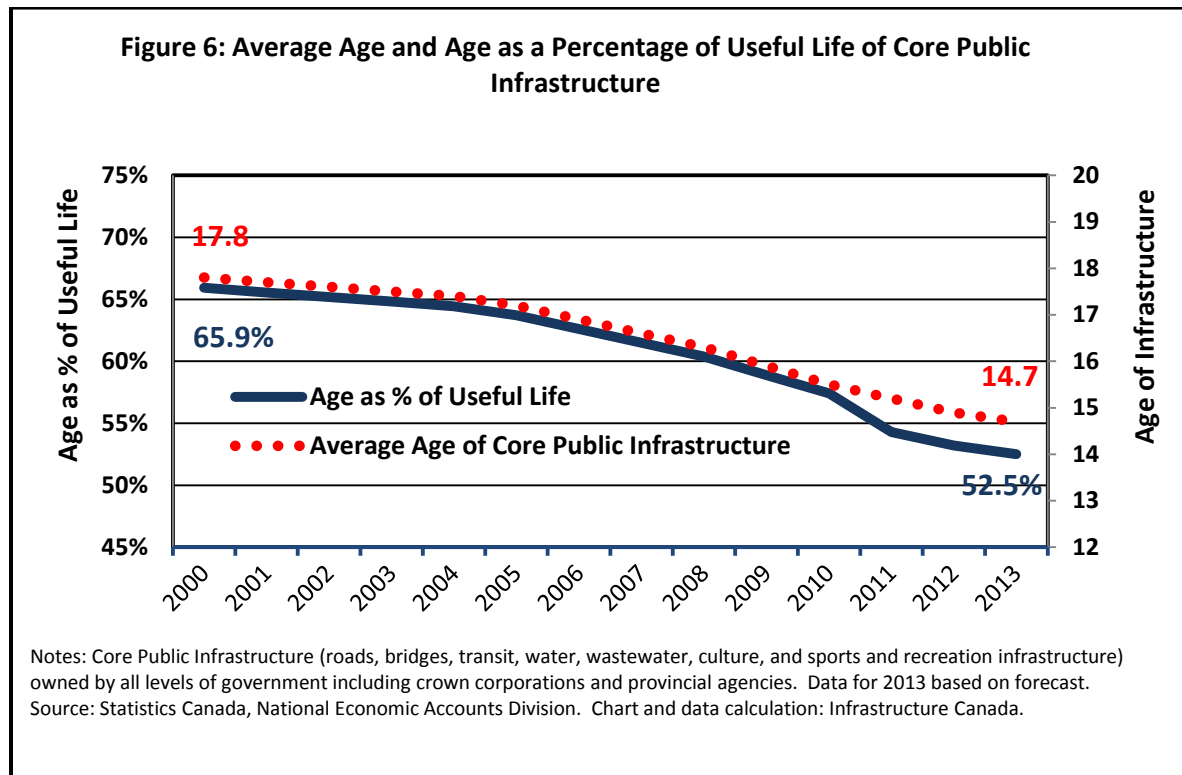


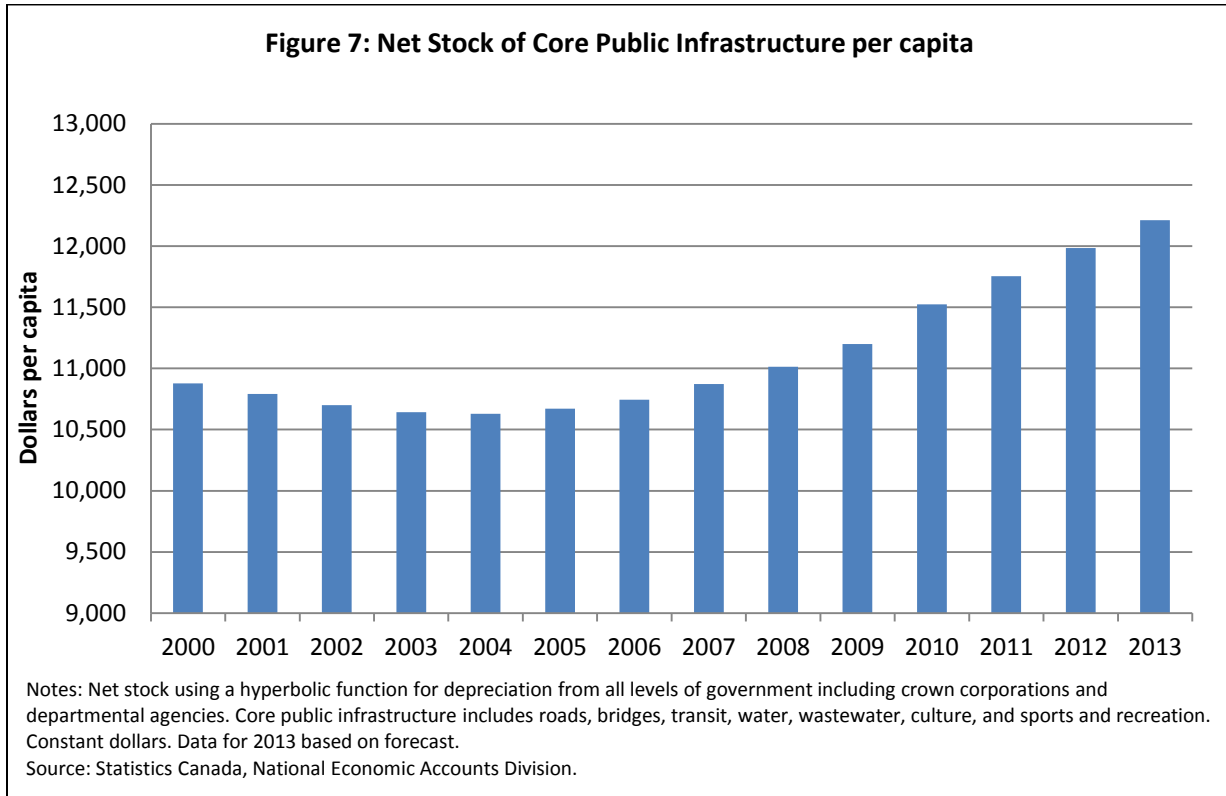
Figure 5 shows a 10-year snapshot of CPI investments compared to its depreciation. It illustrates that while both investments and depreciation have increased over time, in 2003 investments barely exceeded the annual depreciation, just maintaining existing infrastructure capital, and by 2013 new investments exceeded the annual depreciation by \$13 billion. This trend on the renewal of CPI in Canada is supported by INFC’s policies and investments.



Increases in infrastructure investments have resulted in a decline in the computed average age of core public infrastructure. In 2003, the average age of core public infrastructure was 17.5. In 2013 this number had decreased to 14.7 years. The average age as a percentage of useful life has also declined. Figure 6 illustrates that the age of CPI as a percent of useful life has decreased from 65% in 2003, to 52.5% in 2013 due to infrastructure investments.



Increased investments in infrastructure have caused the net stock of CPI per capita to rise. Figure 7 illustrates that stock of CPI per capita increased from \$10,600 in 2003 to \$12,200 in 2013.



Program 1.1: Funding for Provincial-Territorial Priorities

Description

This program provides predictable funding to each province and territory to enhance Canada's public infrastructure system. Federal payments to provinces and territories are made in accordance with the terms and conditions of signed funding agreements, including federal acceptance of Capital Plans and Expenditure Reports. Funding through this program leverages additional contributions from other funding partners to increase overall investment in public infrastructure for Canadians. Payments may be made up-front and cost-sharing provisions apply to a Capital Plan as a whole, and not the individual initiatives within a Capital Plan. This program uses funding from the following transfer payment: the Provincial-Territorial Infrastructure Base Fund.

Budgetary Financial Resources (dollars)

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
55,351,611	55,351,611	62,678,546	25,078,120	(30,273,491)

Human Resources (Full-Time Equivalents [FTEs])

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ¹³	2	Not Applicable ¹³

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Funding for provincial-territorial priorities leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding for provinces	100% by March 31, 2015	155.8%
	Funding leveraged from partners as a percentage of federal funding for territories	33% by March 31, 2015	50.1%

¹³ The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program, and it was indicated that this was to be determined, as INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

Performance Analysis and Lessons Learned

During the reporting period, Expenditure Reports for four jurisdictions were approved; one of these resulted in a final payment to the jurisdiction. In two jurisdictions, delays in the submission of Expenditure Reports also delayed related payments, resulting in the variance in spending noted above. One amended Capital Plan was approved under one jurisdiction, addressing cost sharing issues and adding one new initiative, leveraging an additional \$2.8 million from partners.

Overall, in the reporting period, jurisdictions continued to complete initiatives listed under their approved Capital Plans. Infrastructure Canada continued to work with provincial and territorial governments to provide guidance on issues relating to reporting requirements and any related payments, and to ensure that cost-sharing program requirements continued to be met as initiatives were completed.

Program 1.2: Permanent and Flexible Public Infrastructure Funding

Description

In support of public infrastructure for Canadians, this program provides predictable and flexible funding for municipalities, allowing them to plan for the longer term in order to address infrastructure priorities. Funding is provided in order to build and rehabilitate public infrastructure based on overall compliance with the terms and conditions of the governing administrative agreements. Federal funding is provided twice annually and does not need to be utilized in the year it is provided. This program uses funding from this transfer payment: the Gas Tax Fund, a component of the Government of Canada's Community Improvement Fund.

Budgetary Financial Resources (dollars)

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
1,973,411,002	1,973,411,002	1,974,402,893	1,974,387,706	976,704

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ¹⁴	18	Not Applicable ¹⁴

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Provinces, territories and municipal associations are accountable for funding provided to local governments through Permanent and Flexible Public Infrastructure Funding	Percentage of jurisdictions in compliance with agreement reporting requirement	100% by March 31, 2015	93%
Municipalities have access to Permanent and Flexible Public Infrastructure Funding to build and improve infrastructure	Percentage of Gas Tax Fund allocation flowed to agreement signatories	100% by March 31, 2015	100%
	Value of Permanent and Flexible Public Infrastructure Funding spent	\$1.97 billion by March 31, 2015	\$1.97 billion

Performance Analysis and Lessons Learned

In 2014-2015, all renewed Gas Tax Fund (GTF) agreements were negotiated and signed, and annual funding letters were issued to each jurisdiction. By March 31, 2015, a total of \$1.97 billion¹⁵ flowed to all provinces and territories under the GTF.

GTF Agreement reporting requirements for signatories include the submission and acceptance of an Annual Report (Financial Report Table and Project List) and an Independent Audit Opinion or Audit-Based Attestation. In 2014-2015, one signatory was not in compliance with reporting requirements. In the absence of duly completed reports, Infrastructure Canada can withhold funding letters from signatories until such time that completed reports are accepted.

In October 2014, the Department successfully hosted an intergovernmental GTF workshop, bringing together federal, provincial and territorial officials, as well as officials from two major municipal associations. Discussions took place on various topics such as asset management¹⁶ – a

¹⁴ The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program and it was indicated that this was to be determined, as INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

¹⁵ This amount includes contributions only, and does not include operating.

¹⁶ Asset Management, as defined by the Canadian Network of Asset Managers, is the coordinated activities of an organization to realize value from its assets in the achievement of its organizational objectives.

current area of focus – allowing for greater engagement and collaboration between participants on shared challenges and best practices.

Program 1.3: Investments in National Infrastructure Priorities

Description

This program directs funding to infrastructure projects that help to advance national priorities that are important to all Canadians. Funding through this program typically leverages additional contributions from other funding partners for eligible infrastructure projects. Funding is merit-based and is provided on a competitive basis for most of these transfer payment programs. Payments are provided based on eligible costs incurred with respect to signed contribution agreements. This program uses funding from the following transfer payments: the New Building Canada Fund-National Infrastructure Component, Green Infrastructure Fund, Border Infrastructure Fund and the Inuvik to Tuktoyaktuk Highway Fund.

Budgetary Financial Resources (dollars)¹⁷

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
193,145,913	193,145,913	251,121,321	139,119,440	(54,026,473)

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ¹⁸	24	Not Applicable ¹⁸

¹⁷ The figures in this table do not include funding reallocations and transfers out of the Green Infrastructure Fund and the Border Infrastructure Fund that were made available to other Government priorities. However, the figures in this table do include additional funding that was added to the Border Infrastructure Fund in 2010. More detailed information by Transfer Payment Program is available in the Supplementary Information Tables of this Departmental Performance Report at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

¹⁸ The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program and it was indicated that this was to be determined, as INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

Performance Results

Expected Results	Performance Indicators	Targets*	Actual Results
INFC funding leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	100% by March 31, 2015	160%
National infrastructure priorities projects are implemented	Number of national infrastructure priorities projects completed	15 projects by March 31, 2015	12
	Value of national infrastructure priorities projects completed	\$1.2 billion by March 31, 2015	\$1.46 billion**

*Cumulative targets over the life of the program. Rolled-up targets for this Program are based on the following transfer payment programs only: the Green Infrastructure Fund and the Border Infrastructure Fund. The planned completion date for the only project under the Inuvik to Tuktoyaktuk Highway Fund project is March 31, 2018.

** Value includes both federal contributions and funding leveraged from partners.

Performance Analysis and Lessons Learned

This program uses funding from various transfer payments: the New Building Canada Fund-National Infrastructure Component (NBCF-NIC), Green Infrastructure Fund (GIF), Border Infrastructure Fund (BIF) and the Inuvik to Tuktoyaktuk Highway Fund.

The New Building Canada Fund was successfully launched on March 28, 2014. By March 31, 2015, two projects had been announced for federal funding under NIC, totalling over \$68 million, with a total investment of over \$205 million. These projects are of national significance, and will contribute to Canada's long-term prosperity.

In 2014-2015, Infrastructure Canada progress in the implementation of the GIF:

- 3 projects with a federal contribution of \$157 million and a total value of \$679.4 million were completed;
- 1 additional project with a federal contribution of \$15 million and a total value of \$44.9 million began construction; and
- 15 projects with a federal contribution of \$445.2 million and a total value of \$1.3 billion are still underway.

As of March 31, 2015, a total of 20 projects have been funded under the program, and over \$725 million in federal funding has been committed to these projects. The largest categories of investments, in terms of total eligible costs, are green energy infrastructure and wastewater management infrastructure.

As of March 31, 2015, the federal government has announced support for 11 border improvement infrastructure projects, with a combined total investment of \$1.2 billion for

transportation systems that promote improvements in the efficiency and capacity at border crossings.

In 2015-2016, Transport Canada will continue to support the implementation of the final three projects still underway under the BIF on behalf of Infrastructure Canada, with a federal contribution of \$204 million and total value of \$567 million.

As of March 31, 2015, nearly \$108 million has been paid to the Inuvik to Tuktoyaktuk Highway Fund resulting in 80 kilometres of completed highway. As a result of the Audit of the Inuvik to Tuktoyaktuk Highway Program, an integrated risk assessment tool has been built to standardize risk assessments done throughout a project lifecycle.

As identified in the Joint Evaluation of INFC's Canada Strategic Infrastructure Fund (CSIF) and BIF, a mechanism should be put in place to collect and report on outcome data upon completion of the remaining CSIF projects as well as other ongoing and future INFC programs. To address this, INFC created a new contribution agreement template which requires recipients to provide outcome information in their final project reports for the remaining CSIF projects as well as New Building Canada Fund Provincial-Territorial Infrastructure Component-National and Regional Projects (PTIC-NRP); and NIC.

Program 1.4: Large-Scale Infrastructure Investments

Description

This program invests in infrastructure projects of national, regional and/or local significance. Funding through this program leverages additional contributions from other funding partners for eligible infrastructure projects. Funding may be jurisdictionally allocated. Actual payments are provided based on eligible costs incurred with respect to signed contribution agreements. This program uses funding from the following transfer payments: the New Building Canada Fund - Provincial-Territorial Infrastructure Component-National and Regional Projects, Building Canada Fund-Major Infrastructure Component and the Canada Strategic Infrastructure Fund.

Budgetary Financial Resources (dollars)¹⁹

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
958,832,530	958,832,530	1,078,295,752	787,479,954	(171,352,576)

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ²⁰	57	Not Applicable ²⁰

Performance Results

Expected Results	Performance Indicators	Targets*	Actual Results
INFC funding leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	100% by March 31, 2015	200%
Large-scale infrastructure projects are implemented	Number of large-scale infrastructure projects completed	173 projects by March 31, 2015	146
	Value of large-scale infrastructure projects completed	\$16.5 billion by March 31, 2015	\$13.7 billion**

* Cumulative targets over the life of the program. Rolled-up targets for this Program are based on the following transfer payment programs only: the Building Canada Fund-Major Infrastructure Component and the Canada Strategic Infrastructure Fund.

** Value includes both federal contributions and funding leveraged from partners.

¹⁹ The figures in this table do not include funding reallocations and transfers out of the Building Canada Fund-Major Infrastructure Component and the Canada Strategic Infrastructure Fund that were made available to other Government priorities. However, the figures in this table do include additional funding that was added to the Canada Strategic Infrastructure Fund in 2006. More detailed information by Transfer Payment Program is available in the Supplementary Information Tables of this Departmental Performance Report at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

²⁰ The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program and it was indicated that this was to be determined, as INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

Performance Analysis and Lessons Learned

This program uses funding from various transfer payments: the New Building Canada Fund - Provincial-Territorial Infrastructure Component - National and Regional Projects (PTIC-NRP), Building Canada Fund-Major Infrastructure Component (BCF-MIC) and the Canada Strategic Infrastructure Fund (CSIF).

INFC successfully launched the NBCF on March 28, 2014. By March 31, 2015, INFC announced 15 projects for federal funding for the PTIC-NRP, totalling over \$1 billion in federal investments with a combined total investment of nearly \$3.5 billion. These projects support the program's objectives related to economic growth, a cleaner environment and stronger communities. As of March 31, 2015, four projects were already underway.

In 2014-2015, Infrastructure Canada and its federal delivery partners made progress in the implementation of the BCF-MIC:

- 18 projects with a federal contribution of \$353 million and a total value of \$859.6 million were completed;
- 12 additional projects with a federal contribution of \$180.9 million and a total value of \$524 million began construction; and
- 158 projects with a federal contribution of \$6.5 billion and a total value of \$19.3 billion are still underway.

As of March 31, 2015, \$7.05 billion in federal funding has been committed to 188 projects and a total value of \$20.7 billion. The largest categories of investments, in terms of total eligible costs are in public transit and national highway system infrastructure.

The total number of MIC projects completed by project proponents this fiscal year was lower than planned, as some of these large-scale and complex projects encountered delays and were not completed by year end, as forecasted. Typically, project delays occur as a result of inclement weather, and technical or other construction-related complexities.

In 2014-2015, Infrastructure Canada and its federal delivery partners made progress in the implementation of CSIF:

- 3 projects with a federal contribution of \$125 million and a total value of \$392.8 million were completed; and
- 24 projects with a federal contribution of \$1.5 billion and total value of \$4 billion are still underway.

As of March 31, 2015, \$4 billion in federal funding has been committed to 82 projects and a total value of \$11.6 billion. The largest categories of investments, in terms of total eligible costs, are in local transportation infrastructure and in highway and rail infrastructure.

As previously mentioned, following the result of the Joint Evaluation for INFC's CSIF and BIF, remaining CSIF projects and all other ongoing major infrastructure projects where the recipient has not submitted a final report, INFC will request that recipients provide information on the outcomes of projects. A new contribution agreement template has been implemented to address this for new CSIF projects as well as projects under PTIC-NRP and NIC.

Program 1.5: Infrastructure Investments in Smaller Communities

Description

This program invests in infrastructure projects in smaller communities in support of local and/or regional needs. Funding through this program leverages additional contributions from other funding partners for eligible infrastructure projects. Funding may be jurisdictionally allocated. Payments are provided based on eligible costs incurred with respect to signed contribution agreements. This program uses funding from the following transfer payments: the New Building Canada Fund -Provincial-Territorial Infrastructure Component-Small Communities Fund, the Building Canada Fund-Communities Component, and Municipal Rural Infrastructure Fund.

Budgetary Financial Resources (dollars)²¹

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
139,431,232	139,431,232	184,946,167	92,993,364	(46,437,868)

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ²²	25	Not Applicable ²²

²¹ The figures in this table do not include funding reallocations and transfers out of the Building Canada Fund-Communities Component and the Municipal Rural Infrastructure Fund that were made available to other Government priorities. However, the figures in this table do include additional funding that was added to the Municipal Rural Infrastructure Fund in 2006. More detailed information by Transfer Payment Program is available in the Supplementary Information Tables of this Departmental Performance Report at: <http://www.infrastructure.gc.ca/pub/index-eng.html>.

²² The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program and it was indicated that this was to be determined, as INFC was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

Performance Results

Expected Results	Performance Indicators	Targets*	Actual Results
INFC funding leverages investments in infrastructure by other partners	Funding leveraged from partners as a percentage of federal funding (committed)	200% by March 31, 2015	232%
Smaller communities infrastructure projects are implemented	Number of smaller communities' infrastructure projects completed.	846 projects by March 31, 2015*	731
	Value of smaller communities' infrastructure projects completed	\$2.8 billion by March 31, 2015	\$2.06 billion**

*Cumulative number/value of projects to be completed under the program, up to and including March 31, 2015. Note that targets related to the number of smaller communities infrastructure projects completed for this program were based on the Building Canada Fund-Communities Component.

** Value includes both federal contributions and funding leveraged from partners

Performance Analysis and Lessons Learned

This program uses funding from the following transfer payments: the New Building Canada Fund -Provincial-Territorial Infrastructure Component-Small Communities Fund (PTIC-SCF), the Building Canada Fund-Communities Component (BCF-CC), and Municipal Rural Infrastructure Fund (MRIF).

In 2014-2015, funding agreements under PTIC-SCF were signed by the provinces and territories, with the exceptions of Newfoundland and Labrador, Saskatchewan and Quebec, where negotiations were close to being finalized.

The provincial and territorial governments have been accepting project proposals and consulting with municipalities to identify priorities. As of March 31, 2015, INFC had received project lists from several jurisdictions including Manitoba, Nova Scotia, and Prince Edward Island.

During 2014-2015, there were 26 projects approved in Manitoba under PTIC-SCF and \$15.9 million of the \$1 billion federal share was committed for this program.

In 2014-2015, Infrastructure Canada and its federal delivery partners made progress in the implementation of the BCF-CC:

- 38 projects with a federal contribution of \$50.8 million and a total value of \$169.6 million were completed;
- 27 additional projects with a federal contribution of \$30.9 million and a total value of \$92.8 million began construction; and

- 224 projects with a federal contribution of \$366.7 million and a total value of \$1.1 billion are currently underway.

As of March 31, 2015, a total of 941 projects have been funded under the program, and \$1 billion in federal funding has been committed to these projects.

Specific to Quebec, the Large Urban Centres Component of the Building Canada Fund supports projects in municipalities with populations of 100,000 or more. The Government of Canada set aside \$200 million for Quebec's larger centres through these funds as part of the almost \$2 billion allocation for Quebec through the Building Canada Fund.

In 2014-2015, Infrastructure Canada and its federal delivery partner made progress in the implementation of the Building Canada Fund - Large Urban Centres Component:

- 2 projects with a federal contribution of \$9.2 million and total value of \$27.6 million were completed;
- 18 projects with a federal contribution of \$131.5 million and a total value of \$416.8 million are still underway.

As of March 31, 2015, a total of 23 projects have been funded under the program with over \$173.5 million in federal funding committed to these projects.

The MRIF program formally concluded on March 31, 2014 in most provinces and territories. Over the past year, INFC, in close collaboration with federal delivery partners, has focused on program closeout activities and partners are actively implementing the closeout guidelines. By March 31, 2015, over 99% of projects funded under the MRIF have been successfully completed, representing \$956 million in federal funding.

Program 1.6: New Bridge for the St. Lawrence Corridor Project (NEW)

Description

In support of the Government of Canada's economic and safety priorities, this program ensures the overall delivery of the New Bridge for the St. Lawrence Corridor²³ Project in Montreal, Quebec. INFC is the project authority charged with overseeing the delivery of this project which will provide a safe, secure and efficient crossing for local residents, commuters and commercial traffic. The new bridge and its corridor will contribute to the increased capacity and efficiency of gateway and corridor infrastructure regionally and nationally. The project is being carried out as a public-private partnership.²⁴

Budgetary Financial Resources (dollars)

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
0 ²⁵	0 ²⁵	124,863,136	40,687,967	40,687,967

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ²⁵	37	Not Applicable ²⁵

²³ As mentioned previously in footnote 1, the project is also commonly referred to as the New Champlain Bridge Corridor Project.

²⁴ INFC added this new program to its Program Alignment Architecture following the release of the 2014-2015 RPP to reflect the transfer of responsibility for the New Bridge for the St. Lawrence Corridor project from Transport Canada to INFC.

²⁵ Infrastructure Canada's 2014-2015 Main Estimates and 2014-2015 Report on Plans and Priorities did not include Planned Spending and Human Resource (FTE) requirements for the New Bridge for the St. Lawrence Corridor Project as the program had not been transferred to the responsibility of the Minister of Infrastructure and Communities. Human resources requirements for this program for 2014-2015 were estimated under Transport Canada and, funding for 2014-2015 was obtained through Infrastructure Canada's 2014-2015 Supplementary Estimates processes.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results ²⁶
The New Bridge for the St. Lawrence Corridor Project is implemented to promote a more prosperous Canada (a safe and efficient transportation system that supports trade).	Number of project milestones achieved	4 (New Bridge for the St. Lawrence, New Iles des Soeurs Bridge, Reconstruction and widening of A-15, and the Transit Corridor) December 1, 2018 for NBSL and October 31, 2019 for other components	The procurement for the overall corridor project proceeded as planned in 2014-2015 with the launch of the request for qualifications and the request for proposals.
P3 procurement of the corridor projects that promote value for money for Canadian taxpayers, through on-time and on-budget delivery of projects, is implemented.	Construction of the assets is completed on time	Official opening to the public -Main span: December 1, 2018; -Rest of corridor: October 31, 2019	Construction on new NBSL bridge started in May 2015. ²⁶
	Construction of the assets is completed on budget	Budget for the Contract is \$3.977 billion	The procurement for the overall corridor project proceeded as planned in 2014-2015 with the launch of the request for qualifications and the request for proposals.

Performance Analysis and Lessons Learned

INFC launched the procurement process on March 3, 2014 with the assistance of experts from PPP Canada, Public Works and Government Services Canada, and Justice Canada. The Request for Qualifications, open to all interested parties, was available March 17, 2014, and INFC invited the three highest qualified respondents to participate in the Request for Proposals process which began on July 21, 2014. Three consortia submitted technical proposals on February 11, 2015, followed by financial proposals on April 1, 2015.

²⁶ Performance Indicators were extracted from the approved 2015-2016 Performance Measurement Framework (PMF).

The Government of Canada, the Government of Quebec, and municipal entities worked in close collaboration to conclude several agreements necessary for project implementation. One collaboration agreement and four collaborative frameworks with additional agreements will be signed shortly. INFC signed a collaborative agreement with the JCCBI to, among other objectives, facilitate coordination of repairs to the existing Champlain Bridge and work on the NBSLC project.

To enable accelerated procurement and construction of the NBSLC project, all private residential properties were acquired by March 31, 2015. Negotiations for further acquisitions of public lands are ongoing and should be finalized by December 2015. In addition, environmental site assessments for most properties that remain to be acquired were completed by March 31, 2015, and targeted assessments for other properties began in spring/summer 2015. This is helping to ensure that properties required for the NBSLC project are acquired without delay.

The NBSLC project has successfully implemented a P3 procurement model, which is relatively new for federal assets, but which has proven to be very successful. All major milestones for 2014-2015 were achieved on time and on budget.

Internal Services

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, Legal Services, Human Resources Management Services, Financial Management Services, Information Management Services, Information Technology Services, Real Property Services, Materiel Services, Acquisition Services, and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not those provided to a specific program.

Budgetary Financial Resources (dollars)

2014–2015 Main Estimates	2014–2015 Planned Spending	2014–2015 Total Authorities Available for Use	2014–2015 Actual Spending (authorities used)	2014–2015 Difference (actual minus planned)
1,425,483 ²⁷	1,425,483 ²⁷	37,306,840	36,135,562	34,710,079

²⁷ Internal Services funding amounts for 2014-2015 Main Estimates and 2014-2015 Planned Spending do not reflect funding for Infrastructure Canada's operating budget. These amounts represent opening balances only, as operating budget amounts for 2014-2015 and beyond had not yet been confirmed.

Human Resources (FTEs)

2014–2015 Planned	2014–2015 Actual	2014–2015 Difference (actual minus planned)
Not Applicable ²⁸	170	Not Applicable ²⁸

Performance Analysis and Lessons Learned

Management and Oversight Services include internal audit, evaluation, oversight of Crown corporations and integrated business planning.

During 2014-2015, the approved commitments in the amended Risk-Based Audit Plan and the Departmental Evaluation Plan (see supplementary tables for details) were delivered successfully. Management implemented 80% of the outstanding audit recommendations, with only two evaluation recommendations outstanding. The remaining audit and evaluation action plans are on track to address the recommendations.

INFC provided support and oversight of the JCCBI, by ensuring that JCCBI had access to the necessary parliamentary appropriations to carry out its priorities, and by overseeing the interface between JCCBI and the NBSLC project in order to ensure that JCCBI and NBSLC project commitments were fulfilled.

The Internal Audit's *Review of Strategic and Integrated Business Planning* and the most recent Management Accountability Framework (MAF) assessment recommended that INFC further integrate risk, planning and performance. In response, INFC made progress in implementing a robust integrated planning process and developed an Integrated Business Plan, which brings together all the planning pieces to create a road map with a clear line of sight from day-to-day activities to a more mature organization.

During 2014-2015, INFC's Communications Services increased visibility for federal investments under the NBCF, the federal GTF and other programs by broadening its reach through social media, increasing presence at events and through signage. It developed joint communications approaches and protocols for programs under the NBCF and the GTF and delivered several high profile announcements for the NBSLC project. INFC continued to support the Web Renewal project by responding to all TBS' recommendations and by providing an institutional page for posting on the new Canada site. The Department also continued to provide effective corporate and internal communications services to support senior management, improve organizational effectiveness and promote employee engagement.

²⁸ The 2014-2015 Report on Plans and Priorities presented no planned FTEs for this program and it was indicated that this was to be determined, as when the report was created Infrastructure Canada was in the process of obtaining approval for its operating budget for 2014-2015 and beyond. The current operating budget was subsequently approved on March 27, 2014.

INFC's Human Resources and Security Services successfully implemented the new Performance Management Directive and continued to address the Clerk's priorities by engaging in Destination 2020 initiatives. INFC continued to embrace diversity and a bilingual work environment by investing in language training for employees, and actively encouraging all employees to work in the language of their choice. INFC also continued to promote a departmental Code of Conduct to support values and ethics initiatives and guide employees in maintaining and enhancing public confidence in the integrity of the public service. INFC enhanced physical security by implementing new security measures and also completed on-boarding of all Federal Montreal Bridge employees from Transport Canada to INFC.

INFC's Financial Management Services continued to engage with Central Agencies in a variety of government-wide initiatives, such as the direct-deposit initiative; the back-office transformation including financial management transformation, ongoing implementation of the new shared travel system; and the financial management policy suite re-set. In accordance with the *Policy on Internal Control*, INFC implemented ongoing monitoring of internal controls over financial reporting. INFC also completed the financial management transition of the Federal Montreal Bridges team from Transport Canada.

In support of the Government of Canada's priority related to data centre consolidation, INFC's IM/IT Services completed the renewal, migration, and management of the transfer of Shared Information Management System for Infrastructure (SIMSI) to the Shared Services Canada (SSC) Data Center. In response to the Audit of IT Business Transformation – SIMSI Migration Project, IM/IT Services assessed its resource capacity to support post-migration, along with security requirements to address any gaps. A project close-out was conducted for further lessons learned. INFC has also implemented the Program Information Management System (PIMS) Project, which will replace SIMSI, to improve the management of major infrastructure program information and support the new infrastructure programs, including the NBCF. In order to support the Treasury Board Secretariat Directive on Recordkeeping, INFC also completed the Recordkeeping Project, while promoting the use of tools and processes necessary to ensure that information of business value is managed as a strategic asset and in accordance with updated policy requirements and best practices.

INFC continued to support the many whole-of-government initiatives including, Migration of workplace technology devices (WTD) to Windows 7 and Office 2010, and the Government of Canada Secure Remote Access Solution (GCSRA). INFC also moved toward standardized services at the departmental level for IT infrastructure, applications and services while enabling mobility and collaboration through upgraded video conferencing.

Section III: Supplementary Information

Financial Statements Highlights

Infrastructure Canada Condensed Statement of Operations (unaudited)
For the Year Ended March 31, 2015
(dollars)

Financial Information	2014–2015 Planned Results	2014–2015 Actual	2013–2014 Actual	Difference (2014–2015 actual minus 2014–2015 planned)	Difference (2014–2015 actual minus 2013–2014 actual)
Total expenses	3,324,368,000	3,035,683,000	3,516,195,000	(288,685,000)	(480,512,000)
Total revenues	0	0	0	0	0
Net cost of operations before government funding and transfers	3,324,368,000	3,035,683,000	3,516,195,000	(288,685,000)	(480,512,000)
Departmental net financial position	Not applicable	16,815,000	3,174,000	Not applicable	13,641,000

Infrastructure Canada Condensed Statement of Financial Position (unaudited)
As at March 31, 2015
(dollars)

Financial Information	2014–2015	2013–2014	Difference (2014–2015 minus 2013–2014)
Total net liabilities	154,213,000	308,074,000	(153,861,000)
Total net financial assets	151,283,000	305,438,000	(154,155,000)
Departmental net debt	2,930,000	2,636,000	294,000
Total non-financial assets	19,745,000	5,810,000	13,935,000
Departmental net financial position	16,815,000	3,174,000	13,641,000

Financial Statements

INFC's [Financial Statements](#)^{xi} can be found on the Department's website.

Supplementary Information Tables

The [Supplementary Information Tables](#)^{xii} listed in the *2014-2015 Departmental Performance Report* are available on INFC's website.

- ▶ Departmental Sustainable Development Strategy;
- ▶ Details on Transfer Payment Programs of \$5 Million or More;
- ▶ Internal Audits and Evaluations;
- ▶ Response to Parliamentary Committees and External Audits;
- ▶ Status Report on Transformational and Major Crown Projects;

Tax Expenditures and Evaluations

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 Canada publishes cost estimates and projections for these measures annually in the [Tax Expenditures and Evaluations](#)^{xiii} publication. The tax measures presented in the Tax Expenditures and Evaluations publication are the responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

For more information about the Department and our infrastructure programs, please visit www.infrastructure.gc.ca or contact:

Office of Infrastructure of 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

Appendix: Definitions

appropriation (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (*dépenses budgétaires*): Includes operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Report on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent (*équivalent temps plein*): Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (*Structure de la gestion, des ressources et des résultats*): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (*dépenses non budgétaires*): Includes net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (*rendement*): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans (*plans*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities (*priorité*): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program (*programme*): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (*architecture d'alignement des programmes*): A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

results (*résultats*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

whole-of-government framework (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

- ⁱ *Mandate letter*, <http://pm.gc.ca/eng/minister-infrastructure-and-communities-mandate-letter>
- ii *Canada Strategic Infrastructure Act*, <http://laws-lois.justice.gc.ca/eng/acts/c-10.3/page-1.html>
- iii *Keeping Canada's Economy and Jobs Growing Act*,
http://laws-lois.justice.gc.ca/eng/annualstatutes/2011_24/page-1.html
- iv *Economic Action Plan 2013 Act*, http://laws-lois.justice.gc.ca/eng/annualstatutes/2013_33/page-1.html
- v *New Bridge for the St. Lawrence Act*, <http://www.laws.justice.gc.ca/eng/acts/N-22.6/>
- vi The New Building Canada Plan, <http://www.infrastructure.gc.ca/plan/plan-eng.html>
- vii Gas Tax Fund, <http://www.infrastructure.gc.ca/plan/gtf-fte-eng.html>
- viii. Whole-of-government framework, <http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx>
- ix. *Public Accounts of Canada 2015*, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- x. Public Works and Government Services Canada website, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- xi Infrastructure Canada's Financial Statements, <http://www.infrastructure.gc.ca/pub/fs-ef/fs-ef-2015-eng.html>
- xii Supplementary Information Tables, <http://www.infrastructure.gc.ca/pub/index-eng.html>
- xiii. Government of Canada Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>