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# Standing Committee on Transport, Infrastructure and Communities

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EVIDENCE

**Monday, May 30, 2016**

—  
**Chair**

**The Honourable Judy A. Sgro**



## Standing Committee on Transport, Infrastructure and Communities

Monday, May 30, 2016

• (1530)

[English]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** I call meeting number 15 of the Standing Committee on Transport, Infrastructure and Communities to order. It is exactly 3:30 p.m.

I welcome all of you. We continue to deal with supplementary estimates. We have all of the departmental experts here to answer questions of the committee. I very much appreciate your being here.

Would you like to introduce yourselves? We'll start with Paul.

**Mr. Paul Griffin (President and Chief Executive Officer, Marine Atlantic Inc.):** My name is Paul Griffin. I'm president and CEO of Marine Atlantic Inc.

[Translation]

**Mr. André Lapointe (Chief Financial Officer, Department of Transport):** My name is André Lapointe. I am the assistant deputy minister and chief financial officer at Transport Canada.

[English]

**Ms. Helena Borges (Associate Deputy Minister, Transport, Infrastructure and Communities, Department of Transport):** I am Helena Borges, associate deputy minister of transport.

**Ms. Yazmine Laroche (Associate Deputy Minister, Infrastructure Canada):** I am Yazmine Laroche, associate deputy minister, Infrastructure Canada.

**Ms. Darlene Boileau (Assistant Deputy Minister, Corporate Services and Chief Financial Officer, Infrastructure Canada):** I am Darlene Boileau, assistant deputy minister, infrastructure, and CFO.

**Mr. Angus Watt (President and Chief Executive Officer, Canadian Air Transport Security Authority):** I am Angus Watt, the president and CEO of the Canadian Air Transport Security Authority.

**Mr. Omar Rashed (Acting Chief Financial Officer, Canadian Air Transport Security Authority):** I am Omar Rashed, acting vice-president and chief financial officer of CATSA.

**The Chair:** As we start our meeting, I do have to mention to you that we're having a problem with our translators. The air conditioning is not working, so it's pretty hot. I'm not sure for how long our great translators will be able to cope with the heat in there; otherwise they can get it fixed. We will do our best to move along.

First I will call vote 1a under Canadian Air Transport Security Authority. Who would like to speak to that?

**Mr. Angus Watt:** Madam Chair, I'll start, with your permission.

CATSA was established on April 1, 2002, and is an agent crown corporation fully funded by parliamentary appropriations and accountable to Parliament through the Minister of Transport.

CATSA's mandate consists of four areas of aviation security: pre-board screening, which is the screening of passengers and their belongings prior to their entry into the secure area of an air terminal building; hold baggage screening, which is the screening of passengers' checked or hold baggage to prevent the boarding of prohibited items; non-passenger screening, which is the random screening of non-passengers accessing restricted areas at the highest-risk airports; the restricted access identity card, the program which uses iris and fingerprint biometric identifiers to allow non-passengers access to the restricted area of airports.

CATSA is expected to screen over 61 million passengers and their belongings in fiscal year 2016-17. Through the supplementary estimates (A), CATSA is seeking approval to access approximately \$113 million in funds earmarked in budget 2014 for enhanced non-passenger screening for fiscal year 2016-17 in order to continue to support the strengthened International Civil Aviation Organization non-passenger screening standard.

This program, which was based on a Transport Canada risk assessment, increases CATSA non-passenger screening coverage to 100% presence at designated restricted area access points in the air terminal building at the highest-risk airports. It also introduced a screening program for non-passengers and vehicles that have access to the wider commercial apron of an airport.

In addition to these funds, CATSA is seeking approval of an additional \$29 million in operating funding for 2016-17. These funds will be used to deliver a wait time service level similar to that of 2015-16. Last year, over 85% of passengers were screened in 15 minutes or less at Canada's largest airports. The funding will also accommodate new, upcoming operational changes primarily due to changes in passenger flows at major airports, and to support airport economic development plans.

I'm here today with Omar Rashed, CATSA's acting vice-president and chief financial officer, to answer the committee's questions on the supplementary estimates (A) for CATSA.

Subject to your questions, that completes my statement.

• (1535)

**The Chair:** Thank you very much.

Who would like to go next?

**Ms. Helena Borges:** Madam Chair, we should probably introduce the two people on the video screen. They are with VIA Rail. The gentleman is Mr. Martin Landry. He's the chief commercial officer. The lady is the chief financial officer, Ms. Patricia Jasmin.

Do you want to continue with the crown corporations? Is that easier?

**The Chair:** Yes, thanks.

**Ms. Helena Borges:** Why don't we go to Marine Atlantic.

**Mr. Paul Griffin:** Madam Chair, thank you to you and the committee for having us here today. I should mention that I also have Mr. Shawn Leamon with me. He's our VP of finance. Shawn and I will do our best to answer and address any areas that you would like to cover.

I prepared some slides for the committee. I hope the committee has them. It's a deck of seven slides. Did that get distributed?

**The Chair:** Yes. If you send it to us, now everything is done through SharePoint. I believe we have it.

**Mr. Paul Griffin:** I'll reference those, if that's okay, Madam Chair, as I go through.

**The Chair:** Yes.

**Mr. Paul Griffin:** We have a short presentation that will provide the committee with some background and context. If you have the slides, I'd ask you to look at slide two.

Just to provide a bit of background, Marine Atlantic is a critical transportation link of the Trans-Canada Highway between the island of Newfoundland and the mainland. We fulfill Canada's obligation to provide a freight and passenger ferry service between the island and Nova Scotia under the 1949 terms of union between Canada and Newfoundland. The essential nature of the service was recognized a number of years ago by the Canada Industrial Relations Board when we were designated an essential lifeline service.

We move residents of the island, non-resident tourists, and just about any type of product that you can imagine, from paper towels to medical oxygen. We carry about half the commercial goods on and off the island, and we play an important role in the business community of eastern Canada. We also play an important role in supporting Newfoundland's \$1-billion tourism industry. In terms of statistics, last year we carried about 300,000 people, over 100,000 passenger vehicles, and close to 100,000 commercial vehicles.

Slide three has a picture of our fleet, which comprises four large RoPax super ferries. With the Government of Canada's support, we recently purchased two of these vessels: the MV *Blue Puttees* and the MV *Highlanders*. Two of the other vessels we own, the MV *Leif Ericson*, since 2000, and the MV *Atlantic Vision*, we lease from a European company.

All four vessels are required to carry the traffic during the peak summer season, and we regularly utilize three of the vessels during the winter months. We do have challenges during the summer months if one of these vessels suffers any mechanical breakdown, so an ongoing asset renewal and a rock-solid maintenance program are critical to our success. The fourth vessel acts as a backup during the winter months and allows us to complete vessel refits in the spring, all of which reduces the risk profile of the service.

Safety, of course, is absolutely paramount, given the harsh weather conditions we encounter in the Gulf of St. Lawrence, where high winds and significant wave heights can occur at any time during the year. Our ships are also designed to navigate through ice, which allows us to operate during the late winter and early spring, when we often encounter ice conditions in the gulf.

Slide four provides a familiar reference in terms of the size of our vessels. The MV *Blue Puttees*, which is pictured here, can carry about two and a half kilometres of road traffic, which is the equivalent of 525 passenger vehicles, plus more than 700 passengers and crew.

Slides five and six demonstrate some of the improvements we've made to the service over the last several years. With the excellent support of the Government of Canada and our friends at Transport Canada, we've made significant changes to our fleet, our infrastructure, our business practices, operations, internal processes, and so on. We deliver our service much more efficiently as a result.

In 2009, fewer than half of our customers were highly satisfied with our service, and I'm happy to report to the committee this improved to over 75% last year. In fact, some of our commercial customers indicate the level of service they receive today is the best they've ever seen.

As you can see on slide five, we are moving more traffic with fewer sailings, which greatly improves efficiency as well as reduces the risks to the maritime environment. Fuel consumption is dramatically down, which reduces environmental emissions as well as costs. We've also introduced new food service offerings, and we offer more cabins on our service.

Improved service has allowed us to generate more revenue which, when coupled with better cost control, has allowed us to increase our cost recoveries, and more importantly, deliver greater value to our customers and to the Canadian taxpayer.

Slide six highlights some of the metrics we track and how they've improved over the last several years. I'd like to draw your attention to our on-time performance. Excluding weather delays, it improved from under 70% in 2009 to over 90% last year. Including weather delays, it was still over 87%. By way of comparison, our numbers were better than any major airline in North America last year, according to FlightStats, which presented the top performer award to Alaskan Airlines in 2015 for an on-time performance of 85%. Needless to say, Marine Atlantic's reputation has improved dramatically over the last several years, something our board of directors has been heavily focused on, and something that our employees have been proud to deliver.

Slide seven indicates the amounts in supplementary estimates (A) which total \$6.1 billion. That amount funds three important projects that are highlighted on the slide: mooring system upgrades, fender upgrades, and some replacement of the storm sewer in Port aux Basques.

● (1540)

With that, Madam Chair, I would like to thank you and the committee members for your attention. Mr. Leamon and I would be pleased to provide any further information that you require.

**The Chair:** Thank you very much. We appreciate that.

**Ms. Helena Borges:** Perhaps I'll ask VIA Rail if they have any opening remarks.

**Mr. Martin R. Landry (Chief Commercial Officer, VIA Rail Canada Inc.):** Yes we do, thank you.

[*Translation*]

Madam Chair, ladies and gentlemen of the committee, hello to everyone from Montreal. I am Martin R. Landry, chief commercial officer at VIA Rail Canada. I am pleased to be here with you today with our chief financial officer, my colleague Patricia Jasmin.

[*English*]

Created by an order in council in 1977, VIA Rail operates a national passenger rail service on behalf of the Government of Canada providing intercity, regional, and essential remote rail transportation services. Our vision is to provide a safe, efficient, reliable, and environmentally sustainable transportation service that meets the needs of Canadian travellers.

We're proud to serve over 400 communities from sea to sea to sea across a rail network of some 12,500 kilometres. Today you've called on us to answer your questions regarding \$6.9 million in funding that has been presented in the supplementary estimates (A). The submission can be broken down into three different initiatives.

First, there's an allotment of funds to address the decontamination of VIA Rail property, which forms part of the broader federal remediation plan to address contaminated sites.

In addition, this submission also requests authority to spend a portion of the \$34 million in VIA Rail's maintenance centres and stations as outlined in budget 2016. Specifically, we're requesting authorization for \$3 million for upgrades to VIA Rail's maintenance centres in Toronto and Montreal. This includes updates to various mechanical and electrical systems, heating and ventilation systems, roof repairs, water treatment, yard trackage, and other work to ensure

continued compliance to regulations and to provide for efficient operations.

We're also requesting \$3.8 million for various upgrades to our stations in the Quebec City-Windsor corridor, including similar infrastructure work to what was mentioned for the maintenance centres, as well as platform improvements.

As you know, passenger rail transportation is a capital intense business. As such, there are significant investments required to maintain our aging assets to ensure the safety and comfort of our customers. For instance, as you may know, we operate the oldest fleet in North America. Although the life expectancy of passenger trains is typically in the 25 to 30 years range, the average age of our rolling stock is over 40 years old. The advanced age of our trains combined with the stress of running over freight tracks takes a significant toll on our trains. This, when added with the declining on-time performance resulting from sharing tracks with freight railways has played a major role in the decline of ridership over the last several years.

That is why VIA Rail was pleased to see budget 2016 announce investments in pre-procurement activities for new rolling stock for VIA Rail, as well as a commitment to further study a proposal for a high-frequency rail service within the corridor that could see VIA Rail operate on dedicated tracks and therefore offer better frequencies, improved on-time performance, and reduced trip times for our customers.

● (1545)

[*Translation*]

We recognize that investing in sustainable transportation infrastructure, while also addressing the harmful effects that highway congestion has on the environment and climate change, is among the Government of Canada's priorities. This initiative offers clear economic and environmental benefits through job creation and the anticipated increase in labour productivity. Moreover, our plan will lead to significantly reduced greenhouse gas emissions. We anticipate that this more modern service will substantially increase ridership, thereby also reducing the number of car trips per year. Designed and planned by our management team, this initiative is specifically aimed at finding permanent solutions to our recurring operating deficit and the very slow growth in ridership.

[English]

We believe that this plan could not only improve the mobility and productivity of Canadians by providing them greater sustainable travel options, but would also do so in a fiscally responsible way by reducing VIA Rail's reliance on the federal budget.

In conclusion, I would like to reiterate the commitment of the entire VIA Rail team to continue to deliver a safe, comfortable, and environmentally sustainable passenger rail service on behalf of the Government of Canada. We're excited about Canada's future and how sustainable transportation alternatives like passenger rail will play an even more important role in connecting Canadians from coast to coast to coast.

My colleague and I are pleased to take your questions.

Thank you.

**The Chair:** Thank you very much.

Ms. Borges, go ahead.

**Ms. Helena Borges:** Now that you have heard from three of our partners in the Transport portfolio, I will give you a few remarks on what is in the request for supplementary estimates (A) for Transport Canada.

You will note that we are requesting a total increase in our estimates of \$125.9 million. This is to assist the department in continuing to provide a safe, secure, efficient, and environmentally responsible transportation system. The most significant amount listed is for the ferry services contribution program. This is above and beyond the amount that Marine Atlantic has spoken about. Budget 2016 provided approximately \$51.4 million to support three ferry services in Atlantic Canada and eastern Quebec up to March 31, 2017, so it is one year of funding. The services that receive this funding operate between Îles-de-la-Madeleine, Quebec and Souris, P.E.I.; between Wood Islands, P.E.I. and Caribou, Nova Scotia; and between Saint John, New Brunswick and Digby, Nova Scotia.

As well, the funding is provided to take out of service the *Princess of Acadia*, which was a vessel that was replaced by a new vessel called the *Fundy Rose* last July. We now need to dismantle this vessel because it has contaminants on board and it is no longer safe to operate. The requested funding will be provided to the ferry operators to cover their operating deficits and expenditures and to maintain and repair the Transport Canada assets, which include the vessels as well as the terminals that these services operate between.

The second amount of funding for Transport Canada is related to climate change and air pollution. This two-year bridge funding, which was announced in budget 2016, will allow Transport Canada to continue efforts to reduce air emissions from transportation and to improve the resilience of the transportation system in the north to address the impacts of climate change and extreme weather conditions.

The third item is for \$22.6 million. It is operating funding related to the assessment, management, and remediation of federal contaminated sites, otherwise known as the federal contaminated sites action plan, of which we are one of several partners in the federal government. Transport Canada is responsible for the management of 379 contaminated sites across the country. These

stem from a history of commercial and industrial activity at Transport Canada facilities such as airports and ports. The department also has assessment and remediation obligations linked with the divestiture of departmental lands and facilities.

Now I will speak about the funding that was provided as part of the infrastructure initiative. We are asking for \$17.88 million of new funding to cover three separate elements: \$4.8 million would allow Transport Canada to address urgent health- and safety-related capital projects at Transport Canada-owned airports and ports; \$1.2 million would allow Transport Canada to build an exterior barrier for crash testing of alternative fuel vehicles at our state-of-the-art motor vehicle test centre in Blainville, Quebec; and \$11.8 million for the remediation of sites, but not part of the federal contaminated sites program. These would be other sites that Transport Canada owns.

As well, in supplementary estimates (A) we are asking for authority for \$2.67 million to allow our inspectors to continue to inspect foreign tankers for another year, as well as \$974,000 that is being requested to allow us to meet our legislative requirements under the northern territorial environmental assessment regimes to meet the service standards for northern projects. This is a technical obligation we have to the boards that review projects in the north. As well, \$932,000 is being requested to allow Transport Canada to continue its current ballast water program, which works to prevent invasive species from entering Canadian waters, and \$2.59 million in statutory appropriations which are required for employee benefit plans for the salary dollars included in these estimates.

While I appreciate this might be a lot of information to digest, I and my colleague, the CFO, would be happy to take questions in terms of the details.

I will turn it over now to Yazmine Laroche.

• (1550)

**Ms. Yazmine Laroche:** Thank you, Helena.

Thank you all for inviting us to be here with you again. It is a pleasure to see you.

I am accompanied by our assistant deputy minister for corporate services and chief financial officer, Darlene Boileau, who will be more than happy to answer the tough questions.

We have been invited here today to speak to you about Infrastructure Canada's supplementary estimates (A), which were tabled in the House of Commons on May 10.

Before I get into the details of the funds that we are requesting, I would like to talk a bit about the work that the department has done to date, the work that will be supported by the funds we are requesting.

[Translation]

During his last appearance, Minister Sohi spoke about the Government of Canada's commitment to doubling federal investment in public infrastructure in the next decade. Over the next 10 years, that represents \$60 billion in new investments focused on public transit, green infrastructure and social infrastructure.

[English]

In budget 2016, the federal government announced that phase one of its infrastructure plan would provide immediate investments of \$11.9 billion, including: \$3.4 billion to upgrade and improve public transit systems; \$5 billion for investments in water, waste-water, and green infrastructure projects; and \$3.4 billion for social infrastructure, including affordable housing, early learning and child care, cultural and recreational infrastructure, and community health care facilities in first nation communities.

As a department, we moved quickly to get as much information as we could to our provincial, territorial, municipal, and stakeholder partners.

[Translation]

In keeping with the department's commitment to transparency, the letters that Minister Sohi sent to his provincial and territorial counterparts, which provided details of the funding that will be allocated to the public transit infrastructure fund and to the clean water and waste water fund, were published on the Infrastructure Canada website.

[English]

More recently, on May 4, Minister Sohi reached out to members of Parliament and asked them to be involved in the development of phase two, which is the long-term infrastructure strategy. The minister has asked parliamentarians to indicate to him what areas of investment are important to their communities and to their constituents. This will help identify what areas require federal involvement, and what kind of funding or programming needs to be developed. This feedback will be invaluable in designing the longer-term infrastructure plan.

[Translation]

Returning to phase 1, you can see that the department has requested additional funding of close to \$1.4 billion in the supplementary estimates (A). This funding will be allocated to our programs as follows: \$844 million for the public transit infrastructure fund; close to \$500 million for the clean and waste water fund; close to \$24 million for the existing New Building Canada Fund; and close to \$19 million for transfer programs to support municipalities in asset management planning and capacity building to help them face the challenges related to climate change.

• (1555)

[English]

In addition, Infrastructure Canada is requesting approximately \$14.7 million for operating funding, which includes: \$10.2 million for operating expenditures including personnel; \$0.5 million for a data initiative with Statistics Canada; and \$4 million to develop codes, guides, and specifications for climate resilient infrastructure with the National Research Council.

[Translation]

Finally, I would like to point out that, in keeping with the department's transparency mandate, we will present the results of our investments at the same time as this funding is disbursed.

[English]

Thank you for inviting us to appear before you today. We would be happy to answer any questions you have.

**The Chair:** Thank you all very much. We very much appreciate your keeping your comments brief so the committee members can get as many of their questions answered as possible.

We'll start with Ms. Block, for six minutes.

**Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC):** Thank you very much, Madam Chair.

I want to welcome everybody back after a break week. I know both the Liberal and the Conservative members attended some conventions, but it's good to be back here in Ottawa doing this very important work.

Witnesses, I thank you for coming and giving us the opportunity to question you around the supplementary estimates.

My questions are going to be for the Canadian Air Transport Security Authority.

CATSA is requesting \$142 million in additional funding, which represents approximately a 22.8% increase. According to the preamble included in the supplementary (A)s, \$113 million of this funding will be used to comply with an International Civil Aviation Organization standard, which I know came into effect July 15, 2013. It required member countries to ensure that non-passengers and items they carry are subject to screening and security controls prior to entering security-restricted areas serving international civil aviation operations.

I have a number of questions. I'll ask two at a time, and then give you an opportunity to answer them.

Why was there a delay in receiving the 2016-17 incremental funding to deliver enhanced screening of airport staff in restricted areas?

**Mr. Angus Watt:** I'm not sure I understand. Did you say a delay?

**Mrs. Kelly Block:** Yes.

**Mr. Angus Watt:** In what...? Essentially, this is a ramp-up program. We started in 2013 and are in the third year of implementation of that ramp-up. This is the completion of that implementation phase.

**Mrs. Kelly Block:** Okay.

**Mr. Angus Watt:** Once this year is done, then we go into long-term sustainment, and the financial basis changes at that point.

I'll pass it back to Helena, if she wishes to comment more.

**Ms. Helena Borges:** No, it's exactly as Mr. Watt said. It's a three-year funding initiative, and this is the final year. Every year in the estimates that CATSA has provided there is the annual funding for implementing this initiative. This is the final year of the initiative.

**Mrs. Kelly Block:** Okay. Considering that Transport Canada and CATSA have known about this, why isn't it included in the main estimates?

**Ms. Helena Borges:** It's a good question. Because we need to know that CATSA is going to need all the money that was appropriated when it was first announced in the budget, it's better that we wait and make sure that it gets the money it needs for that year. That's the only reason. But it had been appropriated in an earlier budget.

**Mrs. Kelly Block:** In effect, it is a delay to see whether they actually will need it or not.

**Ms. Helena Borges:** It's responding to the planning for that year. Crown corporations every year have to submit a corporate plan to the government, and the funding they get for that year is based on the plan they submit to the government. It's not a delay. It's the annual appropriation based on the corporate plan for this year.

**Mrs. Kelly Block:** Even though it's a three-year plan.

**Ms. Helena Borges:** That's right, and it has received funding in the other two years as well.

**Mrs. Kelly Block:** Okay.

Has this enhanced security standard been met over the past three years? If it has been in place since July 15, 2013, why has the cost of delivering it risen so steeply?

• (1600)

**Mr. Angus Watt:** We started off in 2013 spending approximately \$15 million a year on non-passenger screening. We had a very minimal program at the time, which essentially consisted of a sampling of non-passengers accessing the sterile areas of airports. It was decided by the government at that time, with Transport Canada's regulatory oversight, that we needed to improve our standard of delivery of that service based on the coming into force of the ICAO standard.

To go from \$15 million to what will eventually be almost \$150 million of annual expenditure required an implementation phase: implementation to hire the screening officers, to purchase the equipment, to train the people, to put the infrastructure into place, to get the airports ready. To do all this, there has been a huge amount of work over the last three years. What you see isn't a delay; it's a planned implementation phase, which is just culminating now, as we reach the maturity of the three-year implementation.

I'm quite proud of what we've been able to do, to go from \$15 million to a tenfold increase in three years.

**Mrs. Kelly Block:** Okay. The main estimates state that the incremental cost of delivering this enhanced security service is \$72.2 million, but here we are with supplementary estimates (A) looking at another \$110 million since the main estimates.

Is that what I'm seeing?

**Mr. Angus Watt:** I'm not sure where you're getting those figures.

**Ms. Helena Borges:** The main estimates would have included funding for CATSA's regular programs, which were the three elements that Angus spoke about earlier, for its identity card, for its passenger screening, and those elements. This is a separate program, and it received three-year funding. It was allocated at that time in the budget, and now, as he said, he's just rolling out the plan.

It is quite complicated because at every single airport, the airports also have to make adjustments to the way that people who are not passengers—the people who work on the air side, for example, who drive those trucks you'll see, the little carts that are moving the aircraft.... They have to basically minimize the entry points for those, making sure that those people who are coming into the airport or getting access outside are meeting these requirements.

It takes a lot of time, because there are many airports and many activities that have to happen all at once.

**The Chair:** Thank you very much, Ms. Block. I'm sorry, but your time is up.

The next questioner will be Mr. Badawey, for six minutes.

**Mr. Vance Badawey (Niagara Centre, Lib.):** Thank you, Madam Chair.

I note that the supplementary estimates contain \$22.7 million in operational funding for the Department of Transport's role in a \$254 million horizontal initiative to assess, manage, and remediate federal contaminated sites throughout the country. Originally, municipalities and utility companies, etc., invested quite heavily in the economic strategic gateway sites, which you spoke of, whether they be airports or whether they be ports. With that, a lot of those investments had to do with water, waste water, roads, sidewalks, utilities, hydro, gas, information technology, etc. With that, it also contributed to local economies, their identity, as well as past and future initiatives as they relate to the economy, once again recognizing a lot of them were airports and ports, as you recognized.

Today, a lot of these lands throughout the country.... I have a good-sized chunk right in the middle of one of the cities in my riding, and I'm talking right smack dab in the middle, which makes it a complete eyesore to some extent, albeit in a strategic location.

They did contribute, as I have said, to local identity and economic initiatives. Sitting stagnant, a lot of them sit with existing contaminants of concern, many of which are worse than others. In my neck of the woods, there's a piece of land that Transport Canada currently owns which contains a heavy concentration of arsenic, lead, etc. Once again, it's in the heart of our city, right next to residential areas and parks and areas where a lot of kids play.

My question is for you, ma'am. Does the federal government, Transport Canada in particular, have an asset management plan attached to the contaminated sites? It is an asset to Transport Canada, so I would assume there would be an asset management plan attached to those sites which takes into consideration ongoing risk, return on investment to bring those sites back into productivity some day, especially if the municipalities are asking for that to happen so that they can add it to their economic portfolio.

Finally, I know some of the sites do have site-specific risk assessments attached to them. Those risk assessments do identify the contaminants of concern. With that said, is there a strategy to actually look at those sites to have them remediated, then once again attach themselves to the latter, which is both returns on investment and the ongoing risks that are attached to those sites?

• (1605)

**Ms. Helena Borges:** Thank you very much for that question.

This amount of money, the \$22.6 million, is to address our high-risk contaminated sites. When you're talking about risk assessment, yes, this one really is focused on human health and the environment.

As I mentioned, we have a large inventory of sites, a lot of them are former airport sites, or port sites, or existing airport sites. We have a three-year investment plan for all of our sites, including our contaminated sites. We bundle them into two envelopes. The federal contaminated sites, which are the high-risk to health and the environment, get funded from this envelope, and the other ones get funded from other funds within the department once we have those funds.

We do assessments at every single one of them. The assessments are to identify the contaminants. As part of that assessment, we develop what is called the remediation plan, which is how we are going to address decontaminating the site and undertake that work. Every year we're funding a variety of sites across the country. This funding is really going to help us make a good dent in our highest-risk sites in terms of making sure we are addressing those that are at the highest risk in terms of human health, such as if they're getting seepage into the water or the effects are right on humans or into the environment.

Because we have such a large number of sites, we cannot do them all in one year. We do have this investment plan that basically allows us to chip away at them. Once the sites are cleaned, we will normally transfer them to municipalities or local interests that are interested in the sites.

**Mr. Vance Badawey:** That's good news. I'll be sure to give you an idea of some of the sites that I have at front of mind.

According to the budget 2016, public transit infrastructure will receive about \$3.4 billion in funding over the next three years. These supplementary estimates propose \$844.4 million to be administered by the office of Infrastructure Canada for a public transit infrastructure fund both in 2016 and 2017. The transit funding is to be allocated to provinces and territories based on their share of total transit ridership. I say that emphatically, "based on total transit ridership". Therefore, will the provincial and territorial governments alone decide how their shares of public transit infrastructure funds will be distributed to public transit agencies, or will the office of

Infrastructure Canada have some role in which public transit systems are immediate priorities?

**Ms. Yazmine Laroche:** Thank you for the question. The allocation formula that was used with respect to the public transit fund came from ridership data provided by CUTA and has been shared with the provinces and territories. The intent is that it goes to all of the transit systems within each province based on ridership. There is a small floor to recognize that some transit systems are very small—\$50,000—and that's to ensure there's a minimum amount of funding that will go to every transit system within a province. Those amounts are set.

There are very rare instances where there might be a transit system that is not a member of CUTA. Under those circumstances, we'll be working with the provinces to understand how some monies could flow to those systems that are not currently part of CUTA.

**Mr. Vance Badawey:** What types of project costs would not be eligible for 50% federal contribution under this fund?

**Ms. Yazmine Laroche:** Primarily what is eligible, for things like rolling stock, it's for rehabilitation. It could also include planning for further planned public transit developments. Typically what is not eligible would be borrowing costs, legal costs.

**Mr. Vance Badawey:** The establishment of a—

• (1610)

**The Chair:** I'm sorry, but you're over time, Mr. Badawey.

Ms. Duncan.

**Ms. Linda Duncan (Edmonton Strathcona, NDP):** Thank you, Madam Chair.

This is probably for Transport Canada. I'm puzzled. Why would renewal of the tanker safety inspection program be left to the supplementary estimates (A)? Why is that not in the main budget?

**Ms. Helena Borges:** It's in the supplementary estimates (A) because it's a renewal for a year. It's bridge funding while we adjust our reference levels to look at which elements of these costs could be cost recovered from the tankers that we are inspecting. It's a one-year extension to existing funding that was allocated in 2012.

**Ms. Linda Duncan:** When did those funds run out?

**Ms. Helena Borges:** They ran out at the end of March 2016.

**Ms. Linda Duncan:** Has there been no budget for two months?

**Ms. Helena Borges:** There hasn't, but because the budget was announced before, we continued operating the program.

**Ms. Linda Duncan:** That's very interesting. I just caught that one.

This is for VIA Rail. I'm sure you've noticed, as have probably all the rail companies, that the new Alberta carbon reduction strategy includes requiring locomotives to reduce their carbon emissions. Is some of the money that's being allocated in these supplementary estimates going to include your planning for how you're going to adjust your spending for those carbon fees?

**Mr. Martin R. Landry:** Thank you for the question. Specifically not in this submission, but on the renewal of the rolling stock we're looking at getting new locomotives for our services which would have a much lower pollution rate than the current ones we operate.

**Ms. Linda Duncan:** Can you give any idea of the timing of shifting over to cleaner emission locomotives for VIA Rail?

**Mr. Martin R. Landry:** That's part of the fleet renewal initiative. These typically are fairly lengthy processes. We're looking at a four- to five-year horizon before the new rolling stock is put into service.

**Ms. Linda Duncan:** Can you give us an assurance that you'll continue to deliver your good service, which many Canadians rely on, at the same time as delivering these new clean air initiatives?

**Mr. Martin R. Landry:** Absolutely. Part of the fleet renewal program also includes an option to electrify some of the services so we get down to essentially zero emission. It's especially important in the urban centres, as you can imagine.

**Ms. Linda Duncan:** Thanks. I look forward to following up on that with you at some later date in the committee.

I'll go back to Transport Canada, or maybe Infrastructure, on the northern project office. I'm not sure who is responsible. Is it Transport Canada?

**Ms. Helena Borges:** Yes.

**Ms. Linda Duncan:** I noticed the chapter in the Emerson report on northern transport. It was very interesting. We have so many things to review here. That's one of the topics that I suggested we look into. I had mentioned this before in committee, probably to Transport Canada, that there seems to be a difference of opinion even within the report that we should be allowing the northerners to set their own priorities in transport, and yet when you look at other parts of the Emerson report, the driver seems to be a southern interest in the development of the north.

Can you tell us if these new dollars for that office also include additional consultation with the first nation and Métis communities and the territorial government on what their future projects might be?

**Ms. Helena Borges:** This is exactly for that, actually. As you may be aware, in the territories there are review boards that conduct the environmental assessments for development projects. Because many of these projects involve transportation elements, whether it's a port or a road or perhaps an airport, and because the federal government has responsibility for those and Transport Canada is the responsible entity, we work with the review boards to give them our technical expertise to make sure that those projects are being developed in a safe and environmentally responsible way and that they fit into the environmental assessment that they are doing for those projects.

**Ms. Linda Duncan:** Actually, I'm glad you raised that point, because of course this is a matter that we stood up for: the protection of those once-strong boards whose mandate has been emasculated. We're looking forward to this government's renewing those previous local powers.

The parliamentary budget officer has raised concerns about whether northern and aboriginal communities can deliver in the time set for the projects. Is this something that Transport Canada and maybe Infrastructure Canada might also like to look at, unless they leave it to INAC? I wonder whether or not you're looking for greater flexibility or longer-term funding opportunities for those communities as they struggle first of all to establish what the projects are and then deliver them effectively.

**Ms. Helena Borges:** I'll turn it over to Yazmine, since it's a project delivery question. These ones are more focused on environmental assessment.

• (1615)

**Ms. Yazmine Laroche:** It's an excellent question, and indeed it's not just a question of capacity; it's also simply the realities of the construction season in the north. Typically, for infrastructure programs the funding profile of the flow of funds is usually longer for the territories, just to recognize that fact. We definitely try to ensure that we are designing the programs to meet their reality.

**Ms. Linda Duncan:** Are the funds no longer going to be allocated per year? Are you going to have longer-time funding? Are you going to give them a longer time period to deliver? I know this has been a historic problem with the infrastructure projects, that they had to be shovel-ready, and they might not be their highest priority, because they couldn't gear up fast enough or deliver the projects within their limited construction period.

**Ms. Yazmine Laroche:** I'll just speak to the new programs that are running as a result of the budget and for which funding is being requested through supplementary estimates (A). In those programs—the public transit fund and the clean water and waste-water fund—the projects should be done in two years, but we understand and the government recognized that this would not be possible in the territories; therefore, the program length is extended for the territories.

**Ms. Linda Duncan:** Do I have more time?

**The Chair:** I'm sorry, Ms. Duncan, your time is up.

Mr. Fraser is next, for six minutes.

**Mr. Sean Fraser (Central Nova, Lib.):** Thanks very much.

I'd like to pick up where Mr. Badawey left off on public transit. This question is for Infrastructure Canada.

One theme that you explored was the floor for public transit infrastructure funding. I come from a place that is defined by a series of small communities that depend heavily on community transit that isn't necessarily public transit in the way people commonly conceive of it.

Will these community transit organizations be eligible for funding in cases in which a single new bus, for example, could transform the service, or will it go to the typical municipal, big city, public transit items that we think about?

**Ms. Yazmine Laroche:** Thank you for the question.

I would say that primarily the intent of the public transit infrastructure fund, the short-term funding, is for maintenance of and upgrades to existing infrastructure. There was a recognition that there has been a considerable lack of good repair in many systems. It's really not for the expansion of systems. I think that's what is going to come through phase two.

I would also mention that these kinds of transit investments, for public transit are also eligible under the current stock of infrastructure programs—the new building Canada fund, the small communities fund, and indeed the gas tax fund—but the allocation for the public transit infrastructure fund is based on ridership data provided by CUTA.

There may be some cases in which there would be exceptions, and those are the discussions that we're having right now with our colleagues in the provinces and territories.

**Mr. Sean Fraser:** Certainly.

I may know the answer to this question already, but has it yet been determined how decisions for phase two of the program will be made, either by Infrastructure Canada or the provinces or the municipalities?

**Ms. Yazmine Laroche:** No, but thank you; that's an excellent question.

Phase two is going to be the subject of a lot of consultation and negotiations over the next several months. Right now, no decision has been taken on how the money is going to flow and how it's going to be allocated. That will be dealt with via a memorandum to cabinet in the course of the next year, I hope.

**Mr. Sean Fraser:** Certainly, as do I.

Under the more general infrastructure side of things, I think you mentioned that you were getting info to provinces ASAP.

Along a similar line of questioning to the transit questions, how are the decisions being made? Is it by the provinces, by Infrastructure Canada in consultation with the provinces?

**Ms. Yazmine Laroche:** It's a very collaborative process. Certainly, the allocation formulas have been shared with the

provinces. That was done through the letters that were sent from Minister Sohi to his counterparts. We are waiting for the provinces and territories to prioritize where they want to invest. They are in the process of developing lists of projects that will be shared with us, and on the basis of those lists, bilateral agreements will be signed with each of the provinces and territories.

A bit of a pool is going on in our department right now to see who's going to be the first to sign. Certainly, there's a recognition that a lot of eligible and very worthy projects are ready to go. The provinces and territories are working very hard, as is our staff in the department, to make sure we can sign these agreements quickly.

• (1620)

**Mr. Sean Fraser:** It would be up to the province, for example, to consult with the municipalities to say its waste-water treatment facility is at the top of our list and now it's telling the federal government. Is that the rough process?

**Ms. Yazmine Laroche:** That is the rough process, and frankly, most provinces, territories, and municipalities already have really good capital asset plans. They know where the priorities are and it's just a question of identifying the ones that are the readiest to go that can be done in the next two years.

**Mr. Sean Fraser:** That's excellent.

I have a few minutes left. I think Mr. Badawey had a few follow-up questions from his earlier line, and I'm happy to cede my remaining time.

**The Chair:** Thank you.

Mr. Badawey.

**Mr. Vance Badawey:** Thank you, and thank you to the member.

I have a question with respect to the funding for transit, I want to get back to that again, if I may.

You mentioned a few new systems that may be eligible. Some areas in the province or the country for that matter want to put in inter-municipal transit and things like that. They want to join a provincial system in Ontario, such as GO Transit. Will they also be eligible for funding?

**Ms. Yazmine Laroche:** The intent of the public transit infrastructure fund is really for rehabilitation and optimization of existing assets. Every province may not have that need for rehabilitation, in which case there may be possibilities for expansion.

The trick will be that the funds are intended to be expended over the next two fiscal years. Typically, expansion projects take longer than that, so they would be likelier candidates, I would think, for phase two, which is going to be looking at larger projects, typically in expansion. However, phase one does allow for investments in planning for the kinds of expansion projects that you're describing for which the capital investment might flow later.

**Mr. Vance Badawey:** For example, when you look at the integration of existing services, there might be three to six services in a region, and to integrate those services into one and then in tandem integrate with a provincial system, would that be eligible?

**Ms. Yazmine Laroche:** I'm not sure, because I would want to know better—and we can certainly get back to you with more detail on this, if you wish—what the actual investment would be. Is the investment going to be to refurbish existing stock? Is it going to be to optimize to purchase some more low-floor buses, for example?

My answer would have to be, it would depend. If it's the mechanics of integration, I don't think that would be eligible under the current program.

**The Chair:** Thank you very much, Mr. Badawey.

Mr. Sikand.

**Mr. Gagan Sikand (Mississauga—Streetsville, Lib.):** Having heard the line of questioning from my colleague Ms. Block, I have a very general question with regard to passenger screening at airports. Whereas I think Heathrow has a processing rate of 95% in five minutes, Pearson I think is at 15 minutes for 95% of all passengers. I'm curious to know if there is an international standard or goal.

**Ms. Helena Borges:** No, there is not.

**Mr. Gagan Sikand:** No, there is not.

Okay, that was my question.

**The Chair:** Mr. Hardie.

**Mr. Ken Hardie (Fleetwood—Port Kells, Lib.):** The questions are landing all over the place, so I'll start with Transport Canada.

Part of your statutory appropriation was \$2.6 million for staff benefits. I'm curious as to why that's appearing in a supplement and not in the main budget for the year.

**Mr. André Lapointe:** Every time there is an appropriation, whether it's in the main estimates or the supplementaries (A), (B), or (C), if there's a portion dealing with staff, you'll have a portion separated out for the EBP, employee benefits plan. There's a segment in supplementary estimates (A) that goes to Transport Canada operations for paying employees. In the budget it's always separated out. You'll see that happen in the main estimates as well.

**Mr. Ken Hardie:** It's curious, because it seems to mask the idea of the total costs of something. When a budget is released, all of a sudden we have a number in a budget, and the next thing you know, along comes another whole bunch of numbers that tends to add to the cumulative total. It's very difficult for us, much less other Canadians, to get our heads around what exactly this all costs. It goes back into the mists of time, I'm sure.

**Voices:** Oh, oh!

**Mr. Ken Hardie:** Why ask a rhetorical question, he says. Let's continue.

Infrastructure Canada is looking for additional personnel, and a piece of that \$14.7 million in additional operating expenditure is for that. What will this additional staff be there to do? Are these new hires?

• (1625)

**Ms. Yazmine Laroche:** Thank you for the question.

Yes, some of them are new hires, and that's to reflect the increase in the volume of the work that is going to be done over the next several years. It's also, in part, related to the fact that infrastructure

doesn't have an A-base. All of our funding comes from programs. In the 2014 new building Canada fund, we were given a funding profile of operating funds, which is starting to decrease now. At the same moment, we have been asked to accelerate delivery of our existing infrastructure programs, to have all of the money committed in the next two years, as well as to deliver on this new round and this new investment the government has announced in infrastructure. It helps us with internal capacity and helps to make sure we can get the money flowing as quickly as possible, but we can also exercise good due diligence around the projects.

**Mr. Ken Hardie:** Out of curiosity, what kind of people would be hired and with what skills?

**Ms. Yazmine Laroche:** We have an interesting range of skill sets among our staff. Some of them are engineers. Some of them are urban planners. Some of them come from the realm of public administration, and some have come to us from municipalities and have transferred in. It's quite a wide range of skill sets. We have people with a lot of programmatic experience in terms of delivering grants and contributions programs. We also have some excellent policy people who have specialized in areas like public transit or green infrastructure. It's quite a mix.

I would point out that it's a small department when considering the volume of money that's being invested. Our operating expenses are 1.3% of the overall budget for the department, which is significantly lower than any other department.

**Mr. Ken Hardie:** Thank you for that.

I want to talk about these 379 contaminated sites that fall under the care of Transport Canada. Is there a plan that suggests how long it'll take to remediate all of these sites?

**Ms. Helena Borges:** We don't have a plan for how long. It depends on how much money we have to deal with them.

We do have a lot of obligations that are also in remote areas of the country. We have some in the north. When you're trying to remediate an airport site that we used to own in northern Canada, the season for work is relatively short. You have to usually start in about May, or June at the latest, and by September you're closing up. There are a bunch of factors that go into that determination and—

**Mr. Ken Hardie:** Okay. I have one extra question here and my time is almost out.

You mentioned that you'll be decontaminating a site, and then, the words you used, "turning it over to a municipality". Obviously, when you decontaminate and remediate a site, its value goes up. We don't just give this away, do we?

**Ms. Helena Borges:** It depends on the site. For example, if it was a site that we transferred as part of an airport to a municipality, we kept the residual obligation to decontaminate the site, and the airport was transferred earlier, then that land is already municipal land. We're cleaning it up and they get it. If it's a site that is still in our possession, we will clean it up, and then we sell it according to the federal real property policies. We put them up for sale, and there's an order in terms of whom we offer it to: the provinces first, municipalities second, and private sector last.

**Mr. Ken Hardie:** Do I have...?

**The Chair:** Mr. Iacono was trying to get in with a question.

**Mr. Ken Hardie:** Go ahead. I'm sorry.

**Mr. Angelo Iacono (Alfred-Pellan, Lib.):** My question is addressed to VIA Rail.

Budget 2016 proposed \$7.7 million for support in technical studies and other pre-procurement activities related to the renewal of VIA Rail's fleet, also for safety upgrades and grade crossings on tracks owned by VIA, and for investments and improved security at VIA stations.

Also proposed in that budget is \$34 million on a cash basis to VIA Rail for improvements at stations and maintenance centres, including upgrades to mechanical and electrical systems and roof replacements.

You're requesting another \$6.9 million to maintain and upgrade assets. What assets are we talking about? How is this additional \$6.9 million proposed in these supplementary estimates expected to be spent?

• (1630)

**The Chair:** A short answer, if that's possible.

**Ms. Patricia Jasmin (Chief Financial Officer, VIA Rail Canada Inc.):** Sure. The \$6.8 million is actually the first tier of the \$34 million we will be investing in the maintenance centres and in the stations.

**The Chair:** I'm sorry. Your time is up, Mr. Iacono.

Ms. Watts.

**Ms. Dianne L. Watts (South Surrey—White Rock, CPC):** Thank you very much, and thank you, witnesses, for being here to answer all our questions.

Some of my questions have been asked, but I do want to drill down a little bit on the signed agreements with the provinces. The priorities are going to be negotiated by the province with municipalities; an agreement is going to be made, and then that's going to be signed with the federal government. Is that correct?

**Ms. Yazmine Laroche:** Yes.

**Ms. Dianne L. Watts:** What's different from what it has always been?

**Ms. Yazmine Laroche:** I'd say it's a little bit faster. We got a lot of feedback from provinces and territories on some of our earlier programs that it took a long time before we could actually get to an agreement on a particular project. That had a lot to do with some of our internal processes, so what we have tried to do is lighten up on the internal processes. For example, rather than asking for a detailed

business case on every single project that's going to be submitted, we're asking provinces to submit lists.

**Ms. Dianne L. Watts:** Right, but that's not different from what was done previously, because I was a mayor for a decade, and I know that's exactly how we worked and got a number of projects through.

The issue we all came up against was that the province had one idea of what their priorities were, and the cities and municipalities had another idea of what their priorities were, and then you would have significant conflict. That is going on right now, and I think that is probably your biggest problem.

The province is going to hand you a list. Are you going back to the municipalities and consulting with them to see if they agree with it? I probably know the answer to that, but that has been the problem for 18 years that I know of.

In phase one there is some money for planning projects for a significant piece of infrastructure. If those projects pass through the planning process and get funding for planning, then are they guaranteed in phase two funding for the project?

**Ms. Yazmine Laroche:** I'll start with that one first. I would say there's no guarantee in terms of phase two funding, because in phase two, the parameters of the program haven't been designed yet.

**Ms. Dianne L. Watts:** Then why would you spend money on designing a project?

**Ms. Yazmine Laroche:** I would think most municipalities that are envisaging large transit initiatives do have planning investments that need to be made.

**Ms. Dianne L. Watts:** Yes.

**Ms. Yazmine Laroche:** This is a way of providing upfront funding for them. There's never a guarantee that there will be federal funding for any transit project, but this is a way at least of helping municipalities do some of their planning.

**Ms. Dianne L. Watts:** I get that. I'm wondering if it could be a whole waste of money if they are not going to be looked at down the road.

I know we're tight for time here, so my last question is about the 50% in terms of the federal funding. I've yet to see a defined model in terms of the feds are going to pay 50%. How is the other piece broken out?

**Ms. Yazmine Laroche:** It is definitely 50% of eligible costs that are going to be reimbursed by the federal government. That's the commitment that was made.

**Ms. Dianne L. Watts:** That was not included in the budget. There was no defined language. It said, "will fund up to..."—

**Ms. Yazmine Laroche:** Fifty per cent.

**Ms. Dianne L. Watts:** —and has been the language in every single budget for the past, I don't know, decade. So “up to” gives a clause out. I know that previously the federal government wasn't going to fund any more than the provinces had. Is there committed language that says the federal government will fund 50%—not up to 50%—will fund 50%?

**Ms. Yazmine Laroche:** Our agreements are typically written in a way that it's always “up to”, but the intent here is that the federal commitment is 50%—

• (1635)

**Ms. Dianne L. Watts:** But that's always been in place. It has always been the language in every single budget for over a decade.

**Ms. Yazmine Laroche:** This is what is in our agreements that we're hoping to negotiate with the provinces. The federal commitment is for 50%. If the question is, is there some kind of a formula as to what the provinces and the municipalities are going to contribute, our minister has certainly expressed himself very forcefully that he hopes the provinces will contribute their typical one-third share in recognition of the difficulties that municipalities often face in matching. That's certainly going to be part of the discussion, but the federal contribution is intended to be 50%. There may be instances where somebody at the provincial or municipal levels may want to pay more—and I guess that's why we have a little bit of wiggle room on the “up to”—but the intent is 50%.

**Ms. Dianne L. Watts:** Okay.

**The Chair:** You have 45 seconds.

**Ms. Dianne L. Watts:** I have 45 seconds.

Will we see a draft of those agreements? Obviously, you'll have a template that will look at what you're going to cover in these agreements. Has that draft been done?

**Ms. Yazmine Laroche:** We do have a draft, but typically, because these are negotiations with provinces and territories, those agreements will be made public afterward.

**Ms. Dianne L. Watts:** Right, but I would expect there would be some benchmarks that you would hit on every single agreement.

**Ms. Yazmine Laroche:** I'm sorry, benchmarks?

**Ms. Dianne L. Watts:** You would have some criteria in every single agreement, such as there must be agreement between municipalities and provinces, or is each one going to be special unto itself?

**Ms. Yazmine Laroche:** No, we try and ensure some kind of standardization—

**Ms. Dianne L. Watts:** Continuity, that's what I'm asking. If you do have a draft, is there any way we can see what that looks like?

**Ms. Yazmine Laroche:** I think that is protected by negotiation of confidence at this point.

**Ms. Dianne L. Watts:** Okay, a blank one that I'm looking at, not one that you're negotiating right now.

**Ms. Yazmine Laroche:** The blank one is what we're negotiating. We have a draft template. I don't believe we are at liberty at this time to share them, but I can certainly double-check and get back to you.

**Ms. Dianne L. Watts:** Great, thanks.

**The Chair:** Thank you very much.

Mr. Iacono.

**Mr. Angelo Iacono:** Thank you, Madam Chair.

I'll go back to VIA Rail. Ms. Jasmin, I didn't quite understand your answer before. Can you repeat it, please?

**Ms. Patricia Jasmin:** I'm sorry. In the last federal budget we got \$34 million for station and maintenance centres. The \$6.8 million that you were referring to is the first year of the \$34 million. In the first year, 2016-17, we'll get \$6.8 million and the balance will be obtained only next year.

**Mr. Angelo Iacono:** Sorry to highlight—

**Ms. Patricia Jasmin:** It is for station—

**Mr. Angelo Iacono:** I don't see \$6.8 million. I think you may be referring to \$6.9 million or is it \$7.7 million?

**Ms. Patricia Jasmin:** Correct. Yes, I'm sorry. The \$6.8 million is for the maintenance centre and the station, and we have \$100,000 for decontamination, so it comes up to \$6.9 million.

**Mr. Angelo Iacono:** When you say “decontamination”, of what exactly: which sites, and whom do these sites belong to?

**Ms. Patricia Jasmin:** Martin, do you want to answer?

**Mr. Martin R. Landry:** These are VIA Rail properties. We have a number of sites that require decontamination, for example, fuel spillage that needs to be cleaned up. This is an initial sum of \$130,000 that was awarded to launch the program of decontaminating some of our sites.

**Mr. Angelo Iacono:** Are these sites, for example, your maintenance centres, or are these sites which the general public makes use of?

**Mr. Martin R. Landry:** There are some in the maintenance centres and some at the stations as well.

**Mr. Angelo Iacono:** Will VIA Rail prioritize safety upgrades for crossings and security at VIA Rail stations, or “state of good repair” investments? What would you be doing?

**Ms. Patricia Jasmin:** In the supplementary estimates (A) envelope, it's going to be for station and maintenance centres, but we will come back to this committee in September for supplementary estimates (B).

You were referring to \$7.7 million before, and that will be treated in the following supplementary estimates, which means in September.

**Mr. Angelo Iacono:** Is any of this money going to be used for operational activities?

**Ms. Patricia Jasmin:** Part of the \$7.7 million is for operational activities, such as fleet renewal studies that we will be doing during this year.

**Mr. Angelo Iacono:** Will you be having any additional personnel, new hires?

**Ms. Patricia Jasmin:** No.

**Mr. Angelo Iacono:** What about new trips? Will any new trips be installed? New runs?

• (1640)

**Mr. Martin R. Landry:** The schedule will include one additional frequency in 2016, in the corridor. That is what is currently planned.

**Mr. Angelo Iacono:** Okay.

Thank you, Madam Chair. I have no further questions.

**The Chair:** Mr. Hardie.

**Mr. Ken Hardie:** Thank you, Madam Chair.

These are questions again for VIA Rail.

In our other conversations, we've both had a nodding agreement on the need for sustainable, predictable funding if you're to get a capital plan that you can perform to. Do you actually have a capital plan on a shelf somewhere just waiting for the day that somebody comes along and recognizes your need for long-term, predictable funding?

**Mr. Martin R. Landry:** Patricia.

**Ms. Patricia Jasmin:** We were lucky to get a three-year funding envelope in 2014. At that time, we estimated \$60 million as the yearly requirement for capital. We are presently working with Transport Canada to make sure that we are going to get sustainable funding in the next following years. It will be around \$60 million a year.

**Mr. Ken Hardie:** Will that \$60 million then allow for the replacement of your rolling stock?

**Ms. Patricia Jasmin:** No, this is a different project. As you can imagine, it's much more than \$60 million a year. We're talking about \$1 billion.

**Mr. Ken Hardie:** What form will the ask for that \$1 billion take, and when and to whom will you be making that ask?

**Ms. Patricia Jasmin:** Well, as you saw, in the last federal budget we got money to do the pre-procurement activities in order to be able to replace this fleet. We hope to be able to submit a plan to Transport Canada next fall.

**Mr. Ken Hardie:** Okay.

This is generally for Transport Canada, but it's an issue that I brought up with Minister Sohi as well when he came.

With the sudden outflow of infrastructure money to come, a lot of municipalities, a lot of entities, obviously will be looking to suppliers to provide those new buses or the pipe for the sewers, or whatever. Has there been some consideration about how best to stage the flow of new procurements in a way that doesn't overwhelm the supply chain, if you will, here in Canada? For instance, if we're going to order a bunch of new buses from New Flyer or Nova Bus, we don't want to have the phenomenon of the snake that's just eaten

a cow, and you have this big lump of orders coming through. Has there been any thought about how to properly stage this so we get reliable, predictable employment for a number of years?

**The Chair:** Thank you, Mr. Hardie.

Perhaps we could have a brief response.

**Ms. Yazmine Laroche:** That's an excellent question that you've raised. It hasn't come up extensively yet in the discussions that we've been having with the provinces and territories, because we don't have final lists of projects yet. I think that will help us understand better what the scale of that challenge might be, and it will be something that we will then need to sit down and see if there is some kind of staging that we can do in conjunction with the provinces.

**The Chair:** Thank you very much.

Mr. Berthold, for six minutes.

[*Translation*]

**Mr. Luc Berthold (Mégantic—L'Érable, CPC):** Thank you very much, Madam Chair.

I have a number of questions. I'll go through them quickly to get as much information as possible. First, a question for Ms. Laroche from Infrastructure Canada.

In the figures you announced, are any amounts specifically earmarked for initiatives that have already been identified?

**Ms. Yazmine Laroche:** Thank you for your question.

Two initiatives are identified in Budget 2016. Both are related to natural disasters. For the Lake St. Martin canal, in Winnipeg, we have allocated \$12 million. The other is the Lions Gate waste water system in British Columbia, for which \$11.7 million has been allocated.

**Mr. Luc Berthold:** So that's \$23 million of the one billion dollars announced. How do you plan to invest that amount this year?

• (1645)

**Ms. Yazmine Laroche:** The programs were created to carry out renovations. The funds will not be used to expand the systems. It's really—

**Mr. Luc Berthold:** Yes, I am aware of that.

As a former mayor though, I know that even for renovations, you have to issue a request for proposals and conduct studies and analyses. You are seeking additional funding this year, but it takes more than a year to prepare a project and to reach the investment stage. Do you expect to invest these sums this year?

**Ms. Yazmine Laroche:** I think so, based on current discussions with the provinces and territories. Moreover, in a number of cases, those governments already have an investment plan in place. They are in the process of determining whether they will be able to invest sooner rather than later.

**Mr. Luc Berthold:** Yes, but it is still at the discussion stage between governments. Then you will have to issue calls for tender and go through a process that can take three to four months. In two days, we will be in June. Living in Canada, we know that most provinces don't do this kind of work in January.

**Ms. Yazmine Laroche:** Exactly.

**Mr. Luc Berthold:** So it is unlikely that a large percentage of this amount will be invested in 2016.

**Ms. Yazmine Laroche:** We will do our best. I know our partners in the provinces and territories will also do their best. That is why the program is spread out over two years for the provinces and three years for the territories.

**Mr. Luc Berthold:** So we might lose a construction season.

**Ms. Yazmine Laroche:** I don't think so. Once again, based on our discussions, people are well aware that construction season is here. They really want to go forward as quickly as possible. So we'll see. I am still optimistic though.

**Mr. Luc Berthold:** I like your "we'll see".

Ms. Laroche, I have another question for you. How many people will you be hiring this year with the \$10 million you have requested?

**Ms. Yazmine Laroche:** How many people will we be hiring?

**Mr. Luc Berthold:** Yes.

**Ms. Yazmine Laroche:** Depending on staffing processes, we hope to hire 20 or so, yes, 20 people.

**Mr. Luc Berthold:** You are saying that 20 people will be hired with the \$10 million?

**Ms. Yazmine Laroche:** No, not \$10 million to hire 20 people. This amount is our operating budget, a large chunk of which goes to IT systems. This budget won't be used exclusively to hire the 20 people planned.

**Mr. Luc Berthold:** I see.

I had noted that \$10.2 million was allocated to recruitment. That's what you said at the outset.

**Ms. Yazmine Laroche:** No, that's not just for staff. This amount will be used in various other ways.

**Mr. Luc Berthold:** Could you provide the committee with a breakdown of expenditures for the \$10 million?

**Ms. Yazmine Laroche:** You would like a cost breakdown? Yes, for sure.

**Mr. Luc Berthold:** Good, thank you.

**Ms. Yazmine Laroche:** Thank you.

**Mr. Luc Berthold:** I will turn now to the Transport Canada representatives.

Talking about hiring, has additional funding been set aside in the budget to hire rail safety inspectors? Has that already been done?

**Ms. Helena Borges:** We continue, throughout the year, to hire inspectors for the rail network, and also for the transportation of dangerous materials. This goes on all through the year. I think I could give you the most recent figures now, if you'll just give me a minute.

**Mr. Luc Berthold:** Perhaps you could send them to me later, when you have found them.

**Ms. Helena Borges:** Very well. I appreciate that.

**Mr. Luc Berthold:** I would like to have a status report on the situation.

As for the additional amounts you asked for for the adjustment, are these sums for rail safety part of those amounts, or were they already included in the budget?

**Ms. Helena Borges:** You are talking about the rail sector?

**Mr. Luc Berthold:** I am talking about the \$143 million over three years for rail safety. Was that amount already included in your budget or did you just add it?

**Ms. Helena Borges:** We just added it, but not in this budget. It is in supplementary estimates (B) or (C).

**Mr. Luc Berthold:** Fine. So that was already done.

**Ms. Helena Borges:** Yes.

**Mr. Luc Berthold:** Is my time already up, Madam Chair?

**The Chair:** You had five minutes, Mr. Berthold.

**Mr. Luc Berthold:** I had a lot of other questions to ask.

[English]

**The Chair:** It's a five-minute round.

[Translation]

**Mr. Luc Berthold:** That is why I was going fast.

[English]

**The Chair:** Ms. Duncan, you have three minutes.

**Ms. Linda Duncan:** Thank you very much.

I have a couple of follow-up questions.

Madam Laroche, instead of hiring 20 people in the department, why don't you just contract out to places like Smart Prosperity, the Federation of Canadian Municipalities, Sustainable Development Technology Canada, Clean Energy Canada? You have instant expertise there, and they reach out to people around the world in alternative technologies.

**Ms. Yazmine Laroche:** That is an excellent question.

It's not necessarily the case that they will all be permanent, indeterminate hires.

We are in fact doing work with some of the organizations you mentioned. We look outside and we do contracting with other stakeholders to provide exactly that kind of expertise.

• (1650)

**Ms. Linda Duncan:** Okay.

I probably only have one more minute.

I notice that transit is based on current ridership, not projected, and so cities like mine that are wanting to expand always lose out to other cities that already have ridership. What are you going to do to try to adjust that so that everybody can move to better public transit?

**Ms. Yazmine Laroche:** I think this will probably come into discussion in phase two. The decision that the government took was to focus phase one on state of good repair and working with—

**Ms. Linda Duncan:** Would that apply to the second phase?

**Ms. Yazmine Laroche:** I can't pronounce, because it hasn't been decided yet. That's going to be the purpose of the consultations on phase two.

**Ms. Linda Duncan:** The provinces and territories are going to submit their priorities, but the problem is, in many cases in our country we're relying on infrastructure that is of a regional nature.

For example, I just visited the Stollery Children's Hospital in Edmonton, in my riding. I didn't realize that it actually serves all of western Canada and the north, yet Alberta has to raise the funding to build that hospital.

I would encourage Infrastructure Canada to also start looking at what possibilities there are for future infrastructure investments by the federal government that will in fact serve a region of Canada.

**Ms. Yazmine Laroche:** Thank you. That's an excellent suggestion for phase two.

**Ms. Linda Duncan:** There you go.

**The Chair:** Thank you very much, Ms. Duncan.

I gather from one side of the table that their questions have all been answered.

I understand, Ms. Block, that you have a question that is really important.

**Mrs. Kelly Block:** I have. I'm going to go back to CATSA, because I have a number of questions that I want to ask. These are with respect to the user-pay system that we have in Canada for security.

I know there's a difference between what is paid per direction for domestic passengers and what is paid for international passengers. What I want to know is why security for international flights is more expensive than for domestic flights. What's involved in the security for an international flight that causes the cost to go from \$7.12 per direction to \$24.21 per direction?

**Mr. Angus Watt:** I'll pass that question to Helena, because CATSA actually has nothing to do with that fee.

**Ms. Helena Borges:** Often, the additional work that is required relates to the baggage. As Angus mentioned, there's the pre-board screening that the passengers go through, and then there's the baggage screening. For many of the domestic flights you're talking about, there's no baggage at all: it gets carried on.

For international flights, there are usually large amounts of baggage and more than one piece. All of that baggage has to be screened, as do the passengers, and often, with the passengers who are travelling internationally, there is a lot more baggage that they're carrying on their person.

**Mrs. Kelly Block:** The second question would be, because it's a user-pay system, who ends up paying for the security expense for the enhanced screening of airport staff?

**Ms. Helena Borges:** Presently, it's the federal government that is paying. It's the amount that Mr. Watt spoke about earlier, the non-passenger screening, because that is for the workers. As of this point, it's the Government of Canada.

**Mrs. Kelly Block:** Okay. Thank you.

**The Chair:** Is everyone okay?

Ms. Watts, go ahead, only if it's very short.

**Ms. Dianne L. Watts:** Well, I don't know how short it can be.

**The Chair:** Otherwise, we won't be able to—

**Ms. Dianne L. Watts:** The clean water and waste-water fund is a fund that has been newly set up. Is that correct?

Okay.

My question arises because under the building Canada fund and under the green infrastructure fund that were set up in 2009, those waste-water projects were captured. There was also a list of projects for which the funds were earmarked for projects of interest, but they hadn't been announced yet. I would expect that the Lions Gate waste-water one would have been one of those, because I know they've been in negotiation for at least four years on that piece.

I'm trying to keep track of all this, because we're moving it out of one fund and putting it in another fund. We're saying that here are the shortened criteria, yet this has already been in process for a number of years.

Can we get a list that lays out those projects that had been earmarked for funds but that weren't announced?

• (1655)

**Ms. Yazmine Laroche:** Let me just come back to Lions Gate, because I want to clarify that the funding for Lions Gate is actually in the new building Canada fund, which is no longer new; it's the previous new building Canada fund. Those funds were confirmed through budget 2016 to go to that project. It's not part of the clean water and waste-water fund.

**Ms. Dianne L. Watts:** That project doesn't fall under that one. Okay, because you had said that it was for the waste-water fund. At any rate, can we get that list?

**Ms. Yazmine Laroche:** I don't have a list of projects that have been earmarked. We could follow up with your office if you want to get more clarity.

**Ms. Dianne L. Watts:** You had redacted it out of a document that I had requested—not you personally. I would just like to get the list if I could, please.

**The Chair:** All right, fine.

Ms. Duncan, are you all right?

**Ms. Linda Duncan:** I want to table two motions that go directly to the supplementary estimates (A) that we're looking at.

**The first is:** That the Committee invite the Auditor General to provide a briefing on his Spring 2016 Special Examination Report—Via Rail Canada Inc.

**My second is:** That the Committee extend an invitation to the Commissioner for Environment and Sustainable Development to provide a briefing on the following tabled reports: Report 1 - Federal Support for Sustainable Municipal Infrastructure & Report 2 - Mitigating the Impacts of Severe Weather.

Both of those, I think, relate very directly to the proposal for funds in these areas.

**The Chair:** Okay.

Mr. Berthold, are you okay now?

**Mr. Luc Berthold:** No, just for a small document from Madam Borges—

**The Chair:** You never opened the door.

**Mr. Luc Berthold:** It will be.

[Translation]

Ms. Borges, would it be possible to send me a document explaining the difference in baggage fees for domestic flights and those for international flights? I'm having a lot of trouble understanding this. It can't just be the number of bags, there must be other explanations, surely. I am having trouble understanding all of it.

Could you explain all of that to me briefly?

**Ms. Helena Borges:** Yes. There are also other activities to consider, for instance persons assigned to baggage handling, and the CATSA employees who monitor travellers and their luggage. There are also funds invested to solve potential international security issues.

Other costs are included in the fees.

**Mr. Luc Berthold:** Fine.

**Ms. Helena Borges:** I have the answer to your question concerning rail safety inspectors.

**Mr. Luc Berthold:** Yes.

**Ms. Helena Borges:** At the end of fiscal year 2015-2016, we had 135 rail inspectors. At the beginning of the year there were 122. Afterwards we hired 13 other people.

**Mr. Luc Berthold:** Thank you.

[English]

**The Chair:** Thank you all very much for that information.

Is the committee ready to deal with the supplementary estimates now? All right.

CANADIAN AIR TRANSPORT SECURITY AUTHORITY  
Vote 1a—Operating and capital expenditures.....\$142,272,546

(Vote 1a agreed to on division)

MARINE ATLANTIC INC.  
Vote 1a—Payments to Marine Atlantic Inc.....\$6,100,000

(Vote 1a agreed to on division)

**The Chair:** With the consent of the committee I can group the following votes. Is the committee in favour of grouping the following votes?

**Some hon. members:** Agreed.

OFFICE OF INFRASTRUCTURE OF CANADA

Vote 1a—Operating expenditures.....\$14,690,666

Vote 10a—Contributions.....\$1,383,566,000

(Votes 1a and 10a agreed to on division)

TRANSPORT

Vote 1a—Operating expenditures.....\$71,576,716

Vote 5a—Capital expenditures.....\$24,106,745

Vote 15a—Grants and contributions—Transportation infrastructure.....  
\$19,031,976

Vote 20a—Grants and contributions—Other.....\$8,627,704

(Votes 1a, 5a, 15a and 20a agreed to on division)

VIA RAIL CANADA INC.

Vote 1a—Payments to VIA Rail Canada Inc.....\$6,930,000

(Vote 1a agreed to on division)

**The Chair:** Shall I report vote 1a under Canadian Air Transport Security Authority, vote 1a under Marine Atlantic Inc., votes 1a and 10a under the Office of Infrastructure of Canada, and votes 1a, 5a, 15a, and 20a under Transport, and vote 1a under VIA Rail Canada Inc. to the House?

**Some hon. members:** Agreed.

**An hon. member:** On division.

**The Chair:** Thank you all very much.

We will suspend for a couple of minutes. We have lots of committee business still to do. Thank you all very much.

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\_\_\_\_\_ (Pause) \_\_\_\_\_

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• (1700)

**The Chair:** We're reconvening our meeting. We have several items on our agenda here that we'd like to see if we can complete this afternoon.

We have 30 minutes left.

I'm going to turn to you, Mr. Badawey, for the motion that you have tabled.

**Mr. Vance Badawey:** Thank you, Madam Chair.

I do have a motion that I presented to the committee:

1. That the Committee immediately adopt and the Chair present a report to the House of Commons recommending the following;

That, pursuant to subsection 15(1) of the Fair Rail for Grain Farmers Act, the coming into force of subsections 5.1(2), 6(2), 7(2), 8(2), 9(2), 10(2), 11(2), and 12 (2) of that Act on August 1, 2016, be postponed for a period of one year; and

2. That, prior to August 1, 2017, the Committee undertake a study on viable options to resolve the aforementioned issue on a longer-term or permanent basis, and that the findings of that Committee study....

**The Chair:** Thank you very much, Mr. Badawey.

Is there any further discussion?

Ms. Duncan.

**Ms. Linda Duncan:** First of all, I'm puzzled by the motion, because the minister has already committed to doing this. A number of us have already called for this to happen in the House. Why are we voting on a motion when the minister has already committed, we're hoping soon, that he's going to do this? I'm completely baffled by why this would be referred to our committee.

The second part, which is to do a study, may or may not make sense, depending on when it happens. The pulse and grain producers are deeply troubled by this. They want a long-term commitment. They also would wonder why it would come to this committee and not agriculture. I know that agriculture has also been looking at it. The issue is an agricultural issue, but it's an issue about their getting better access to markets to get the grain out in a timely way. These issues have been reviewed by the agriculture committee. One option that has been bandied about was a joint review by our two committees.

I'm puzzled by the first part of this motion. I don't understand why we would be calling for this when the minister has already committed publicly that he is going to do this.

● (1705)

**The Chair:** Mr. Badawey.

**Mr. Vance Badawey:** Madam Chair, what I'll do is give some clarification on the question for the member. In the second part of the motion, when I stated "and that the findings of that Committee study", I'll be more definitive and add to that "be tabled in the House of Commons for consideration and action by the government."

That is the answer to the member's question. We want this tabled immediately. The reason for the motion being presented today is to get it to the House of Commons for consideration and action by the government as soon as possible.

I'll repeat myself, and I do apologize for that, on point two—and this is for the folks taking the minutes—I state "and that the findings of that Committee study be tabled in the House of Commons for consideration and action by the government."

Thank you, Madam Chair.

**The Chair:** Ms. Block.

**Mrs. Kelly Block:** I want to make sure I understand the intent of this motion. The subsections you are referring to are the measures in the Fair Rail for Grain Farmers Act that are due to sunset on August 1.

**Mr. Vance Badawey:** That's right.

**Mrs. Kelly Block:** What you would essentially be doing is extending these measures for one year.

**Mr. Vance Badawey:** Postponing them.

**Mrs. Kelly Block:** My understanding, as I read the act, is that section 15 also states:

unless, before that day, their coming into force is postponed by a resolution — whose text is established under subsection (2)

Is that what this is meant to do? Is this meant to be that resolution?

**Mr. Vance Badawey:** If I may, again, this is simply advice from the committee. It is not binding. This is advice from the committee to get it on the table in the House of Commons.

**The Chair:** This is the wording that would be required in order for that to happen.

**Mrs. Kelly Block:** Okay. Thank you.

**The Chair:** Ms. Duncan.

**Ms. Linda Duncan:** Yes. The date of August 1, 2017, is completely inadequate because it sunsets on that date. For us to undertake a study prior to that date and then table it, it would have to be tabled in February or something for there to be long-term measures in place.

This is quite a complex measure. It's part of the Emerson report, which I had recommended we review. Are we pulling this part out of the Emerson report and saying we will singularly study that and not anything else related to grain transport and so forth?

If you say it is needed expeditiously, then I would suggest you would be saying that we conduct a study this fall, so that there can be appropriate action taken and so there is a long-term resolution of the matter well in advance of it sunseting again. Otherwise we're up against that deadline of doing the same thing again and taking away the sunseting.

I don't understand why you would say prior to August 1. I would say that is a little too close to the line.

Would you be open to moving that vastly forward? Then we have to discuss what is going to happen with all the other studies that we had proposed to do. We have a pile of motions that people tabled long ago, which we haven't dealt with.

We need to talk about where this fits in with all the other reports we are going to do. I know the Liberal members wanted to have a long discussion about future infrastructure framework. We have the marine.... We have a whole bunch of things that have already been submitted. We haven't had a steering committee meeting since the first one.

I would feel a lot more comfortable looking at this—not that I am saying it is a bad thing to look at—in the context of all the other issues that people are champing at the bit for us to look at. Then the critical timing on this.... We also need to talk to the agriculture committee and find out if they are also planning to do a study on this.

You may want to simply do the first part first, and then maybe our steering group could meet with the agriculture steering group and figure out what the best way is to move forward so that both parties, the rail industry and the farm producers, are content with the way we are going to do the review.

DELETE

● (1710)

**The Chair:** Thank you.

Mr. Hardie, go ahead.

**Mr. Ken Hardie:** I was just going to offer some clarification. The sunset we are looking at is August 1 this year, so we need to do something now, before the end of the session, in order to—

**Ms. Linda Duncan:** The minister has already committed to doing it, so just do it.

**Mr. Ken Hardie:** This is the language and the resolution needed in the House in order to make it actually happen. That is my understanding.

Your second part, on item 2.... There can be some discussion about the timing of the longer-range view of interswitching and what it means in the grand scheme of things. Again, I submit that there may be some time sensitivity to that as well, because I am of the understanding that the Emerson report really suggests going in quite a different direction—

**Ms. Linda Duncan:** Exactly.

**Mr. Ken Hardie:** —and the degree to which the government wants to get the Emerson report done like dinner, basically, may suggest that we need to move on this, first, more quickly, and second, independently of a longer and more in-depth study of the Emerson report. As you probably know, Linda, this is really important to the grain farmers, the pulses...a lot of people.

**Ms. Linda Duncan:** I certainly do. I have met with all of them, and they are adamant—

**Mr. Ken Hardie:** So have I.

**Ms. Linda Duncan:** —but if the date is not satisfactory, that is not going to make them happy—that we are going to report by August 1 next year. It's the same old, same old thing again. If it is that urgent, the date needs to be majorly moved forward, if we are saying that our review needs to be dealt with expeditiously.

**Mr. Vance Badawey:** That is what the motion is calling for.

**Ms. Linda Duncan:** I am not opposed to that, but in fairness, we need to talk about what is going to happen to all of the other proposed reviews that various members have tabled.

**Mr. Vance Badawey:** That is not on the table right now.

**Ms. Linda Duncan:** That's all I am saying.

**Mr. Vance Badawey:** That is a whole different issue.

**The Chair:** We can discuss that on Wednesday, because hopefully we have an hour set aside for committee business on Wednesday. Possibly our draft report will be ready for Wednesday, so we can discuss the various issues at that time.

**Ms. Linda Duncan:** Do you want us to vote on it before we discuss it?

**The Chair:** This issue here is—

**Ms. Linda Duncan:** The first part, not the second part....

**The Chair:** My understanding of the second part was that—again, this is a way of our also exerting a little bit of our own independence as a committee—to move forward, we would have to start to deal with this issue as soon as we come back in September. If we do it as part of the Emerson report, it becomes convoluted, whereas if we just say we are going to focus on this issue and do whatever number of meetings are required to table a report, it shouldn't have to take a couple of years to do this. If we start in September.... I realize we have lots of other important issues, but this is a very important issue as well. If we were to have August 1, 2019—well, you and I both know how slow things are around here—it would drag on until 2019. Having the August 1, 2017 date there actually puts the feet of the committee to the fire to do the work that is required.

I would have preferred agriculture to deal with the issue, because we have a lot of items that we want to deal with, but because it deals with interswitching specifically, it is a transport issue, not an agricultural issue. That is exactly why we have it in front of us.

**Mrs. Block,** do you have some further comment?

**Mrs. Kelly Block:** Madam Chair, thank you for that explanation, because that was going to be my question. I understand that the Fair Rail for Grain Farmers Act was actually introduced by the Minister of Agriculture, so I was wondering why it was here. I am glad you have clarified that.

To Linda's point, because it says prior to August 1, 2017, to me that means it could happen in the fall. That means it could happen right before Christmas, or right after Christmas—

**An hon. member:** —or in June.

**Mrs. Kelly Block:** —as long as it is before August 1.

Is it implied, with the postponement for one year, which is written into the act, that this is why the date of August 1, 2017 has been chosen—because it keeps these measures in place for that additional year, until we have an opportunity to address them, either through the study of the Emerson report or another study?

•(1715)

**The Chair:** That's my understanding.

One last time, Ms. Duncan.

**Ms. Linda Duncan:** I totally understand the first part, although I did know a resolution is the same as a motion; whatever. I totally disagree with the August 1 date. I'll tell you, no producer in Alberta is going to be happy that we're saying that maybe next May or June we might start studying interswitching. If it's that urgent, and I agree it's way up high on the producers' priorities, let's say by November 2016. Let's make it a priority. Then as members we can agree we think it's urgent enough, let's move it forward in our priorities.

I don't agree with saying we're going to study it by August 1, 2017. It's nonsensical. First of all, we don't even meet in July and August, so let's say by December 2016. It will show that we see the urgency in it and we're going to adjust our schedule. That's what I would suggest. Then I'd be happy with it.

**The Chair:** Mr. Badawey.

**Mr. Vance Badawey:** I want to reiterate the comments by Mr. Hardie that the sunset is actually on August 1, 2016, not 2017, so I want to be clear about that.

The second point, Madam Chair, if I may, and this is more for the minutes and again I'll be repetitive, should read:

That, prior to August 1, 2017, the Committee undertake a study on viable options to resolve the aforementioned issue on a longer-term or permanent basis, and that the findings of that Committee study be tabled in the House of Commons for consideration and action by the government.

Therefore, it's very clear in terms of why we're doing this, both here at the committee level and finally at the House of Commons level.

Madam Chair, I do want to add that Ms. Duncan's point with respect to time urgency is well taken. Although we do put August 1, 2017 as the deadline for completion of that, there is any time throughout the year that we can actually tackle this issue, based on the priorities that are going to be set forth by the steering committee. This, once again, allows the steering committee to make that priority. I would suggest that when a steering committee does meet, if in fact Ms. Duncan finds this is a priority, that can be a recommendation that comes out of the steering committee back to committee in relation to prioritizing the time frames that we can look at.

I don't think that's a decision for today. I think this motion speaks for itself. There's a reason for this motion. Whether you agree with it or not, it's here. The steering committee can then make the call on prioritizing how fast we actually get those resolutions forward to committee.

Thank you.

**The Chair:** Our analyst, who has always been so brilliant in trying to come up with ways to keep everybody going forward, has suggested that instead of saying “undertake”, we say “complete” a study.

**Ms. Linda Duncan:** Great. Rather than starting a study in August 2017.

**The Chair:** Regardless, we can decide that on Wednesday, if I could make that suggestion. Why don't we go with what we have today, and on Wednesday when we deal with committee business, we can prioritize exactly what we're going to deal with first in September, so that the department is also ready, as well as anyone who wants to speak to it. We can decide that on Wednesday when we're dealing with committee business.

Mr. Hardie, the last comment.

**Mr. Ken Hardie:** Will we take the analyst's suggestion as a friendly amendment and say “complete a study on the viable options” in section 2?

**An hon. member:** It could be a friendly amendment.

**The Chair:** Is everybody good with that?

**Ms. Linda Duncan:** Hopefully, a decision by the minister will be made well before August 2017, so what's the point of doing a study then?

**The Chair:** We don't know that, and—

**Mr. Ken Hardie:** We don't.

**The Chair:** —and we do have a role to play as a committee, which is to—

**Ms. Linda Duncan:** —or it will sunset.

**The Chair:** —process these things to respond to what's necessary. I think we've had enough discussion on it, and I'm going to leave the motion as it is before us. On Wednesday—

**Ms. Dianne L. Watts:** —with a friendly amendment that says “complete”.

**The Chair:** All right. We're going to have the study completed. All right, so we've amended that, and that should satisfy someone else.

All those in favour of Mr. Badawey's motion.

It carries.

(Motion as amended agreed to)

**The Chair:** We have the budget in front of us. I think everybody has a copy of it. It's just to keep us functioning. I need this adopted by the committee,

That a proposed budget in the amount of \$1,200.00, for the study of Supplementary Estimates (A) 2016-17, be adopted.

• (1720)

[Translation]

**Mr. Luc Berthold:** Madam Chair, I have a question on the budget.

The two conferences concern the meeting we cancelled the last time, correct? The meeting did not take place because we were held up in the House because of events that occurred there. We cancelled the meeting I was to chair. Is that correct?

[English]

**The Chair:** Yes, yes.

[Translation]

**Mr. Luc Berthold:** Okay.

[English]

**The Chair:** That was the study we have just done on our supplementary estimates.

(Motion agreed to)

**The Chair:** Mr. Berthold, to do with our trip to Lac-Mégantic.

Do we want to go in camera for this discussion about going to Lac-Mégantic?

I don't see any interest in doing that. Let's go forward.

Ms. Duncan, will you be attending?

**Ms. Linda Duncan:** Yes, I said long ago I would. I filled out the form.

**The Chair:** Okay.

Ms. Watts.

**Ms. Dianne L. Watts:** I'm at the FCM.

**The Chair:** Ms. Block.

**Mrs. Kelly Block:** Yes.

**Mr. Luc Berthold:** Yes.

Maybe you should ask if people will travel with the group.

**The Chair:** I think you're going to discuss that issue now.

I wanted to confirm who's going.

On this side we have Ms. Duncan, Ms. Block, and Mr. Berthold.

Mr. Badawey.

**Mr. Vance Badawey:** I won't be attending.

**Mr. Ken Hardie:** I'll go.

**Mr. Angelo Iacono:** Yes.

**Mr. Sean Fraser:** Unfortunately, no.

**Mr. Gagan Sikand:** I can no longer come.

**The Chair:** We know who's attending.

Mr. Berthold, would you like to brief—yes, me of course. If you don't need me there, I'm sure I could find other things to do, but yes, I am very happy to go.

[*Translation*]

**Mr. Luc Berthold:** Thank you, Madam Chair.

I will explain the agenda. I would in fact like the members of the group to give me some information because I have had a few questions on this.

You have all received the schedule that was prepared by our committee's team. It is a very realistic schedule if there are no votes. If that is the case, things will go well.

As you will have seen, we are all going to have dinner in Sherbrooke to break up the trip, as it is after all a long trip. Afterward, we will go to a very charming little inn on the shore of Lake Mégantic. It is a perfect place to hold all of our discussions without having to move constantly. Our time is limited. I know that several people will have to travel by plane to get there. I want us to use all the time we have to meet witnesses well.

We will begin very early Friday morning with a breakfast with Lac-Mégantic elected officials, such as the mayor, councillors, the county warden, as well as the person who was mayor when the tragedy occurred. It will be an informal discussion to give these people an opportunity to tell us about the current situation, the hardships they went through, their fears and all of those matters. The purpose of these discussions will be to give us an overview of the situation three years after the rail tragedy. This will give us a lot of information for the study we are undertaking on rail safety.

I asked that these groups be made up of five people at the most because the room is small and our time is limited. If we had groups of 10 or 12 people, it would be impossible to keep to the schedule, which is quite tight. And so I asked the people in each group to make 5- to 10-minute presentations to give us a picture of the situation. Afterwards, we can chat with them.

The people we will be hearing from are elected representatives, as well as members of the Comité de vigilance pour la sécurité ferroviaire de Lac-Mégantic—the Lac-Mégantic rail safety vigilance committee—and the Coalition des citoyens et organismes engagés pour la sécurité ferroviaire, the coalition of citizens and organizations for rail safety. The schedule will change slightly, because we separated the two groups. I am going to send the new schedule to our clerk. The positions of the groups on the agenda are not quite the same. To avoid confrontations, the groups will follow one another. Things will work out anyway in terms of the schedule.

Afterwards, we will meet representatives of the Centre intégré universitaire de santé et de services sociaux, who carried out a study on the state of the population three years after the tragedy. How did

the population experience this tragedy? How is the tragedy impacting them now? What is the situation three years later with regard to government assistance? When the media and cameras are there, of course all the governments and groups are there too, but what is happening now, three years later? Do people still need help? That is what these people will come and talk to us about.

The Bureau de reconstruction du centre-ville de Lac-Mégantic and the Centre du savoir et de l'innovation en sécurité ferroviaire will come to talk about the work that was done after the tragedy. How and where do they rebuild? Should the railway be rebuilt elsewhere than in the downtown core? This will give us an idea of the issues that arise after such a tragedy and what we need to do.

The Centre du savoir et de l'innovation en sécurité ferroviaire is a Lac-Mégantic group that wants to put in place a rail safety centre to train stakeholders in rail safety, particularly French-speaking stakeholders, since there is no such centre for francophones. Currently, these stakeholders have to go to an English-language training centre. According to what was explained to me at a meeting recently, they would like this training to be offered to a larger number of people.

That is the plan I am submitting to you.

Afterwards, we will go by bus to see the location of the current downtown core. On site, they will show us exactly where it was before and where the rail line runs currently, so that we understand the situation well when reconstruction or a by-pass track are discussed afterwards. This will allow us to have a good understanding of the reasons behind these projects.

• (1725)

After that, I propose that we all meet with local media to answer their questions. For sure they will know that we're going to Lac-Mégantic. They will surely want to ask us questions. I know that one of the coalitions has already scheduled a press conference at the time we'll be meeting with people. The media will want to meet with us.

Depending on how late it will be, are we going to eat there? We could also have box lunches prepared. Whatever works best. Mr. Chaplin, I don't know how far along you are on this. It has more to do with the logistics of the event.

I have another question I wanted to ask.

I was asked by a member of the media if they could attend all the meetings. The room is very small. I have no objection to the media being at the meeting, but I don't know whether, technically, there will be enough room for them.

I suggest that we meet with the media after the meeting, which will allow everyone to air their views and make comments. It would be easier and allow for more frank discussions with residents. There may be some who would prefer not to share their views and emotions in public. They may be more willing to do so among us. I'm not asking for a closed meeting, because we will be able to talk about it afterward. It's something the committee could discuss. It's up to us to decide.

This is the itinerary I've prepared. There are many things planned. This will require Madam Chair to be highly efficient in terms of time management. I promise, Madam Chair, to assist you with that in every way I can. In a half day, if we manage to hear from everybody, we will have an accurate snapshot of the situation in Lac-Mégantic three years after the tragedy. People will also want to tell us about problems that persist in railway safety. One coalition, in particular, is in the midst of preparing a fairly detailed brief. We are going to have enough information to consider for several days.

[English]

**The Chair:** Thank you very much, Mr. Berthold, for doing all of this. We're quite excited and interested to have that opportunity to visit the community and to listen to them.

Would you like to give us some logistical information.

**The Clerk of the Committee (Mr. Andrew Bartholomew Chaplin):** Yes. There may be things for which the committee has to be prepared.

I gather the government House leader announced today that Thursday is going to be an opposition day, which I think affects the vote situation. Otherwise, there may still be a possibility that we will not be unleashed until after the start of private members' business.

That would severely complicate matters. It would put us into Lac-Mégantic sometime after 10 p.m., in which case we may have to war-game the situation and see whether or not we're going to have to do box lunches on the way there and box lunches on the way back. I realize it's not everybody's favourite way of dining, but when the timing is tight, that is perhaps the way to go.

The second question is, if the committee is hosting the elected officials of Lac-Mégantic, if we're in fact extending hospitality to them, the committee has to agree to it in a motion. It's very tightly controlled by the by-laws of the Board of Internal Economy. That needs to be specifically agreed to.

Because of everybody's getaway time on Friday afternoon, I think the real solution there ought to be box lunches, because that means we're on the bus, and we have concurrent activity. We're eating and travelling at the same time.

The route would be as direct as we can get. I understand there are people who may have to depart from Dorval. The other option is to depart from Ottawa because that's—

• (1730)

**Ms. Linda Duncan:** No, I can't. I have to catch the flight.

**The Clerk:** Okay. I understand there may be people taking flights out of Ottawa. The plan is to go to Dorval and Ottawa international airports in succession and, Mr. Iacono, that would be the point at which you could get off and take a taxi from Dorval back to your riding and charge it against your travel expenses.

**Mr. Angelo Iacono:** It's not a question of the cost; it's a question that I have an activity to attend. If I get dropped off at Dorval at rush hour, it will take me a good hour just to get home and then get to my other activity in two hours. Maybe I'll be dropped off somewhere safe before getting to Dorval, if it's convenient. I'll get the route and I'll let you know where the best place would be for me to get off.

**The Clerk:** That's great, sir.

**The Chair:** We can get to a light, and open the door, and...

**Some hon. members:** Oh, oh!

**Ms. Linda Duncan:** As to the timing, I understand the opposition day is my party's, and we're deferring the vote, so there is no issue. What time does that mean we will be leaving?

**The Clerk:** I was aiming for as soon as possible after question period on Thursday, around 15:30, likely, 3:30 p.m. The rendezvous

**Ms. Linda Duncan:** That's a 20-minute difference, yes.

**The Chair:** As long as everything stays consistent, and if they're going to defer the vote, then I think it's just a question of knowing that and confirming those things as we move forward.

**Ms. Linda Duncan:** We do know that.

**The Chair:** Good. I'm so glad you know.

**Ms. Linda Duncan:** That's why I informed him.

**The Chair:** Good.

Okay, so we need a motion on the hospitality. What's the wording of the motion?

**The Clerk:** "That the committee extend hospitality to the elected officials of Lac-Mégantic".

Can we get a mover?

**The Chair:** It's moved by Mr. Berthold.

(Motion agreed to)

**The Chair:** Is there anything else?

**The Clerk:** I don't think so.

**The Chair:** Right now, where is the bus going to pick us up at 3:30?

**The Clerk:** On the north side of Confederation Building. There's a protest by farmers. There are going to be tractors everywhere.

**Some hon. members:** Oh, oh!

**The Clerk:** My original plan had been to suggest that you bring your bags to the lobbies and come out from question period, but we're pretty sure the Hill is going to be chockablock, and we have an out if we....

[Translation]

**Mr. Luc Berthold:** Madam Chair, I will ask the same question I asked at the last meeting.

If there are enough seats on the bus, will staffers be able to accompany committee members, without incurring additional costs? If there isn't enough seating, then forget about it, but if there is, would this be possible under the rules of the House?

• (1735)

[English]

**The Chair:** If there's space on the bus and it's agreed upon by the committee that if any of our staff want to attend—

**The Clerk:** I know my superiors have—

**The Chair:** —if they can fit in the bus.

**The Clerk:** They want me to advise against it because of all sorts of other problems they see following on it.

**The Chair:** All right, but if there were room on the bus, seats were empty, and Mr. Berthold or I or someone else would like a staff member to attend, it would only make sense that somebody fill that seat.

**Mr. Luc Berthold:** That's a good day for your staff, *madame la présidente*.

**Mrs. Kelly Block:** That would just be for the day. If they were coming the night before, then it would be the cost of the hotel room.

**Mr. Luc Berthold:** For him.

**Mrs. Kelly Block:** Yes.

**Mr. Luc Berthold:** Yes, not at the expense of the committee.

**Mrs. Kelly Block:** Oh, okay.

**Mr. Luc Berthold:** It's just if there's a place on the bus.

**The Chair:** No, it wouldn't be. It would just be at their own expense, yes. Exactly.

Ms. Duncan, we're five minutes over.

**Ms. Linda Duncan:** A request has been put by one of my colleagues, Pierre-Luc Dusseault, who is not asking to come on the bus. He lives in the riding next door and he wanted to meet us there. That would be very helpful to me because I know it's very much a francophone community. I do not speak French well, and I know a lot of the discussion is going to be in French.

**Mr. Luc Berthold:** Do we have translation?

**Ms. Linda Duncan:** He's not asking for a hotel or bus. My understanding is it's quite common that other members can choose to join. There's not going to be any expense to us.

**The Chair:** We do have translation, though, don't we?

**The Clerk:** Interpretation, yes.

**Ms. Linda Duncan:** Including at the site?

**Mr. Luc Berthold:** Yes.

**The Chair:** What are the wishes of the committee? Ms. Duncan has made a request to allow another member of Parliament to attend.

[*Translation*]

**Mr. Luc Berthold:** Personally, I don't think it's necessary. We can't invite everybody. While we're at it, I could also invite colleagues from Quebec who would like to attend. It's really all about this committee's study. I think it should be limited to committee members.

[*English*]

**The Chair:** I think we will leave it at that, if those are the feelings of the committee.

We have our own committee to go forward with, as others do. We do have translation or interpretation.

**Ms. Linda Duncan:** Why would we do interpretation at the site? I don't see how it's going to be possible. We're not going to have head gear on. There's going to be a lot that will go missing if we're going to do this expeditiously.

**The Chair:** Mr. Chaplin.

**The Clerk:** We have portable headsets. The interpreters will be equipped with boom microphones and headsets, and they will do simultaneous interpretation.

**Ms. Linda Duncan:** Okay.

**The Chair:** All this technology, we'll try. All right.

One last thing. Would you like a draft copy of our report tomorrow?

**Ms. Linda Duncan:** Yes, please.

**The Chair:** Ms. Duncan, thank you very much for submitting your seven-page document. I think it was helpful and useful.

Is everyone good? Okay.

The meeting is adjourned.







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