

KEVIN O'REILLY—MLA FRAME LAKE
Contract and Purchase Services Expenditures
Committee of the Whole—2021-2022 Operating Budget Review
Dept. of Infrastructure—March 1, 2021

MR. O'REILLY: Thanks, Madam Chair. On page 236, I see a few areas where funding is actually declining: facilities and properties in the program detail, and then contract services and purchase services in the expenditure category. Can someone explain to me, as we build more and more assets and we just had the largest capital budget ever, how these are declining over time? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Member. Minister of Infrastructure.

HON. DIANE ARCHIE: Thank you, Madam Chair. Under the facilities and properties, there was a decrease of just over \$1 million, which meant that there was a transfer of some of the property management budget to the regions where some of the functions were carried out. We also have to consider some amortization costs to some of the buildings, as well. The variance there that we're looking at is for vacant positions for 2019-2020 for facilities and properties of about \$400,000. There is also a surplus in the GNWT building assets being delayed and not really pushed into service until this fiscal year, about \$200,000. Also, the operation and maintenance expenditures for facility risk management, so again, some of the deferred maintenance as well as property management. In terms of the contract services, yes, I see there is a decrease in the budget. Sorry, Madam Chair, that was his second question. There is a decrease in the budget, and part of that is the internal transfer to the budget regional operations activity. That's where the work was performed. There is a decrease, and there is transfer. There is also a sunset of the Northern Transportation Adaptation Initiative. Those were some of the reductions in the costs. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Minister. Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair. Those are pretty good briefing notes, if the Minister ever wants to share them. I think she answered the first two areas. What about purchased services? Is there some reason for the decline there between 2020-2021 and what is forecast for next year? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Member. Minister.

HON. DIANE ARCHIE: Thank you, Madam Chair. I was quickly able to find those numbers right in front of me, but I'm going to get ADM Brennan to answer that one.

CHAIRPERSON (Ms. Semmler): Thank you. Mr. Brennan.

MR. BRENNAN: Thank you, Madam Chair. Yes. The decrease in purchase services is related to the money that was transferred to the regional operations. About \$1 million or so of money that was held in headquarters was for work being delivered in the region, so we transferred the money into the regions. About \$150,000 of that was related to purchase services, so there should be a corresponding increase in regional operations. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Mr. Brennan. Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair, and thanks for that information. How do we pay for maintenance on highways? Is it found here, or is it found in the capital budget? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Member. Minister.

HON. DIANE ARCHIE: Thank you, Madam Chair. It's in the operations expenditure in the main estimates.

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