



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Transport, Infrastructure and Communities

TRAN • NUMBER 014 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Wednesday, November 23, 2011

Chair

Mr. Merv Tweed

Standing Committee on Transport, Infrastructure and Communities

Wednesday, November 23, 2011

• (1535)

[English]

The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)): Thank you and good afternoon, everyone. Welcome to the Standing Committee on Transport, Infrastructure and Communities, meeting 14.

Our orders of the day, pursuant to Standing Order 108(2), are for the study of the national public transit strategy.

Joining us from Infrastructure Canada, as they did at the beginning of this process, are Taki Sarantakis, assistant deputy minister, policy and communications branch; Michael Rutherford, director, economic and community initiatives; and Stephanie Tanton, principal adviser, economic and community initiatives.

Thank you again for making yourselves available today. I understand you have a brief presentation, and then we'll move to questions.

Mr. Taki Sarantakis (Assistant Deputy Minister, Policy and Communications Branch, Infrastructure Canada): Mr. Chair, I know you have some time pressures, so given that I was here two months ago, if you'd like, I could dispense with the opening remarks and just table them. But that's up to you.

The Chair: I'll ask the committee.

What do you have, about a five- or six-minute presentation?

Mr. Taki Sarantakis: Something like that.

The Chair: All right.

Should he make the presentation?

Some hon. members: Yes.

The Chair: Okay.

Please go ahead.

Mr. Taki Sarantakis: I'd like to thank the committee for having me back to speak with you today. As noted, I have with me Michael Rutherford, who's the director of economic and community initiatives, and Stephanie Tanton, who's the principal adviser on transportation projects in that group.

I'll be brief in my opening remarks, as we were here several months ago.

Infrastructure Canada has been monitoring the witnesses who have appeared before you in the last few weeks on the subject of public transit. It has been an excellent opportunity for us to gather an

even better understanding of the ideas and priorities of many of Canada's important stakeholders in this area.

The views of these witnesses and the work this committee is undertaking will be very useful in the context of the Government of Canada's commitment in the last budget to develop a long-term plan for public infrastructure that extends beyond the expiry of the current infrastructure plan.

Yesterday, in a speech in Toronto, Minister Lebel announced that this announcement would be forthcoming next week.

[Translation]

As you have heard, both the Federation of Canadian Municipalities and Canadian Urban Transit Association have indicated their support for developing a new infrastructure plan and a willingness to discuss public transit infrastructure in this context as part of this process.

[English]

As I mentioned during our last appearance, since 2006 the Government of Canada has made unprecedented commitments toward public transit. Since that time, close to \$5 billion has been committed from federal infrastructure programs toward regional and local transit priorities across Canada.

Infrastructure Canada programs have been designed to reflect the fact that communities large and small have unique and specific transit and infrastructure needs. As such, our investments have ranged from rapid transit and subway systems in our largest cities, to bus stop upgrades for increased accessibility and safety, the purchase of low-floor buses, and the construction of bus terminals in our smaller cities and communities.

As I believe you have heard from stakeholders such as Metrolinx, the Saskatchewan Association of Rural Municipalities, and the Alberta Association of Municipal Districts and Counties, the unique needs of Canadian communities will be an important consideration as we move forward with the development of the new long-term infrastructure plan.

In addition, since the last time we appeared before this committee, the government has tabled Bill C-13, which will make the gas tax permanent at \$2 billion per year, so municipalities can count on this stable funding for their infrastructure needs now and into the future.

With that, thank you once more and we'll be pleased to take your questions.

The Chair: Thank you very much.

Mr. Nicholls.

Mr. Jamie Nicholls (Vaudreuil-Soulanges, NDP): Thank you for coming before the committee again. We have a few questions we'd like to ask you.

Many studies have shown that when you put more people on public transit, it allows for smoother commercial traffic on our roads and highways. Would a federal strategy for public transit improve the outcomes of existing national strategies such as for gateways and corridors, environmental goals, and innovation, given that if we have good public transit in our cities, it will allow commercial traffic to circulate more freely?

Mr. Taki Sarantakis: Yes. Anything we can do to encourage the use of public transit is a positive activity from the perspective of trade. As you know, many of our international trade flows go through very large cities, so Toronto, Montreal, and Vancouver often suffer the effects of this congestion. To the extent you can get riders out of cars and onto public transit, that would most certainly help the flow of commercial traffic.

Mr. Jamie Nicholls: I was looking over the Auditor General's report yesterday with respect to the economic action plan. I noticed one of the lessons learned was that during the applications process, planning professions, such as engineers, architects, landscape architects, and so on, should be engaged right from the beginning.

Wouldn't it be helpful, in terms of planning our transportation network, to have those planners involved in developing a federal national public transport strategy?

• (1540)

Mr. Taki Sarantakis: Again, it's almost unheard of for a project to come forward to the federal government without urban planners having been involved in that project, so it's something that happens already. They come to us on a project basis.

For instance, when the cities of Toronto, Montreal, or Vancouver apply for public transit projects, those have all gone through their urban professional...and some cities are very good at that. Vancouver, for example, is renowned across the world for the extent to which it integrates public transit in its urban planning network.

Mr. Jamie Nicholls: The other day we had the STM here. One of its recommendations was to index the gas tax fund. We know the gas tax has been made permanent, but what does Infrastructure Canada think about indexing the gas tax fund? Would that be helpful?

Mr. Taki Sarantakis: The government has announced that the gas tax will be permanent at \$2 billion per year. Until and unless that budgetary decision is turned over, it's \$2 billion per year.

Mr. Jamie Nicholls: But would Infrastructure Canada also recommend indexing the gas tax fund, given the needs in our communities are not going to decrease, are not going to stay at the same level? Shouldn't we index that to the rate of inflation?

Mr. Taki Sarantakis: Well, \$2 billion is a substantial amount of money for municipal infrastructure. You have to keep in mind that the gas tax fund is not cost-shared. It's essentially a base funding for municipalities. What the proper quantum should be is really a governmental decision, and the department basically implements governmental decisions.

Mr. Jamie Nicholls: We also had a few rural organizations from Alberta and Saskatchewan talking about how intercity bus services serve as public transit for them. What do you think would be the advantages and disadvantages of introducing federal support for that kind of bus transportation?

Mr. Taki Sarantakis: Intercity bus transit right now is primarily private-sector driven. To the extent that the federal government participates, it participates largely through the subsidization of VIA Rail, which, as you know, is a significant ongoing subsidy. I think there is a role for the Government of Canada in looking at that. I'm not sure there's a role for the Government of Canada picking winners and losers in that area.

As you know, VIA Rail is a crown corporation, which is one of the reasons why the Government of Canada subsidizes its operating losses and its capital expenditures. To the extent that these intercity bus services are offered by private for-profit corporations, I think there would be a significant debate before the Government of Canada would undertake anything in that area.

Mr. Jamie Nicholls: I'll share the rest of my time with Mr. Sullivan.

Mr. Mike Sullivan (York South—Weston, NDP): Sticking to that point, one of the concerns raised by these rural municipalities is that reliance on the private sector has proven to be ineffective, because the private sector can cancel a service and then there is nothing. Is there a role, other than monetary, for the federal government in trying to maintain these services in poorly serviced areas?

Mr. Taki Sarantakis: Again, intercity service really isn't transit, per se. Intercity service is more service by rail or by airlines.

I appreciate that in Saskatchewan and in some other areas the distances between communities are smaller, because they have more communities per square foot or per kilometre, but essentially intercity bus service is outside the domain of public transit. It's generally considered a fundamentally different business line. They're not competitors. They're not entities that would be analyzed or dealt with by the same people.

Mr. Mike Sullivan: I'm not sure I follow. You're saying it's not something in which Infrastructure Canada or Transport Canada would be involved in any way, or...?

Mr. Taki Sarantakis: No, I'm saying that public transit is something that is within cities. If you're going from Toronto to Montreal, that's not public transit. That's intercity movement, and intercity movement is more airplanes, buses, trains. It's generally not considered public transit.

Mr. Mike Sullivan: So if it crosses a municipal boundary, is it public transit?

Mr. Taki Sarantakis: No. Obviously within a geographic catchment area, where people live and work in the same kind of metropolitan area, it's public transit. But if you're talking about visiting a city as opposed to working in a city, it's largely not considered to be public transit.

Mr. Mike Sullivan: I guess the concern of these small regional municipalities is that they view that as their public transit. If someone in a small rural area has a bus go by once a day, that's their public transit. That's the only way they can get to the bigger municipalities to see a specialist, go to a hospital, or go to a sporting event. When those services die, they look to the federal government for help. Are you saying that's not our role?

● (1545)

Mr. Taki Sarantakis: I'm saying if that service is provided by a public sector operator, it's very difficult for the Government of Canada to subsidize that. If, however, it's a service that would be operated in cooperation with the two municipalities at issue, in the example that you provided, that certainly would be eligible for funding under our programs.

The Chair: I have to interrupt and go to Monsieur Coderre.

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Thank you, Mr. Chair. I will continue to talk about a specific case.

There are requests from Quebec or Canada for the West Island train. This means that the neighbourhoods of the City of Montreal will be affected. There are also the cities on the island. It's clear that people are going to go to work and are going to live on the West Island. Do you think that's public transportation?

Mr. Taki Sarantakis: Yes, absolutely, because the service must be provided by a public organization and is intended for moving the people who are working.

Hon. Denis Coderre: It's a structuring project. I simply want us to understand a few things about the future of the infrastructure program.

When you appeared before this committee the first time, you justifiably highlighted a dual reality. The first is that of the infrastructures that already exist and that are becoming obsolete. The second is that of the new infrastructures that will eventually be put in place.

In your options, you talk about a dedicated infrastructure fund that could deal with one or the other. We have to deal with it because it's obsolete, it's very important. I'm not talking about the Champlain bridge, where there will be a new infrastructure. At that point...

[English]

there is so much money you can pay.

[Translation]

How do you see this, from a policy standpoint? I think it's important.

Can you tell me about the principle of flexibility within this program? There is a rural reality and an urban reality. On the urban side, I might, for example, want to dedicate money to a West Island train because I need another railway line. That's one thing. If, at the same time, I have a problem with a transnational roadway and cannot set aside money for it, I have a choice to make, I have a problem.

How do you see this?

Mr. Taki Sarantakis: Historically, the Government of Canada has put in place new infrastructures, which is still the case today. As

for the future, it's an important public policy issue. In the future, we will have many more challenges concerning the rehabilitation of infrastructures. It's something the Government of Canada has to consider. It isn't enough to simply ask whether the money will be available for new infrastructures. We are also responsible for ensuring that the infrastructures will be maintained at an appropriately safe level.

As for flexibility, we have a lot of programs with different objectives, such as the gas tax that could be used to cover the costs of the basic needs of the municipalities.

In general, though, the government supports the construction of new infrastructures.

[English]

Hon. Denis Coderre: One of the problems, when you look at the cost and the best policy to apply this, is that you will have some issues where it's better to refurbish an infrastructure than build a new one, for all the many reasons.

Mr. Taki Sarantakis: Yes, and we do that now, but it's under the guise of material rehabilitation.

For instance, if somebody comes forward and says, "We want to upgrade this transit system, and at the end of the day it will still serve between point A and point B and will still only carry 100 people per day", that's more or less maintenance. But if somebody comes and says, "We want to rehabilitate this line so that instead of running four trains a day, we'll be able to run six trains a day, and instead of being able to carry 50,000 people we'll be able to carry 75,000 people", that's an increase in capacity, and we treat that like a new project.

● (1550)

Hon. Denis Coderre: One of the issues will be of course all the "dedicated" issues. Of course you can have the gas tax, and it's useful and it's necessary, but there is so much you can spend. Of course it will all depend on what the cities and the provinces want to focus on.

The federal government is supposed to be there as a facilitator, but nevertheless, if we're talking about a dedicated fund, I do remember that in the first one in 1993, then we spoke about *un projet structurant*. So between a municipality and the provincial government was the *maître d'oeuvre*, and then Ottawa was there to provide if the two organized themselves.

[Translation]

In this case, can we have what we call...

I'm talking about flexibility because there is a difference between following up on what a municipality wants and a structuring project that may affect several municipalities at the same time. If you have just one envelope and you take all that into consideration, the per capita, and so on. That is why the dedicated fund is important.

Could we have, like at that time, an infrastructure fund with many components? There could be the "public transportation" component, the "structuring project" component and the "rehabilitation" component, for example.

Is this the kind of option you consider in your discussions?

Mr. Taki Sarantakis: This is an important question, and I think it will be a central question in the consultations for the next infrastructure plan.

[English]

Hon. Denis Coderre: Thank you, Mr. Chair.

The Chair: Thank you.

Mr. Richards.

Mr. Blake Richards (Wild Rose, CPC): Thank you, Mr. Chair.

I appreciate the witnesses' being here with us today.

I want to start by doing a quick review of the projects under the economic action plan. Obviously a number of projects would have fallen under transit or transit-related projects under the economic action plan. A vast array of different types of projects were funded under the economic action plan in municipalities all across the country in every province, every region, in various types of centres. Obviously I would know that some of those projects were certainly transit and transit-related.

Can you tell me how much money was spent under the economic action plan on transit or transit-related projects?

Mr. Taki Sarantakis: Absolutely.

Under the economic action plan there were two components. The first was the acceleration of the existing Building Canada fund moneys and that, in terms of transit, was in the order of \$2.3 billion.

The second component of the economic action plan was the introduction of the infrastructure stimulus fund, and under that approximately \$240 million went towards public transit.

Mr. Blake Richards: Okay. And those were projects that were determined to be priorities by the various municipalities, correct?

Mr. Taki Sarantakis: Correct. They were—

Mr. Blake Richards: So they were projects that municipalities felt were important initiatives for their communities as opposed to other types of priorities they may have had. They looked at those and said, "These are the priorities for us." It wasn't the federal government deciding for them that these were the priorities. It wasn't requiring a national strategy; it was the municipalities themselves saying that these were the projects that were important to them, and that was what was funded because of those reasons. Is that correct?

Mr. Taki Sarantakis: Absolutely, because one of the design features of our programs, with the exception of the gas tax, is that municipalities have to put up a portion of the funding. They put forward their priorities, because nobody wants to fund not their own priorities.

Mr. Blake Richards: Can you give me two or three examples? Try to use examples from different regions, if you can, and maybe from different types of centres, maybe one or two examples from a larger centre—more of an urban-type centre—and maybe some of the smaller centres that would have transit-related projects.

Obviously I know there would be some differences in those projects, but maybe you could give me some of the ones that you

feel would be great examples of very innovative projects that municipalities came up with.

Mr. Taki Sarantakis: In terms of the larger ones, two really stand out for me. One is the Spadina subway extension in Toronto, which is actually one of the largest projects in the history of the Government of Canada. That was also, I think, our first economic stimulus project in terms of the acceleration of the Building Canada fund.

The second is a transit project that's just now under way, the Evergreen transit line in British Columbia, which again is very strategic in terms of hooking up the Lower Mainland.

In terms of the smaller ones, there are all kinds of things. I could table a list for you. There are municipalities that have bought buses, and there are municipalities that have introduced rights of way. Other municipalities have introduced dedicated transit signalling, which means that when you're at a stop signal and it turns green, the buses get to go first before the cars. There has also been some innovation in terms of intelligent transportation systems.

Even here in Ottawa, if you take the bus, you can see in the last year that there has been a lot of technology added to the system. For instance, the bus stops are announced. There is an LED display at the front. Actually, when you're waiting at the bus stop you can phone a number and find out when your bus is going to arrive.

So there has been a whole host of projects funded under the plan.

• (1555)

Mr. Blake Richards: Essentially what I'm hearing from you, then, is that municipalities have very clearly been able to come up with projects that were suiting their priorities. In these cases you've mentioned, they were transit-related projects. That's what I asked you to provide me with. Certainly there were many other types of projects, very valuable projects, that were determined to be priorities by other municipalities, but it sounds to me as though municipalities have been able to very clearly identify where transit was their specific need and have been able to come up with some very innovative projects.

Certainly there was no requirement for the federal government to tell them how to invest their money, to them what types of projects they should be supporting. They were able to come up with transit-related projects that were very valuable to their communities, it sounds to me. Would you agree with that?

Mr. Taki Sarantakis: Absolutely, and the empirical data also confirms that. We have approximately 15 investment categories, and transit is always if not number one then number two. In fact, a lot of municipalities have decided to dedicate the totality of their gas tax funds to transit.

Even though it's an omnibus suite of programs, transit is always incredibly well represented.

Mr. Blake Richards: I'm glad you mentioned the gas tax, because that was actually what I wanted to talk about next.

I've always believed that a model like the gas tax model is a great way for our government to make investments in infrastructure. What that does, of course, is allow municipalities, as I've talked about and as you've mentioned, to set priorities among the projects they want to see. They can use the money they're provided under that fund to make long-term decisions about the priorities. Knowing that they have this predictable funding, knowing that it's something they can rely on, they can make priorities around it and plan what they would like to see as priorities for their communities.

Especially in a country like ours, a very diverse country, we have different regions and different types of communities, of course. We have some large urban centres. We have some very small communities that also have needs when it comes to transit, but they're very different.

I look at a riding like mine, for example. I have many small communities, but I have a number of small communities that have commuters who go to Calgary. They've been able to come up with systems they can use to help commuters. But they're certainly different from what they would be in a Toronto or Vancouver city riding. They've been able to set their priorities, just as a larger centre would have somewhat different priorities. Maybe it's a subway line in a larger community.

Would you agree with me that this is the rationale for that type of a fund to be utilized?

Mr. Taki Sarantakis: Yes. The philosophy behind the design of the programs has always been that we need partners to come forth and bring us their priorities to consider within what's to be funded. That is as opposed to going out and saying that this is what we want to see funded, so bring us projects.

Again, because we really seek to leverage federal funding, typically every federal dollar we spend generates at least another dollar, but more often it is two dollars. These really have to be the priorities of the municipalities, because it's not fair to expect them to pick up the cost of something if it's not their own priority.

Mr. Blake Richards: Absolutely. Well, I certainly—

The Chair: I have to interrupt you there and go to Mr. Albas.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Thank you, Mr. Chair.

I appreciate our witnesses being here today. Thank you for the presentation earlier.

In referencing that presentation, you mentioned that since 2006, the Government of Canada has made unprecedented commitments towards public transit. Since that time, federal infrastructure programs have committed close to \$5 billion to regional and local transit priorities across the country.

Now, in an earlier briefing note that you did as a follow-up to one of our previous meetings, you mentioned that the federal investments are limited to the capital costs of public transit systems. Under the current suite of federal and infrastructure programs, operational expenditures, such as staff salaries, fuel, and maintenance, are ineligible for reimbursement across all investment categories, not just public transit. Most of these are then picked up by the municipalities through their tax base or through fares.

Can you explain the rationale for this position? Is it constitutional in nature, or is it institutional to Transport Canada...or otherwise?

• (1600)

Mr. Taki Sarantakis: Essentially, I think the primary reason that the federal government has historically avoided operation costs is twofold.

First, it introduces a level of discipline into the system. If you are going to be responsible, after the project is built, for the operation and maintenance of that project, then you are going to build a system that's commensurate with the size of your needs. If you really only need seven buses, you're not going to apply for 25 buses, because then you're going to be responsible for paying the gas, the upkeep, the maintenance, the drivers, the salaries, etc., for the operation of that system. So number one is that it introduces a level of discipline.

Number two is that with capital costs it's very easy to be able to show what's incremental and what is something that you were going to do anyway. With operating costs and salaries it's much less clear. So we have municipalities that come to us and say, for instance, we want to build this project but we're going to only use our own engineers; we're not going to use outside contractors. For us, then, it becomes a case of, well, how are we going to really figure out what you were going to pay for anyway?

So we don't want to be in a situation where we're just substituting federal tax dollars for other tax dollars. In previous programs that the government has run, that's been criticized by the Auditor General. Our capacity to show that the federal dollars are really incremental is much easier on the capital side than it is on the operating side.

Mr. Dan Albas: Thank you.

You mentioned introducing discipline to the system and maintaining that discipline. It says here that it's also important to ensure that the criteria for federal funding does not deter needed maintenance of the infrastructure assets; as they own and operate most of the country's transit systems, municipalities are making important decisions on the allocation of operational funding.

So from that statement it sounds like we're saying that there are going to be long-term costs and we don't want to see deferred maintenance on a project that is funded through our partnership to eventually become unsustainable and rely on other forms. Is that correct?

Mr. Taki Sarantakis: Correct. We also don't want to see a situation where municipalities are failing to maintain their assets in the hope of getting a portion of that maintenance covered by some future program. We want infrastructure that's really commensurate with the size of the community and we want infrastructure that we know a community can support into the future. We don't want situations where municipalities are over-building and we don't want situations where municipalities are building something that they themselves cannot operate and maintain going forward.

Mr. Dan Albas: That's going back to your point about how it's very important for a community to actually not just communicate its priority but actually make sure it's within the scope of what's achievable for them and also sustainable over the long term. I guess, if you don't have that individual one-on-one community planning where they're coming forth with it, you may not have that kind of discipline and that kind of long-term vision. Is that correct?

Mr. Taki Sarantakis: Yes; again, it's easier to be able to apply for something from the community up towards the federal government than it is for the federal government to be dictating the criteria down. In a country that's as vast as Canada, with as many different regions and with the sizes of our cities ranging from five million in the greater metropolitan area in Toronto to hamlets and villages of a couple dozen people, it's quite a challenge to be able to incorporate all of that into program design.

Mr. Dan Albas: I'm sure I'm nearing the end of my time here, but I want to go back to the gas tax. One of the things I've been hearing in my area, from speaking to local government officials, is that when they look at the gas tax....

First of all, they're very happy to see that this government has said that we are going to make permanent the gas tax, because this has been brought forward before. It creates that stable level of funding. But one thing they'd like to see—and I haven't heard the inflation one come up from any local government—is even more flexibility in the rural areas, for example to be able to be light a light standard so that there's better safety on the road, not just the road itself. That's just some feedback coming forward.

Going back to the due diligence of a proposed project, you've listed in this briefing note here that there are a lot of things the federal government looks at when deciding to work in partnership with a municipality or with a province or with both in regard to public transit: improved mobility and reduced congestion, improved access to transit, increased transit ridership, increased transit modal share, improved travel times, improved safety and security of passengers and other transportation use, improved operational efficiencies, reduced emission of air pollutants, increased implementation of transit-oriented development.

In my particular area, people are always concerned, particularly in the rural areas, about improved safety and security of passengers—helping to make the system more functional. Again, as I said, we want to make sure roads are well lit, etc. Can you give us an example of a project that actually improved the safety and security of passengers?

• (1605)

Mr. Taki Sarantakis: How about I speak a little more generally?

Mr. Dan Albas: Sure.

Mr. Taki Sarantakis: Safety and security are very important, and we have some special rules on safety and security. In the provincial-territorial base fund, for example, we will allow a municipality to apply directly for urgent safety and security issues, even if they're not capital.

With respect to the types of things we do in transit safety and security, it tends to be things such as lighting and communication. Should situations arise, it's important for bus drivers and operators to be able to communicate back to dispatch or to the police.

As you know, we live in a society that is increasingly dominated by communications and surveillance equipment, which is coming down in cost, so a lot of municipalities are now monitoring their transit systems live via the web, primarily for safety purposes.

The Chair: Thank you.

Ms. Chow.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Chair, I assume our committee will be coming back?

The Chair: That's a decision of the committee. When we get there, we'll just have to see.

Ms. Olivia Chow: All right.

Thank you for being here.

Do you support one fund that would have infrastructure and public transit? A lot of the municipalities are saying they want to know precisely how much, and are asking about having a public transit fund separate from the infrastructure fund. What's your view on that?

Mr. Taki Sarantakis: As an official, I don't have a view per se—

Ms. Olivia Chow: Oh?

Voices: Oh, oh!

Mr. Taki Sarantakis: —but what I can tell you is that the way the government delivers the funds now, they tend to be omnibus in nature. Municipalities are able to apply for a multiplicity of things within that fund, including transit. Transit has historically been either one or two on our list of most-accessed funding.

In our review of the testimony that came before you, we didn't see a lot of people who had arguments with that. A lot of people tended to support it. Again, if transit is your priority, it will be something that's funded. If transit isn't, you can apply for something else.

Ms. Olivia Chow: If a municipality or a province submitted a list where projects were ranked, what percentage of the time would you accept that list? Would there be times when you'd say, well, we don't like project number one, we prefer project number four, and that's why we will fund project four and not project one?

Mr. Taki Sarantakis: With most municipalities, it depends on the program.

Ms. Olivia Chow: This is provinces and municipalities.

Mr. Taki Sarantakis: Yes; under the communities component of Building Canada, municipalities are limited to applying for one project per round. Again, that's an instance where municipalities give us their number one priority.

Ms. Olivia Chow: I was referring to public transit.

• (1610)

Mr. Taki Sarantakis: Yes, and if it's public transit, it's public transit.

Ms. Olivia Chow: Right.

Mr. Taki Sarantakis: So in the gas tax fund, as you know, municipalities—

Ms. Olivia Chow: I'm not talking about that, I'm talking about Building Canada.

Mr. Taki Sarantakis: Right, but Building Canada has two components.

Ms. Olivia Chow: If it's the province that submitted a list together with the municipalities, do you accept that list, say, 90% of the time? How often do you say that there's a wrong ranking?

Mr. Taki Sarantakis: Under the major infrastructure component of Building Canada, which I think is what you're talking about—

Ms. Olivia Chow: Yes.

Mr. Taki Sarantakis: —we negotiate with provinces and municipalities. So every province has a specified allocation and we negotiate with provinces, mostly, for what we're going to do.

Ms. Olivia Chow: Do you not think that municipalities should also be at the table when you negotiate with the province?

Mr. Taki Sarantakis: Municipalities are often at the table, but the allocation goes first to the province. Then the priorities are discussed within that.

Ms. Olivia Chow: So how do you decide, when you negotiate with the province, which project, in your mind...? I'm thinking of the precise criteria: for example, whether a streetcar is better than buses or subways.

Mr. Taki Sarantakis: Generally speaking, the ones that get funded the soonest are the ones that are most ready to be funded. We get projects that come to us in different stages. Some of them are complete. They've done their engineering. They've lined up their financing. They've done their environmental assessments and they're ready to go.

At the other end, people come to us with projects that are basically what we would call “conceptual” projects. They're projects where the engineering hasn't been done. The environmental assessment hasn't been done. People haven't finished their financing.

Essentially what we do is we look at the projects that are the most viable in terms of the capacity to be implemented within the duration of our programs. Our programs have expiry dates, and some proposals that come forward to us, including transit proposals sometimes, are so large and not ready that they—

The Chair: I do have to interrupt the proceedings now, as we have a call.

Go ahead, Mr. Richards.

Mr. Blake Richards: Mr. Chair, I move that we adjourn the meeting. I feel that, by the time this vote has been completed, there would be a very limited amount of time left. I know we have public servants here today as our witnesses. The last thing I would want is to see them sitting around waiting for this committee for over an hour, when they could be using their time very valuably to serve our Canadian public.

The Chair: The motion has been put to adjourn the committee.

Ms. Olivia Chow: May I speak to the motion?

The Chair: It's non-debatable, regrettably, because it's from the floor.

I'll put the question. All those in favour—

Ms. Olivia Chow: I'd like a recorded vote, please.

The Chair: A recorded vote has been requested.

(Motion agreed to: yeas 7; nays 4)

The Chair: The meeting is adjourned.

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :*
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and
Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
<http://publications.gc.ca>

Also available on the Parliament of Canada Web Site at the
following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

On peut obtenir des copies supplémentaires en écrivant à : Les
Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : 613-941-5995 ou 1-800-635-7943
Télécopieur : 613-954-5779 ou 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
<http://publications.gc.ca>

Aussi disponible sur le site Web du Parlement du Canada à
l'adresse suivante : <http://www.parl.gc.ca>