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# Standing Committee on Transport, Infrastructure and Communities

EVIDENCE

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Chair: Mr. Vance Badawey





## Standing Committee on Transport, Infrastructure and Communities

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• (1535)

[English]

**The Chair (Mr. Vance Badawey (Niagara Centre, Lib.)):** Good afternoon, everyone. I call to order meeting number 27 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

As many of you know, once again today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. The proceedings will be made available via the House of Commons website. So you are all aware, the webcast will always show the person speaking rather than the entirety of the committee.

To ensure an orderly meeting, I will point out a few rules to follow.

First off, members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. You have the choice at the bottom of your screen of either "floor", "English", or "French".

For members participating in person, proceed as you usually would when the whole committee is meeting in person in the committee room. Keep in mind the directives from the Board of Internal Economy regarding masking and health protocols.

Before speaking, please wait until I recognize you by name. If you are on the video conference, please click on the microphone icon to unmute yourself. For those in the room, your microphone will be controlled as normal by the proceedings and verification officer.

As a reminder, all comments by members and witnesses should be addressed through the chair. When you are not speaking, your mike should be on mute. With regard to a speaking list, as always, both the committee clerk and I will do the very best we can to maintain the order of speaking for all members, whether you are participating virtually or in person.

Members, pursuant to Standing Order 81(4), the committee will now commence its consideration of the main estimates 2021-22.

It's my pleasure now to introduce and welcome our witnesses.

Appearing for the first hour, from 3:30 to 4:30, we have the Honourable Catherine McKenna, Minister of Infrastructure and Communities, as well as the person I would call her right arm and sometimes both arms, Kelly Gillis, the deputy minister of Infrastructure and Communities.

Kelly, it's great to see you again.

For the second hour, between 4:30 and 5:30, we have witnesses from the Office of Infrastructure of Canada. Kelly Gillis, the deputy minister of infrastructure and communities, will continue to be with us, as well as Nathalie Bertrand, assistant deputy minister and chief financial officer, corporate services; Glenn Campbell, assistant deputy minister of investment, partnerships and innovation; Alison O'Leary, assistant deputy minister of program operations and communities and rural economic development; and Gerard Peets, assistant deputy minister of policy and results.

With that, welcome to all of you. It's great to have you at the committee.

We're going to start off with Minister McKenna.

Minister McKenna, you now have the floor for five minutes.

**Hon. Catherine McKenna (Minister of Infrastructure and Communities):** Thank you very much to the chair and to committee members. It's great to be back in front of the committee.

I want to start by recognizing that I am on the traditional unceded territory of the Algonquin Anishinabe peoples. I am in my house, so hopefully there will be no interruptions. You never know.

I am certainly very pleased to be here to talk about the government's commitment to building back better, which is especially relevant as today is Earth Day. Happy Earth Day to everyone.

As I say, it's really about building the future we want. Infrastructure is a key role, and I'm here to talk about main and supplementary estimates to advance the government's national infrastructure plan. Of course, I'm very happy to be joined by Kelly Gillis, my deputy minister.

Well, COVID-19 has certainly reshaped so many aspects of our lives, including how we do committees, and of course, how we get around in our communities and how we connect with each other. The good news is that we will get through the pandemic, but as we do that, we need to think about ways to build back better.

[Translation]

We must build the Canada we want, with good jobs, a sustainable economy, cleaner air and more inclusive communities where people want to live, work and raise their families.

[English]

This week, Deputy Prime Minister Freeland tabled budget 2021, a plan that will help us conquer COVID-19 in the short term, punch our way out of the COVID-19 recession in the medium term, and build a more resilient and cleaner Canada.

This plan will help parents, particularly women, return to the workforce with more affordable and accessible child care, reaching \$10 a day in the next five years. I don't have to tell any of the parents here how important that is.

It also invests in bold climate action, building on what we have already done and setting us on a path to reaching net zero emissions in 2050.

Today, on Earth Day, we acknowledge just how important climate action is, but I would say that in my role, I think about it every single day and about how infrastructure needs to help us tackle climate change and build more resilient communities.

Whether it's assessing the climate impacts of new roads and bridges or electrifying public transit and retrofitting buildings to become more energy-efficient, as we build back better we need to continue our fight against climate change. Every infrastructure decision is inevitably a climate decision too.

Infrastructure investments help create jobs, drive economic growth, tackle climate change and build more inclusive communities. To do this successfully, we're seeking \$6.8 billion in the 2021-22 main estimates: \$4.3 billion in grants and contributions to support 22 infrastructure programs, and \$2.3 billion for the gas tax, now renamed the Canada Community-Building Fund, which I think is a far better name—assuming I got it right—all to ensure that communities across Canada have the money they need when they need it.

We're also seeking an increase of \$2.2 million through supplementary estimates (C) for 2020-21. This funding will support the recent approval of the “Strengthening Stewardship of Canadian infrastructure: Long-Term Resourcing Strategy” Treasury Board submission, which granted Infrastructure Canada permanent operating funding. I can't tell you how excited that makes me, because we definitely need permanent operating funding.

I can see my deputy smile.

The additional funding will enable the department to meet existing obligations, maintain operations, and meet the evolving infrastructure needs in Canada, including driving to net zero by 2050.

This is what I want to talk a little bit more about today.

To be honest, I've always hated the word “infrastructure”, and I'm not the only one. John Baird, former minister of infrastructure, agrees with me. It's a made-up, bureaucratic word that undersells the final product. Talk to someone about their new community centre or about finally being hooked up to high-speed broadband or taking an electric bus, and you realize it is so much more.

[Translation]

It determines our quality of life and is critical for our economic growth, job creation and combatting the effects of climate change.

Especially now, as we look towards recovery from the COVID-19 pandemic.

● (1540)

[English]

COVID-19 strengthened our resolve and spurred us to do more, to do it faster, and to do it more strategically.

We've accelerated project approvals under the Investing in Canada infrastructure program, and since March of last year, we have approved nearly 3,100 projects, representing a federal investment of more than \$4.1 billion. These are projects in communities across the country.

This serves as a testament to the progress we're making with our Investing in Canada plan. We know the plan is working. Canadians know the plan is working: they see the progress in their communities. The federal government has invested more than \$81 billion for more than 67,000 projects, with 90% of them completed or under way. This means that 40% of the way into the plan, we've invested more than 40% of the funding.

But it's about more than the plan. We are doing so much more that is being counted under the Investing in Canada plan. We're moving forward with universal broadband, green and inclusive community buildings, and many other initiatives that were not part of the plan's original design, initiatives that help address issues raised by the pandemic, such as the COVID-19 resilience stream, the Canada healthy communities initiative and new funding for ventilation, the latter of which will reduce the risk of COVID-19 transmission by funding projects to improve ventilation for schools, hospitals, and other public buildings.

[Translation]

And initiatives that are helping us reach our climate targets, like the investments we're making in public transportation.

[English]

On February 10, Prime Minister Justin Trudeau and I announced a federal plan to invest nearly \$15 billion for new public transit infrastructure over the next eight years. This funding includes a long-term strategy to deliver \$3 billion annually for public transit beginning in 2026-27. Since then, I've announced additional details around Canada's approach to public transit funding, including investments in 5,000 zero-emission buses and in such active transportation as cycling and walking paths, rural transit and more.

But we can't just build back better; we have to build back smarter. That's why we launched engagement on Canada's first-ever national infrastructure assessment. We will rely on experts, data and evidence to identify Canada's infrastructure needs and priorities out to 2050.

**The Chair:** Can you wrap it up, Minister?

**Hon. Catherine McKenna:** The year 2021 is a year of change, and at Infrastructure Canada we continue to look for innovative ways to do things better.

[Translation]

Our goal is to make tangible improvements that contribute to better public transit, improved connectivity, cleaner water, good jobs and much more.

[English]

Twenty years from now, I hope a kid riding on a new subway line in Toronto, Montreal or Vancouver, or riding an electric bus anywhere in the country, will look up at his mother and ask how it got built. She will say, "It's part of how we built back better from this terrible pandemic. We got through it, and now we're living this action."

We know that through our historic investments in infrastructure, we're helping Canadians and their communities adapt and recover, getting people working and building a cleaner, inclusive and more connected country for the future.

**The Chair:** Thank you, Minister McKenna.

Before I go to questions, I want to mention to the committee that we will probably close the meeting up early today because we have a set of main estimates—I believe there are 10 of them, to be exact—to vote on prior to adjourning the meeting. We're probably going to veer from the agenda and go to those votes when we have about 10 minutes left in the meeting. I'll also remind members to provide any comments they may have on the reports that we're expecting to come back to committee.

Finally, before I go to Mr. Scheer, I'll say that it seems when the ministers come out, we sometimes have some crossover in comments. I'll say it that way. I request that members try to respect the interpreters and not talk over each other, because this makes things harder for the interpreters and it's not good for their ears. I hope you will give that respect to the folks working in the backroom.

With that, I'll start off with the Conservatives.

Mr. Scheer, you have the floor for six minutes.

**Hon. Andrew Scheer (Regina—Qu'Appelle, CPC):** Thank you very much, Mr. Chair.

Minister, recently the Parliamentary Budget Officer told this committee that your department has so far refused to provide to him all of the information regarding the infrastructure projects that you have claimed. In fact, he highlighted almost 9,000 projects that your department has been unable to verify. That was last month.

Has your department been able to provide that information to the Parliamentary Budget Officer?

• (1545)

**Hon. Catherine McKenna:** Thank you very much to my critic for his question.

We provided the Parliamentary Budget Officer with an itemized list of more than 33,000 projects that we fund directly; another 20,000 projects that we support through block funding, such as the gas tax fund; and some CMHC projects.

Let's be clear. Part of the challenge was written by the Conservatives themselves. If you look at the 10-year agreement the Conservatives signed on the gas tax fund in 2014, it does not require provinces to provide detailed reporting on each project or its outcomes. In fact, Quebec isn't required to do project-by-project reporting at all.

I want to thank my team, including Kelly, the deputy, and the whole Infrastructure Canada team, who had to go across government, make sure that we reported on projects and find projects in the provinces so that we could properly report.

We need to fix this. That's something I am committed to, because we obviously need to get a full accounting. However, I can tell you that if you go to any city or town across the country, people will tell you how much these projects are making a difference in their communities.

**Hon. Andrew Scheer:** The minister has been part of a government that has been in government for several years now. The Parliamentary Budget Officer has asked for this information. The minister makes these claims, so I have a very simple question.

Just last month, the Parliamentary Budget Officer said there are over 8,500 projects that this department has lost track of. I have a very short question and I hope the answer will be correspondingly short: Has the minister been able to provide the Parliamentary Budget Officer with the missing information?

**Hon. Catherine McKenna:** Let's be 100% clear. We have lost no projects. We have tracked all the projects and we've provided the information.

When it's time to—

**Hon. Andrew Scheer:** You've provided all the information.

**Hon. Catherine McKenna:** —renegotiate the 10-year agreements with the provinces that were negotiated under the Conservatives, we will make sure that everyone has to report on every single project, correcting the error made by the Conservatives.

**Hon. Andrew Scheer:** Now you're telling us that you have provided this missing information to the Parliamentary Budget Officer. Is that what you just said?

**Hon. Catherine McKenna:** We have provided information about all the projects—more than 33,000 projects that we fund directly and another 20,000 projects that we support through block funding.

I'm happy to turn this over to my deputy. She can provide more information, because our department spent a lot of time getting all this information.

Deputy, would you like to say something?

**Ms. Kelly Gillis (Deputy Minister, Infrastructure and Communities, Office of Infrastructure of Canada):** Thank you—

**Hon. Andrew Scheer:** You've made the claim, Minister. You are directly contradicting what the Parliamentary Budget Officer told this committee just last month. You're asking Parliament for billions in new spending and you can't keep track and can't verify. The Auditor General reported the same thing. There's missing information, and we're not able to track projects.

I just want to make this crystal clear, as you have now repeated it a couple of times. You are now telling this committee that you have provided to the Parliamentary Budget Officer every piece of information that he has requested.

**Ms. Kelly Gillis:** Yes, we have provided the Parliamentary Budget Officer with a complete list of information. Last June, I personally wrote the Parliamentary Budget Officer and provided a clear and detailed accounting of all the projects, including the 33,000 projects on which we get detailed information, and gave information related to the gas tax that we collected.

The 9,000 projects that you're referring to are from CMHC. They're not Infrastructure Canada projects. They're related to transfer payments to the provinces and territories. We do not get project-by-project information there, but all of the claim information is subject to third party confirmation and compliance with the bilateral agreements we have with the provinces and territories. The projects are related to investments in affordable housing, in shelters for victims of family violence and in social housing. That is why we don't have detailed information. However, that information was provided to the Parliamentary Budget Officer, and we later confirmed this again, following up to make sure they were clear on the information that was provided.

**Hon. Andrew Scheer:** To be clear, those were projects your department claimed, so to say now that they are not infrastructure projects.... They're part of the global amount that the minister claimed. You're telling me—

**The Chair:** Go ahead, Ms. Gillis.

**Ms. Kelly Gillis:** I would like to confirm that they are not programs or projects within Infrastructure Canada. Within the overall Investing in Canada plan, there are 21 departments and 93 programs. Within the 93 programs, one of the organizations is CMHC.

They have a number of programs that are related to the overall plan. They are accountable for managing, executing and implementing the programs within the plan that are under their responsibility.

• (1550)

**Hon. Andrew Scheer:** You're saying these projects are not under Infrastructure Canada, but they come from the overall Investing in Canada plan. These were added to the list when this government made claims about projects they were making. This is why the Parliamentary Budget Officer asked for the information in the first place. Now you're telling this committee that you paid out for the projects but are unable to provide the type of information the Parliamentary Budget Officer has asked for.

**The Chair:** Minister, go ahead.

**Hon. Catherine McKenna:** Sorry, Chair, but I'd like to be 100% clear. We have provided the information on all the projects.

Do you know what? There is a big question Canadians want to know. The Conservatives in the last election ran on a platform to cut \$18 billion in—

**Hon. Andrew Scheer:** That's just not true—

**Hon. Catherine McKenna:** —infrastructure investments, so out of all of the projects we're talking about, can you—

**Hon. Andrew Scheer:** That's not true—

**Hon. Catherine McKenna:** —tell us what projects you would cut—

**Hon. Andrew Scheer:** That's not true—

**Hon. Catherine McKenna:** —what projects would not go ahead? What community centre projects in what ridings—

**Hon. Andrew Scheer:** This government—

**The Chair:** Mr. Scheer, hold on.

**Hon. Catherine McKenna:** —across the country would not go ahead? What public transit projects wouldn't go ahead? What projects in indigenous communities?

**Hon. Andrew Scheer:** Mr. Chair—

**Hon. Catherine McKenna:** What clean drinking water projects wouldn't go ahead? That's what—

**Hon. Andrew Scheer:** Mr. Chair, this is the opportunity for the—

**Hon. Catherine McKenna:** —Canadians want to know.

**The Chair:** Thank you, Minister.

Go ahead, Mr. Iacono, on a point of order.

**Mr. Angelo Iacono (Alfred-Pellan, Lib.):** Thank you, Mr. Chair.

I'm having a bit of difficulty hearing what the minister is trying to say and I would appreciate it if my colleagues allowed the minister to complete her response.

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

Minister, could you finish quickly? Mr. Scheer only has about a minute left.

Go ahead.

**Hon. Catherine McKenna:** Look, I think these investments we're making across the country are really important. I talk to mayors across the country and to indigenous communities who say they're making a huge difference, whether they're investments in clean drinking water, in public transportation or in community or cultural centres.

I could go on. These projects are critically important. I would hope that the member supports these investments, because you know what? They're not—

**The Chair:** Thank you, Minister.

**Hon. Catherine McKenna:** —just good for communities. They're good for tackling climate change and they're good for creating jobs and growth.

**The Chair:** Thank you, Minister.

Go ahead, Mr. Scheer.

**Hon. Andrew Scheer:** The minister knows that her department has let billions of dollars lapse. Our commitments in the last election were for the same amount of infrastructure dollars to be spent. This government has let those monies lapse. The Auditor General flagged that most of the projects being completed today are from the previous Conservative government's legacy program. She's trying to put her name on our homework and get credit for it.

The Parliamentary Budget Officer has also flagged that there's been no private sector investment in Canada Infrastructure Bank projects. There are missing projects, with no tracking of whether or not the programs are even hitting their own targets.

The minister is coming to Parliament to get approval for new spending in the next cycle, but she hasn't been able to track the money she's already been given.

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

Minister, we need a short response.

**Hon. Catherine McKenna:** I might remind the member of the investments in projects in his riding, including the Town of Ituna water distribution supply with the new wastewater mains and pump station upgrades, the lagoon expansion and the new lift station; drinking water treatment systems in the village of Abernethy; the Muscowpetung hill reconstruction; the Ituna acid management; investments in the rural municipality of Indian Head No. 156.

I could go on. Maybe the member opposite would like those investments—

**Hon. Andrew Scheer:** Those are mostly from previous Conservative programs.

**Hon. Catherine McKenna:** I can provide the list. We will come back to the member with his lists of investments.

**The Chair:** Thank you, Minister McKenna. Thank you, Mr. Scheer.

We are now going to move on to the Liberals.

Mr. Rogers, you have the floor for six minutes.

**Mr. Churence Rogers (Bonavista—Burin—Trinity, Lib.):** Thank you, Mr. Chair.

Welcome, Minister. It's good to see you again at our committee and I look forward to this meeting today.

Mr. Chair, I'm splitting my time with my good colleague Mr. Iacono, so I will ask just one question of the minister.

Minister, we're in the depths of a health and economic crisis. The last time you appeared at this committee, you mentioned you had adapted streams under the Investing in Canada infrastructure plan to the realities of COVID-19. Can you provide an update on these important investments and how they are impacting communities now and for the years to come?

**Hon. Catherine McKenna:** Thank you very much.

Congratulations on getting the Canada Games. I think I heard you are getting them. That's pretty awesome. I think that will mean some infrastructure investments and also some good news across Newfoundland and Labrador.

When the pandemic hit, it was pretty clear to me that we needed to adjust our programs. We needed to make sure we were providing support to provinces and municipalities, sometimes in areas that we don't normally fund.

We created the COVID-19 stream, which allowed provinces and territories to allocate 10% of their money under the Investing in Canada infrastructure program to things like investing in ventilation in schools and long-term care and hospitals.

We don't normally do that. That's provincial jurisdiction. However, these are obviously critically important investments. In fact, just a few weeks ago, or maybe it was last week—in the pandemic I lose track of time—we announced investments in schools across Ontario to improve ventilation. That's critically important. I think we all recognize that we need kids to be back in school, but we need it to be safe. We invested in public long-term care facilities in Ontario also. We have seen the huge challenges there. It also means investments in active transportation, in projects that mean people can get out in nature. We recognize that's critically important.

I would be remiss if I didn't point out that we also doubled the gas tax, the building Canada communities fund, to support municipalities directly. We know they need money. It has been an expensive and challenging time through COVID-19, but we want them to continue building infrastructure.

We're going to continue making investments that will help Canadians get through COVID-19, help municipalities and provinces, but of course then build back better.

• (1555)

**The Chair:** Thank you, Minister.

**Mr. Churence Rogers:** Thanks, Chair. I'll put it over to my colleague Mr. Iacono.

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

Go ahead, Mr. Iacono.

[*Translation*]

**Mr. Angelo Iacono:** Thank you, hon. colleague.

Thank you, Mr. Chair.

Welcome, Madam Minister.

I'm not surprised that the former leader of the Conservative Party is criticizing our infrastructure investments, since he proposed during the 2019 election campaign to stretch those investments out for three more years, which would have reduced them by \$18 billion. Let me repeat that: \$18 billion. That certainly would have delayed or reduced infrastructure projects across Canada. I don't think he needs to lecture us today.

Madam Minister, in our role as MPs, we are seeing all the pressure that COVID-19 is putting on municipalities. Our government has supported them since the crisis began, and we want to provide additional support through the federal gas tax fund.

Could you tell us more about this measure and the timeline for its implementation?

[*English*]

**The Chair:** Go ahead, Minister.

[*Translation*]

**Hon. Catherine McKenna:** I thank my colleague very much for his question.

We know how important it is to invest in infrastructure. As you said, these are really tough times for municipalities. The investments they make are really important, which is why we've doubled our investment in the federal gas tax fund. As I said, this fund has a new name, which I think is more appropriate: the Canada community-building fund. It's a \$1.36 billion investment, and that money goes directly to municipalities. So it works differently than our infrastructure program where we work in partnership with the provinces and territories. What municipal mayors need is the money to invest in infrastructure that will improve living conditions in our communities. They want the flexibility to make those investments. If you talk to the mayors, you'll see that there are a lot of important projects.

Last year, we announced investments. It's normally done in two parts, but this time we invested the money in one go. That's one of the differences. It's really important to listen to the mayors of the communities, to know their needs and to support them. We need them to invest in infrastructure that will make a significant difference in the quality of life of Canadians.

**Mr. Angelo Iacono:** Madam Minister, I've talked to the mayors and municipal representatives, and they're very pleased that you haven't just paid out money from this fund in the past year, but also that it's been doubled. This has been a huge help. I'm very proud to say that I represent this government, along with my colleague Mr. El-Khoury. We're seeing a big difference here. It's important to point out that 10 years ago, there weren't many infrastructure projects in my riding or in the riding of Laval—Les Îles. It's thanks to our government that this has changed.

Thank you again.

• (1600)

[*English*]

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

[*Translation*]

**Hon. Catherine McKenna:** Thank you.

Let me say that doubling the fund has brought it to \$2.2 billion. That's a lot of money. It's double the amount we were giving before.

[*English*]

**The Chair:** Thank you, Minister.

We're now going to move on to the Bloc.

Mr. Barsalou-Duval, you have the floor for six minutes.

[*Translation*]

**Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ):** Thank you, Mr. Chair.

My question is for Ms. McKenna.

In the recent budget, your government announced close to \$500 million for the HFR, or high-frequency rail, linking Quebec City and Toronto.

Of that \$500 million, how much will be spent on the portion between Montreal and Quebec City?

**Hon. Catherine McKenna:** Thank you very much for the question.

I hope you are happy with the investments we've made in child care. I know you have a child, and I hope things are going well for you. You may even have two now.

High-frequency rail is a very important project. I'm working not only with the Minister of Transport, but also with the Canada Infrastructure Bank. In the budget, as you saw, we invested in high-frequency rail. These investments are for the entire route, so that the project can move forward. That is very important. That said, I recognize the importance of connecting Montreal to Quebec City and including all the stops.

**Mr. Xavier Barsalou-Duval:** Thank you very much, Madam Minister, but I wanted to know how much of the \$500 million will be invested in the portion between Montreal and Quebec City.

**Hon. Catherine McKenna:** I don't know the exact amount. It's a major project. The investments are for the entire project. Of course, the route between Montreal and Quebec City is important.

**Mr. Xavier Barsalou-Duval:** You can understand my surprise. It seems to me that \$500 million is substantial enough to know what will be done with it when it's allocated.

According to their comments, elected officials, mayors and chambers of commerce in the Mauricie region don't seem to be very happy with this \$500 million. We all know that the HFR project doesn't cost \$500 million, but rather \$5 billion to \$10 billion. You're saying it's good news, but the Regroupement des chambres de commerce de la Mauricie as well as the mayors of Trois-Rivières and Quebec City are all disappointed with your government's announcement. Why are you the only ones who are so happy about it?

**Hon. Catherine McKenna:** They shouldn't be disappointed because these investments show that we want to move the project forward. Our various departments are working very hard on this. The Canada Infrastructure Bank is instrumental in attracting private investment. Of course, there is more work to be done, such as determining the route and exploring the technology. That said, this is an important project not just for Quebec, but also for all the people who live in the planned corridor. It's also good for the economy and good for jobs.

**Mr. Xavier Barsalou-Duval:** Madam Minister, do you know how many kilometres of railway track between Montreal and Quebec City belong to VIA Rail? None. VIA Rail doesn't own a single kilometre of track between Montreal and Quebec City.

Under the circumstances, I wonder how you're going to do a HFR project with \$500 million. Everyone knows that's not going to happen. Also, it's \$500 million over six years. So that means that it will be \$100 million a year and that there won't be any new investment for six years.

Since the election campaign before last, the Liberals have been telling us that the HFR is coming and that they believe it. Finally, people are beginning to believe it less and less and to think that it's just a bit of window dressing. In six years, it will be in 2027, and there will still be no HFR.

**Hon. Catherine McKenna:** I'm going to turn it over to the deputy minister because I know she's working hard on this project with Transport Canada. The project is being led primarily by Transport Canada and the Canada Infrastructure Bank.

Ms. Gillis, could you talk a bit about the project?

[English]

**The Chair:** Go ahead, Ms. Gillis.

[Translation]

**Ms. Kelly Gillis:** Yes, thank you.

The budget provides a small amount to allow the joint project office to continue its work on the HFR. There's also an investment of nearly \$500 million, as was mentioned, to maintain VIA Rail's services at an appropriate level and to support any infrastructure projects designed to promote the success of the HFR. Yes, it's over six years, but it's really to reduce bottlenecks, and to improve flow and connectivity with respect to VIA Rail's existing services.

● (1605)

**Mr. Xavier Barsalou-Duval:** Yes, it's to reduce congestion. I understand what you're telling me, but what I mainly understand is that this \$500 million will be used to improve VIA Rail's services, in order to perhaps also promote the HFR project.

In the end, a HFR is not being announced at all, but rather a little money for renovations. There are no HFR tracks between Montreal and Quebec City. However, that's what the mayors and chambers of commerce are asking for, and that's what your government has been promising since the election before last. In 2027, there will still be nothing. That's the reality.

I think that's why elected representatives from the Mauricie region and chambers of commerce throughout over Quebec are disappointed with your government. They feel abandoned. While you promised them something, you're not giving it to them.

**Hon. Catherine McKenna:** I see that this is a very important project for the hon. member. As mentioned in the budget, we are moving forward, making investments and working hard on it. We need to have all the details on the technology, the exact route and the costs. We need to know how to attract private sector investment. I know we're working very hard on it. The joint project office, which is under the shared responsibility of the Canada Infrastructure Bank and VIA Rail, is working with Transport Canada and Infrastructure Canada on this project.

[English]

**The Chair:** Thank you, Minister and Mr. Barsalou-Duval.

We're now going to move on to the NDP.

Mr. Bachrach, you have the floor for six minutes.

**Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP):** Thank you, Mr. Chair.

Welcome back to our committee, Minister McKenna.

I'd like to start with the Auditor General's recent report on the Investing in Canada infrastructure program.

Minister, her high-level findings on the program and its effectiveness are pretty troubling. I imagine they were frustrating for you to read. I'll read a sentence from the section entitled "Overall message". She states, "Overall, Infrastructure Canada—as the lead department for the Investing in Canada Plan—was unable to provide meaningful public reporting on the plan's overall progress toward its expected results."

How can Canadians trust that these massive investments are advancing the goals that you've laid out when even the Auditor General of Canada can't connect the dots?

**The Chair:** Go ahead, Minister.

**Hon. Catherine McKenna:** That's a really important question, because I've always said that every dollar invested in infrastructure has to have multiple benefits, from creating jobs and growth to tackling climate change to building more resilient communities to increasing inclusivity and equity. If you go to communities in this country and talk to the mayors about any of these projects, they'll explain to you that, say, electric buses in Brampton are going to mean cleaner air, or they're going to mean Canadian jobs because they're built in Canada, or they're going to mean that people get home faster.

Look, I agree that we need to do a better job of explaining outcomes. That's something I'm committed to. I really do hope the member opposite, who I know cares greatly not only about infrastructure but also about achieving net-zero emissions by 2050, will weigh in on Canada's first-ever national infrastructure assessment. The whole point of it is to make sure we use the best evidence and data so that we are able to focus on outcomes and make sure that every investment we make in infrastructure is getting multiple outcomes and that we're able to explain them more clearly to Canadians.

**Mr. Taylor Bachrach:** Arguably, we shouldn't have to wait for the infrastructure assessment to improve the reporting so that Canadians don't have to go to every single mayor and ask whether the projects in their communities are contributing towards the goals.

I'd like to move on to a slightly different topic.

Minister, you have spoke very highly about the UN sustainable development goals, and they show up in the Auditor General's report. Her finding was that although the department talked about these goals aspirationally and very positively in their visioning and their messaging, they didn't show up. They weren't referenced in the department's reporting.

I note that in the departmental plan there's a reference in the text to the sustainable development goals, but they aren't reflected in the actual indicators that the department tracks. If these sustainable development goals are important and if they should guide our work, why not reflect those goals in the indicators that your department is tracking?

• (1610)

**Hon. Catherine McKenna:** The sustainable development goals are critically important. My department reports, like all departments, on the sustainable development goals in relation to the projects and the programs under its department, but we do it to ESDC.

I was actually involved in this as Minister of Environment and Climate Change. We had to report on Canada's progress on the sustainable development goals, which included progress at every level of government. It is not just the federal government, but every community. Everyone has to weigh in.

In some ways it is a bit strange to put the onus on us. We actually have a department that is required to report, including to the UN, on how we are tracking progress on the sustainable development goals. However, my department does track its projects and how we're contributing to sustainable development goals.

As to the reporting in the Auditor General's report, I think my deputy can explain how many departments, how many programs and how many projects. That's a separate type of reporting. However, for the reporting on SDGs, we should be clear: Our government is reporting across government, for every department, to the United Nations, which is critically important.

**Mr. Taylor Bachrach:** I'm not quite clear. Are you arguing that your specific department—Infrastructure Canada—in its plan, contrary to what the Auditor General is saying, shouldn't have to report specifically on the sustainable development goals?

**Hon. Catherine McKenna:** My department reports on the sustainable development goals for all the projects and programs within Infrastructure Canada. However, we have a broader reporting obligation on infrastructure projects generally. To be clear—and I don't know if I'm making this more confusing—we have to report as a government to the United Nations across government, and that reporting across government is done through ESDC. It has been decided that they are the ministry responsible for doing that reporting. It would be duplicative and very challenging for us to do it when we already have another department doing it.

I'll pass this over to my deputy. She can probably do a better job of explaining.

**Mr. Taylor Bachrach:** I don't want to spend too much time here, because I only have six minutes, so I'll move on to the topic of indicators.

I read through the departmental plan, and one of the indicators that shows up as an indicator of quality of life for all Canadians is gross domestic product attributable to infrastructure.

Minister, is gross domestic product an accurate indicator of equitable quality of life improvement? It feels like an outdated portrayal of inclusive development. There are so many improved metrics we can be using. Do you feel that GDP should be one of only three indicators that is linked to quality of life improvement for all Canadians?

**The Chair:** Go ahead, Minister.

**Hon. Catherine McKenna:** I was going to say that's a really deep question. To the member opposite, there are certainly merits in GDP generally. We all know how important GDP growth is, but as you say, there are many measures that regular people would feel are more important to their quality of life. It's something that maybe we should take back. Maybe my deputy....

It's a very interesting question, because I think sometimes that the world is changing, and how we value and what we value is critically important, and it's changed. We never talked about net zero by 2050 as something that was critically important, or maybe making sure equity was a main focus was also something we didn't think about as much before, but I think that's an interesting point. I will take that on board.

I don't know if my deputy wants to say something.

**Ms. Kelly Gillis:** Sustainable development goal indicator number 8 is good jobs and economic growth. GDP is one facet of looking at that. Certainly infrastructure does contribute to economic growth and good jobs. It's one lens of many that we do need to look at and that we do look at overall regarding our investments, as well as the plan overall.

**The Chair:** Thank you, Ms. Gillis.

Thank you, Minister McKenna, and thank you, Mr. Bachrach. That was a great question at the end. I guess it would be somewhat subjective in terms of measuring the performance of any infrastructure investment, given what people's lifestyles are accustomed to.

With that, we're now going to move on to our second round. Our second round starts off with the Conservatives.

Mr. Scheer, you have the floor for five minutes.

**Hon. Andrew Scheer:** Thank you very much, Mr. Chair.

The Canada Infrastructure Bank was supposed to get private sector funds to build public infrastructure. Last week, this government announced through the CIB that it was giving \$655 million of taxpayers' money to a company owned by Fortis Inc., a multi-billion-dollar company, to build a project that was already getting built anyway.

I have a simple question here. Will the minister provide this committee with the details of the special deal they cut to Fortis Inc.?

• (1615)

**Hon. Catherine McKenna:** Look, the Canada Infrastructure Bank is complementary to the Government of Canada's historic \$180-billion Investing in Canada Infrastructure Bank plan. The Canada Infrastructure Bank is independent.

I will say that's a very good project that will lower emissions and that will also create good jobs for Canadians and create economic

opportunity, and to those who might think that we want to privatize infrastructure assets or sell assets, that's not the goal of the Infrastructure Bank. It's really to make sure that good projects go ahead, and that's really an opportunity that the bank is doing. They're investing in many different projects, and that—

**The Chair:** Thank you, Minister.

Go ahead, Mr. Scheer.

**Hon. Andrew Scheer:** If it's such a good project, why couldn't Fortis Inc. pay for it itself? This is a company that made over \$8.9 billion in revenue last year. It paid out over \$800 million to their shareholders, yet this government decided to cut a cheque of \$655 million for a project that was already getting built anyway. The Lake Erie project has been proposed since 2014.

It's a very simple question. Will the government provide this committee with the details of the special deal they just gave to Fortis Inc.?

**Hon. Catherine McKenna:** I think the member opposite might know the Ontario minister, Greg Rickford. I'll just read out what he said:

The Lake Erie Connector demonstrates the advantage...of public-private partnerships to develop critical infrastructure that delivers great...value to Ontarians. Connecting Ontario's electricity grid to the PJM electricity market will bring significant, tangible benefits—

**Hon. Andrew Scheer:** Yes or no, Minister?

**Hon. Catherine McKenna:**

—to our province. This new connection will create high-quality jobs, improve system flexibility, and allow Ontario to export more excess electricity to promote cost-savings for Ontario's electricity consumers.

**Hon. Andrew Scheer:** Will you table the details of the deal, yes or no?

**Hon. Catherine McKenna:** I'm happy.... As you know, we have the CEO of the Canada Infrastructure Bank. He's come to present before, and we're always able to provide information about any project.

**Hon. Andrew Scheer:** This isn't about whether or not it's a good project. It's about who should pay for it. ITC Holdings is owned by Fortis Inc. Fortis Inc. made almost \$9 billion in revenue last year. They paid over \$800 million to shareholders in dividends. If this is such a good project, those shareholders, those investors, could pay for it themselves.

We are dealing with a current pandemic and its aftermath. Hundreds of thousands of people have lost everything. They've been told they can't open their doors. They've watched their entire life savings disappear. Their businesses are on the verge of bankruptcy. This government decided to give \$655 million to a multi-billion-dollar organization, a multi-billion-dollar operation, a private sector company that pays out over \$800 million to their shareholders in dividends.

Why?

**Hon. Catherine McKenna:** Let's just be clear that our government has supported Canadians through this pandemic, and we're going to continue to support Canadians. Eighty cents out of every dollar is going to support Canadians. Let's also be clear that the minister from Ontario, who happens to be a Conservative, said that this is going to mean jobs for Ontarians, that it means lower prices for consumers, that it's something that is good to tackle climate change.

You talked about this project. I'm not going to second-guess the Canada Infrastructure Bank. It's independent, and I'm sure they can provide you with the justifications. However, there's no evidence that this project was going to go ahead, and it crowded in private sector investments.

We need good projects to go ahead. I know that the member opposite does not believe in the Canadian Infrastructure Bank, which is very surprising for—

**Hon. Andrew Scheer:** Because it's a failure.

**Hon. Catherine McKenna:** —someone who's a Conservative—

**Hon. Andrew Scheer:** It's a failure.

**The Chair:** Mr. Scheer, that's enough.

**Hon. Catherine McKenna:** —who would believe that we should get more....

Do you believe that we should get more infrastructure built? Do you believe that we should crowd in the private sector to do that? Do you believe the federal government—

**Hon. Andrew Scheer:** Mr. Chair, I think I still have some time left.

**Hon. Catherine McKenna:** —can fund every single dollar of infrastructure investment that we need to build the future we want?

**Hon. Andrew Scheer:** Mr. Chair—

**The Chair:** Thank you, Minister.

Go ahead, Mr. Scheer.

**Hon. Andrew Scheer:** Isn't it the case that this minister and the CEO of the Canada Infrastructure Bank were so embarrassed about not being able to approve a single dollar's worth of private sector investment that they went running out and found a project that was already getting built? ITC Holdings brags on its website that all that is needed are a few servicing agreements in the U.S. to get this project built. This is a multi-billion-dollar organization.

Canadians are losing everything they've ever worked hard for—

• (1620)

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

**Hon. Andrew Scheer:** —and this government decided to give \$655 million in corporate welfare. It's disgusting.

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

Minister McKenna, could we have a short answer?

**Hon. Catherine McKenna:** That's all wrong, and I would just—

**Hon. Andrew Scheer:** What have I said that's not true?

**Hon. Catherine McKenna:** Everything you said is not true.

**Hon. Andrew Scheer:** You didn't give away \$655 million?

**Hon. Catherine McKenna:** Our focus has always been on getting more infrastructure built by crowding in the private sector, which is good for Canadians.

Once again, I would go back to the Minister of Energy for Ontario, who talked about the importance of this public-private partnership in getting critical infrastructure built that brings greater value to Ontarians. Those are jobs at a time that we need jobs. That's climate action at a time when we need climate action. That's lower costs to consumers at a time when I'm sure consumers appreciate lower costs.

I'm not embarrassed by that. I think that is good.

**Hon. Andrew Scheer:** Why can't the shareholders pay for it?

**The Chair:** Mr. Scheer, mute yourself, please.

Minister, continue. You have about five to 10 seconds.

**Hon. Catherine McKenna:** I think the Canada Infrastructure Bank has a really important role in getting more infrastructure built. There's a limit to the dollars that the government has. There is a private sector that has money to invest in infrastructure that is good for Canadians. We're going to continue to do that by working with the Canada Infrastructure Bank.

**The Chair:** Thank you, Minister.

We're now going to move on to the Liberals. We have Mr. Fillmore.

Mr. Fillmore, you have the floor for five minutes.

**Mr. Andy Fillmore (Halifax, Lib.):** Thank you, Chair.

Minister, it's wonderful to see you here with the deputy minister. Thank you both for being here and for all your work.

What a time to be in the business of building communities in Canada right now. It's a generational investment in communities, reaching into cities and towns across the country, improving lives of current and future generations. Thank you for your leadership on this through the Infrastructure Bank, getting amazing traction and so many other great outcomes. Thank you for all of that.

Now I want to ask you about active transportation.

Active transportation advocates like you and me have seen what's happened during COVID. Communities have turned to active transportation as a new way of being outdoors in a safe way, of using public space in better and more interesting ways to get around their communities and to be healthy outdoors.

Could you talk to us about the work you're doing that is enhancing what Canadians want from their active transportation in the future?

**The Chair:** Go ahead, Minister.

**Hon. Catherine McKenna:** First of all, thank you very much to my parliamentary secretary.

I know you've worked so hard. We launched Canada's first-ever active transportation strategy, which is incredibly important, but we also created a separate fund for active transportation. That really is historic, and it's a recognition that when you build public transit, you need to be also thinking about how you get the people the extra mile so they can take public transit, whether they do it by cycling or by foot or electric bike or scooter or skateboard.

I think there's been a real reflection and recognition by Canadians about how important active transportation is, how important it is to be able to get out and around by your own human power. I know when I go to municipalities across the country, rural or urban, they talk about how they want to have more cycling paths, how they want them to be safer so that more people choose cycling, how they want to get people active and how there are health benefits.

Huge kudos to you. I know you've been doing a lot of outreach on the active transportation strategy. You're really the expert on this. You did a really good job of advocating with so many advocates across the country who recognize the importance of cycling, active transportation, and people being able to get around, including if you're in a wheelchair. We need to make things more accessible to everyone.

I'm really excited about this. I know there is tons of excitement about the new active transportation strategy and fund that you're working on.

**Mr. Andy Fillmore:** Thank you for that.

The government was able to buttress the national active transportation strategy with the \$400-million active transportation fund. We then engaged Canadians across the country to work on what the criteria should be for that fund. I wonder if you can share with the committee a little about where you see that \$400 million landing in communities and in what kinds of projects.

**Hon. Catherine McKenna:** I think there are so many opportunities. I see them in my own community of Ottawa, where active transportation has made a real difference. Eighty per cent of Ottawans will live within five kilometres of the new LRT, but we need to move people over those five kilometres, and we need to do it in a way that can get them there safely.

Communities across the country want people to be able to get around in active ways. A footbridge can make a huge difference in connecting communities, but it can also make people think about how they're going to walk or ride their bike to school now.

I think this is really about building communities around people. I might be stealing a line from the secretary of transportation, Pete Buttigieg, but we need cities built around people and not cars. Cars are important and we're electrifying them, but we also need to be making sure we have cycling paths, that we have other ways for folks to get around. I know Canadians are excited about that, so we're going to continue down that route.

● (1625)

**Mr. Andy Fillmore:** Secretary Buttigieg borrowed that line from the great urbanist Jan Gehl, who said that if you design a city for cars, you get a city full of cars. If you design a city for people, you get a city full of people. That's what we're trying to do, trying to get Canadian communities to design themselves for people to live ac-

tively and have all the benefits that come with that: GHG reductions, public health. The evidence shows that people live longer, healthier, happier, more productive lives when they're less sedentary and more active in their lives.

Thank you for that.

There's just about a minute left. One of the things we heard about repeatedly in our cross-country engagement was this idea of equity in the provision of active transportation.

I wonder if you could touch on that and who we're trying to reach with these programs.

**The Chair:** Give a quick answer, Minister.

**Hon. Catherine McKenna:** Equity is a really important consideration. When we invest money in infrastructure, we need to make sure it's invested for everyone and that everyone gets an opportunity.

I think equity needs to be looked at broadly. If you're disabled, you should still be able to access cycling paths or walking or active transportation of all sorts. That also means investments in rural areas. Sometimes we forget about investing in rural areas. I hear that from rural areas all the time. They want to make sure they're getting access to these investments. I think there's a whole range of folks that you need to be thinking about. My focus is that every investment we make improves the quality of life for all Canadians—

**The Chair:** Thank you, Minister—

**Hon. Catherine McKenna:** and I will say that we didn't have a chance to say that there's a historic infrastructure gap with indigenous peoples that we're working hard to address as well.

**The Chair:** Thank you, Minister.

Thank you, Mr. Fillmore, for speaking like a true planner. Well done.

We're now going to move on to the Bloc.

Mr. Barsalou-Duval, you have the floor for two and a half minutes.

[*Translation*]

**Mr. Xavier Barsalou-Duval:** Thank you, Mr. Chair.

My question is for the Minister of Infrastructure and Communities.

In an interview with Radio-Canada, the hon. member Jean-Yves Duclos mentioned that the government could decide in two, three or four years to reinvest in VIA Rail for the HFR project. It would be a way of promising the HFR, or at least making it look like the government still intends to carry out the project.

However, when a government believes in a project and commits to it, it doesn't drag it out for 10, 15 or 20 years. Normally, you start to see results after two, three or four years. We've seen that with many other projects. In the case of the HFR, it seems to be going around and around. At the end of the day, it's a non-starter.

Madam Minister can you just tell us how many elections you intend to use the HFR like a rattle, instead of being honest with us and telling us that you won't be carrying out the high-frequency rail project, that you promised to win votes in the last election?

[English]

**The Chair:** Go ahead, Minister.

[Translation]

**Hon. Catherine McKenna:** You can read my mandate letter and that of the Minister of Transport. It makes it very clear that high-frequency rail is part of our mandate. We invested \$500 million in the VIA Rail project. As I said, there is work to be done. We need to look at the technology, the routes, the cost and the role of the Canada Infrastructure Bank. This is a project that is very important to our government. I said so. The President of the Treasury Board, Mr. Duclos said so. Minister Champagne said so. Minister Alghabra said so. The Prime Minister said so. So I don't think we could be any clearer.

**Mr. Xavier Barsalou-Duval:** Nor do I think it's any clearer that the government doesn't really have the will to carry out the project. What we're seeing is that the government is announcing crumbs. I'm not saying that \$500 million is peanuts. You'll agree, however, that there's a long way to go if such an amount is paid out over six years, in \$100 million increments, when studies have already been carried out for years. It's clear that the government doesn't have the political will to move the project forward.

What disappoints me is that the government doesn't have the honesty to tell Canadians that it no longer intends to proceed with the project. Instead, it announces crumbs to try to keep hope alive. I find this deeply cynical because, in 10, 15 or 20 years, the government will still be promising people this infamous HFR, but they will no longer believe it and will be disillusioned. I don't understand why you continue to do this. If you're going to commit, you have to commit for real.

• (1630)

[English]

**The Chair:** Please make a short response, Minister.

[Translation]

**Hon. Catherine McKenna:** Major infrastructure projects take time to plan because we want them to be succeed. I recognize how important the HFR project is to the hon. member, but also to Quebecers, Ontarians and all Canadians. We are investing \$500 million, which is no small amount. As I said, we have to plan. It's important with a major project. We're moving forward.

[English]

**The Chair:** Thank you, Minister.

Thank you, Mr. Barsalou-Duval.

We're now going to move on to Mr. Bachrach for two and a half minutes.

**Mr. Taylor Bachrach:** Thank you, Mr. Chair.

Minister, I'd like to ask you a question about the school districts. As I'm sure you're aware, school districts face challenges when it comes to decarbonizing their operations.

I have a couple of quick stories from my home province of British Columbia. The Greater Victoria School District renovated Vic High, the high school in Victoria, but instead of putting in a renewable energy heating and cooling system, they went with a gas furnace. Their argument was that insufficient funding was made available. They declared a climate emergency in 2019. The Cowichan school district likewise declared a climate emergency in 2020. They want to replace all their school buses with electric versions, yet they were only able to secure funding for one school bus, through the province. They would like to convert their entire fleet.

Recently you created a \$1.5-billion program for building retrofits, whereby cities can access those funds directly without going through the provinces. Would you consider creating a similar program that would allow school districts to apply for funding from the federal government?

**Hon. Catherine McKenna:** It's good that you noted we funded retrofits for schools under the COVID-19 stream. We don't normally do that, I'll be clear, because that's in provincial jurisdiction, and we certainly respect provincial jurisdiction, although the exception to that is school buses; we have a commitment to 5,000 zero-emission buses, including school buses, which I think is a real opportunity.

We do give money directly to municipalities through the re-named gas tax, the Canada Community-Building Fund. We do believe there is an important role for the province to be funding schools and to be making those investments. We will step in, in certain cases.

To your broader point, I truly get it. I think we need everyone to be part of the solution on climate change. It was great to see B.C.'s new Clean BC plan. I think that's a really great plan and a great example of a province that is committed to climate action and to increasing ambition. We just announced a new target and we need new ambition across the board. B.C. has really stepped up to do that. I know how much folks care about this in B.C., including kids at schools.

**The Chair:** Thank you, Minister.

Mr. Bachrach, you may ask a quick question.

**Mr. Taylor Bachrach:** Minister, last July, as part of the Safe Restart Agreement, your government provided \$2 billion to support municipalities and \$2.3 billion towards transit systems. Nine months later, we're hearing from municipalities that are going to be running out of federal support for their operating costs. We're also hearing from transit authorities that are going to be struggling with the operating costs associated with transit. Are you willing to provide further emergency funding to get municipalities and transit systems through the pandemic?

**Hon. Catherine McKenna:** You were referencing the Safe Restart Agreement. That was a really important agreement with provinces and territories, and it included flowing money to municipalities to support operating expenses for municipalities. As we've said that, we also doubled the Canada Community-Building Fund, which was critically important, and when we announced the Safe Restart, we said that is a start. We constantly reassess. The Prime Minister has been clear that we will always have the backs of Canadians, including Canadian municipalities.

As Minister of Infrastructure and Communities, I feel I am the minister who's the biggest cheerleader for municipalities. I recognize the challenging time. As I say, we doubled the gas tax. We've been flowing money directly to municipalities, including through the Canada Community-Building Fund, including a number of different initiatives. We're going to continue providing the support. I can't provide exact details right now on that, but I know that I have heard from folks how important that is.

• (1635)

**The Chair:** Thank you, Minister McKenna, and thank you, Mr. Bachrach.

This brings us to 4:35, Minister McKenna, so thank you for your time today. Well done.

To all the members, thank you for your interventions today. Very well done.

Mr. Clerk, do we need some time to do sound checks and therefore suspend for a couple of minutes...?

**The Clerk of the Committee (Mr. Michael MacPherson):** Yes. We'll need to suspend for about a minute.

**The Chair:** Thank you, Minister McKenna.

**Hon. Catherine McKenna:** Thank you. Goodbye.

[Translation]

I wish you a happy Earth Day.

[English]

**The Chair:** Thank you, Minister McKenna.

Mr. Clerk, I'll suspend for a couple of minutes so we can do some sound checks for our witnesses for the second part of today's meeting.

• (1635)

(Pause)

• (1635)

**The Chair:** We're going to move right into questioning.

First off, once again, we have witnesses from the Office of Infrastructure of Canada: Ms. Gillis once again, Ms. Bertrand, Mr. Campbell, Ms. O'Leary and Mr. Peets.

We're going to go right into the questions. I understand that there are no presentations to be made. With that, we're going to start off with Mr. Scheer for this round.

Mr. Scheer, you have the floor for five minutes.

**Hon. Andrew Scheer:** Thank you very much, Mr. Chair.

I wonder if I could direct the officials' attention to the 2021-22 departmental plan. I have a few questions as it relates to the targets and results indicators going back over the last few years.

On page 11, under the heading "Planned results for Public Infrastructure and Communities Investments", there is a "Departmental result indicator"—"2.1.2: Number of transactions and amount of private investment in public infrastructure". The target is set at "250 projects". The date the department has given itself to achieve that is "March 31, 2022", a little less than a year away.

Then, for all the years going back to 2017, the department says "not available". Was this just not available at the time of printing? Could officials shed some light on how many projects fell short of the department's target or where they came in? I'm looking for some clarity as to why this information seems to be missing.

**The Chair:** Go ahead, Ms. Gillis.

**Ms. Kelly Gillis:** Thank you, Mr. Chair.

The departmental plan for 2021-22 has new indicators. We look at our infrastructure programming overall and we look at the types of indicators that we would like to track and monitor going forward. That's why it's prospective on this type of report, but we haven't gone backwards in that regard. We look at the types of investments that we're making in infrastructure, and although we are an investor overall, there are important types of procurement that support infrastructure, such as P3s and different ways to bring in the private sector.

If you like, I can have Glenn Campbell, who works on alternative financing, expand a little further.

• (1640)

**The Chair:** Go ahead, Mr. Campbell.

**Mr. Glenn Campbell (Assistant Deputy Minister, Investment, Partnerships and Innovation, Office of Infrastructure of Canada):** Thank you, Deputy.

We look forward in successive years to monitor and track how the impact of the change in approach toward public infrastructure, particularly in attracting private sector capital, can promote and demonstrate the usage of alternative finance models. There is quite a range of models now being deployed in Canada in the P3 space, and then, of course, those models in which the Canada Infrastructure Bank and others are taking a new direction. I think there seems to be a lot of excitement in the Canadian market, and we really need new ways to track that impact.

I would note that Canada now is a world leader in public-private partnerships, approaching 300 active and planned projects in this space.

**Hon. Andrew Scheer:** I'm sure there's a lot of excitement from shareholders of multi-billion-dollar companies who now know that this government is going to give them hundreds of millions of dollars in corporate welfare, but there's certainly a lot of disappointment in the sense that there have been no projects completed under the Canada Infrastructure Bank.

I just want to drill down here, because you're talking about how the metrics have changed going forward, but the departmental plan actually looks backwards. It looks at 2017-18 and 2018-19. Surely, you should be able to tell this committee.... You may be changing the metrics going forward, but as of today, you had set yourselves the target of 250 projects with private sector investment. Surely you could give us an update today as to where you landed and how many projects you were able to achieve out of your 250-project goal.

**Ms. Kelly Gillis:** This is a target for 2021-22, which we are just beginning. We're actually in the first month of 2021-22 and looking at this particular year, and these are not actually projects regarding the Canada Infrastructure Bank. That is a separate independent Crown corporation that does its own monitoring and its own reporting. This is looking at our contribution funding when we're contributing, looking at the market overall and what we are allowing for and supporting in the market through other proponents who are the owners of the infrastructure that we will be looking at, as well as working with proponents and trying to understand the different alternative funding models that can bring projects to bear.

It is not the Canada Infrastructure Bank. This is through our funding and our programming that we're looking at and supporting.

**Hon. Andrew Scheer:** I totally understand that. As I mentioned, I'm looking at the department's departmental plan, looking back. I'm reading from your own departmental plan. It says, "2017-18 actual result", and then it says, "Not available".

Can you tell this committee how many projects this department was able to achieve towards the 250-project goal?

**Ms. Kelly Gillis:** As I mentioned, this is a new indicator that we are prospectively going to monitor going forward. We did not go backwards and look at an indicator and say, "Okay, four years ago, what happened?" It is something that we are going to be monitoring going forward.

**Hon. Andrew Scheer:** With all due respect, this government was formed in 2015. This is the departmental plan that set for itself the target of 250 projects. I understand that you may be changing it going forward, but you must be able to tell this committee.... I am

reading from your sheet. This isn't my subjective analysis here. You have a column that says, "2017-18 actual result". You must be able to track this. How many projects towards your own 250-project goal were you able to complete?

**Ms. Kelly Gillis:** Mr. Scheer, as I said, this is a new indicator that we will prospectively be tracking going forward. There is no requirement in these particular reports to change the indicator to go backwards and re-examine the data from several years ago to see what it would have been.

Going forward, we will be tracking and looking at what that particular indicator tells us.

**Hon. Andrew Scheer:** Mr. Chair, do I have any time left? I was going to delegate to my colleague, Michael Kram, who wanted to ask some questions.

**The Chair:** Actually, you have five seconds left, so we'll stop this one in three seconds. Sorry, Andrew.

Thank you, Mr. Scheer. Thank you, Ms. Gillis.

We're now going to move on to the Liberals. I believe Ms. Jaczek is splitting her time with Mr. El-Khoury.

Ms. Jaczek, you have the floor.

**Ms. Helena Jaczek (Markham—Stouffville, Lib.):** Thank you so much, Chair. Indeed, I will be splitting my time.

Since the subject of the Canada Infrastructure Bank has come up in the course of this afternoon, I thought members of the committee might be interested to know that at the industry, science and technology committee this morning—I am a member of that committee as well—spontaneously, a business person from Banff, Alberta, spoke about their interaction with the Canada Infrastructure Bank. Though I know it is independent from Infrastructure Canada, that business person was exceedingly complimentary as to the process and also the lack of red tape, because that's what we're studying at that particular committee. Members may want to consult Hansard to see that testimony.

My question is for Ms. Gillis.

The minister alluded to the COVID-19 resilience stream investing in areas that are traditionally provincial in scope—in other words, in schools and in long-term care to improve ventilation. Could you give us more detail on those projects, and maybe some dollar amounts? I would be particularly interested in hearing how much Ontario received through that particular stream.

• (1645)

**Ms. Kelly Gillis:** As the minister mentioned, when we revised the integrated bilateral agreement program last summer, we allowed for provinces and territories to take the option to transfer up to 10% of the allocation into this particular new stream.

Ontario could transfer just over \$1 billion, and it has. As was announced last week, they are looking at 95 long-term care facilities, looking at ventilation and improvements to the quality of their buildings for living in the COVID context that we are in right now.

They also announced hundreds of improvements to schools across the province, again for ventilation and HVAC facilities, to the tune of about \$656 million, which is quite significant. They continue to look at projects and at working with us to have investments in this area.

Traditionally we don't invest in schools, long-term care and social facilities like that, but with the context that we're living in right now, we felt that it was very important and relevant that we do something in the near term to make a difference for the environmental aspects that we're working through right now.

**Ms. Helena Jaczek:** Thank you so much.

I will pass the floor to Mr. El-Khoury.

**The Chair:** Mr. El-Khoury, the floor is yours.

[*Translation*]

**Mr. Fayçal El-Khoury (Laval—Les Îles, Lib.):** Thank you, Mr. Chair.

I agree with my colleague Mr. Iacono that the minister is doing a good job, and she has my full respect and appreciation. I can honestly tell you that the people of Laval are very satisfied with it. The mayor of Laval, Marc Demers, has repeatedly told my colleagues and I that he was satisfied with our government's investment, particularly in infrastructure. Again, I thank the minister for her work.

Canada has an infrastructure deficit. While our Conservative colleagues would rather make cuts, we are rethinking how we deliver infrastructure projects in this country.

Ms. Gillis, can you explain why a national infrastructure assessment is so critical at this time?

**Ms. Kelly Gillis:** Thank you for the question, Mr. El-Khoury.

When it comes to infrastructure, we often hear about the needs, the difference choices that have to be made, the investments and the deficits, as you just mentioned. We need to make choices when investing public funds. We also need relevant data and information to make the right decisions.

That's why the Minister has decided to launch public consultations across the country, open to all involved. The goal is to have a national dialogue to find out what the infrastructure needs are, to establish different ways of working with the various levels of government and infrastructure owners, to determine funding, and to define how to pay for the infrastructure we need.

Consultation processes like this have already been done in England and Australia. It's an important discussion that will help develop a plan to achieve the goal of net-zero emissions by 2050.

• (1650)

**Mr. Fayçal El-Khoury:** Thank you, Ms. Gillis.

We know that climate change is real and that it is impacting our communities from coast to coast. In my constituency of Laval—Les Îles, members of the community want clean, convenient public transit.

Can you update the committee on the steps you are taking to provide Canadians with greener public transit options?

**Ms. Kelly Gillis:** Thank you very much for the question.

Over a month ago, the Prime Minister announced \$15 billion to be used for various transportation streams.

For example, the money will fund major projects in large cities, such as light rail and subways, which are needed to move people around and reduce automobile use. We need to make transportation accessible to people who can't have a car.

The money will also be used for projects promoting active transportation, which is transportation other than the automobile and which keeps us healthy. The investments will go into a variety of projects where health and safety are factors, and where active transportation is combined with other modes of transportation.

On the climate front, the money will be invested in zero-emissions buses. Therefore, using public transit will help reduce emissions.

[*English*]

**The Chair:** Thank you, Ms. Gillis. I have to move on.

Thank you, Mr. El-Khoury, and thank you, Ms. Jaczek.

Members of the committee, I was going to continue on down the list from the first round into the second round, but when I look at our timing and how we have to at least take 10 minutes to look at the main estimates and the votes attached to them, what I'm going to do is go down the list from the second round.

Mr. Iacono, I'm going to have to bump you into another section with Mr. Fillmore and proceed from there. I'm doing this in respect of time. Hopefully you don't mind. I want to get to Ms. Jaczek to give her an opportunity to speak, because she's further down on the list, as well as others who are on the list, including Mr. Barsalou-Duval and Mr. Bachrach. I hope I can get them their time as well.

What I'm going to do now is go to Mr. Barsalou-Duval for six minutes, followed by Mr. Bachrach. He will be followed by Mr. Soroka. Then we'll go over to Mr. Fillmore, and I'm asking Mr. Fillmore if he can split his time with Mr. Iacono so that we can get that satisfied. We're going to be tight on time from there.

Mr. Barsalou-Duval, you have the floor for six minutes.

[*Translation*]

**Mr. Xavier Barsalou-Duval:** Thank you, Mr. Chair.

My first question is for you, Ms. Gillis. It's about a program you announced not long ago, on April 14. You announced \$1.5 billion to stimulate green construction through renovations, upgrades and new public buildings, such as libraries and community centres.

I asked one of my assistants to write to your office for details on the program, because we could not find any on the government website, but we have yet to receive a response. I find that many times programs are announced in a media release, but with no details about the programs or about how municipalities or organizations can apply.

I wonder if you could explain what this program is about. Also, in general terms, I would like to know how to go about getting information on the programs you announce.

**Ms. Kelly Gillis:** Thank you for the question.

First of all, it is indeed a \$1.5 billion program, as you mentioned. It's a program that communities can apply for directly with Infrastructure Canada. One of the program's objectives is inclusiveness. So we're talking about investments in public buildings that people need, such as community centres, in communities where those kinds of services do not already exist.

• (1655)

**Mr. Xavier Barsalou-Duval:** Yes, but how does one apply?

**Ms. Kelly Gillis:** First, you have to determine where investments are needed, then make them in a way that reduces greenhouse gas emissions. In the case of new buildings, the standard applied is net-zero emissions, while for renovated buildings, the goal is to reduce their emissions, so that our buildings at least help to fight climate change.

**Mr. Xavier Barsalou-Duval:** I understand the principle behind the program, but I would actually like to know how to apply for it, if it's not posted anywhere on the government website and we don't know the criteria or how to submit an application or a project.

**Ms. Kelly Gillis:** We will forward all the necessary information directly to the committee clerk. It's public information that is on our website.

**Mr. Xavier Barsalou-Duval:** Thank you very much. I may not have looked properly. You can appreciate that there are a lot of programs and sometimes it's hard to navigate. I do hope I'm the one who is wrong about this.

This is unfortunately not the first program that I've had trouble finding information on once it has been announced. When a program is announced, I don't understand why the information on how to participate is not included right after the announcement. For example, there could be a hyperlink at the bottom of the page, along

with related documents. It seems to me that it would be a good practice.

I have another question for you.

The Auditor General found that recent disbursements under the Investing in Canada plan represented 20% of planned spending, and therefore the remaining amounts would have to be carried forward to future years. Amounts are often announced but end up not being spent in full.

What are you going to do to ensure that the funds are disbursed in a timely manner, so that the money actually goes to the people, instead of re-announcing the same amounts of money over and over again?

**Ms. Kelly Gillis:** Thank you. Your question is very important.

In the budget forecasting process, we really do use the forecasts for projects already approved with the provinces, territories and communities. When we have to carry over funds due to delays in the delivery of projects, in circumstances beyond our control, it's up to the communities, provinces or managers—

[*English*]

**Mr. Taylor Bachrach:** I have a point of order, Mr. Chair.

**The Chair:** Go ahead, Mr. Bachrach.

**Mr. Taylor Bachrach:** My apologies for interrupting, but I believe we're getting the interpretation at the same volume as the language spoken. I am, at least.

**The Chair:** Okay, we'll take a second. Mr. Clerk, can you check on that, please?

**Mr. Taylor Bachrach:** Sorry, Ms. Gillis.

**The Clerk:** Mr. Chair, I believe it was potentially caused by Ms. Gillis. If she is speaking French but using the English channel, it may cross over.

If you're going to be speaking both languages, it's best to select the floor channel; otherwise, it can cause a little issue.

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

Ms. Gillis, you can continue.

[Translation]

**Ms. Kelly Gillis:** In our fund allocation exercise, we need to look at projections for a project as a whole and appropriately distribute funds over the years in which the project will be carried out. If I look at three projects [*Technical difficulties*]. We are currently managing 5,000 projects where we are in the process of allocating funds. For the three community transportation projects, we need to carry \$500,000 forward to future years to make sure that we have the funds to meet our obligations.

• (1700)

**Mr. Xavier Barsalou-Duval:** Thank you.

I'd like to ask you another question about our current study.

[English]

**The Chair:** It will have to be quick.

[Translation]

**Mr. Xavier Barsalou-Duval:** I will ask my question quickly, Mr. Chair.

During his testimony before the committee, the president of the Fédération québécoise des municipalités, which represents over 1,000 municipalities in Quebec, called for a return to the old federal gas tax fund formula, which provided funding for community centres, for example. You just announced that you want to pay for those types of centres through another fund.

Do you intend to listen to that request from the municipalities? I've asked this question several times before. The municipalities have also brought it up on a number of occasions.

**Ms. Kelly Gillis:** Thank you for the question.

The federal gas tax fund agreements are in place through 2024 and will be renewed thereafter. When the time comes, we will have discussions about whether to create new investment categories.

We currently have a \$1.5-billion program that communities can use to build, renovate or upgrade community centres. In addition, the integrated bilateral agreements have a community centre component.

[English]

**The Chair:** Thank you, Ms. Gillis, and thank you, Mr. Barsalou-Duval.

We're now going to move on to Mr. Bachrach.

Mr. Bachrach, you have the floor for six minutes.

**Mr. Taylor Bachrach:** Thank you, Mr. Chair. Thank you, Ms. Gillis, for being here today.

My first question is regarding the climate lens for infrastructure investment.

I wonder if you could tell us how many infrastructure projects have received approval by your department pending a climate lens assessment.

**Ms. Kelly Gillis:** At this point in time, we've had 173 projects approved using the climate lens, representing 85% of the funding

that's been approved. As I believe the member is aware, it's for projects over \$10 million and those within the green stream.

Of the 173 approved projects that have gone through an assessment, some have been deferred. Of the deferrals—and we've had this conversation before—13 have completed the climate lens and have met that particular condition. With all of our programs that require a climate lens, any of the approvals we give are conditional on completing what's required.

**Mr. Taylor Bachrach:** Ms. Gillis, have any project approvals that are conditional on completing the climate lens been withdrawn, based on the result of the climate lens assessment?

**Ms. Kelly Gillis:** The climate lens assessments have been submitted to us, and they go through a quality assurance and due diligence process. We work very closely with communities and provinces across the country in understanding what the requirements are, sharing guidance with what the climate lens requirements and steps are, including having the appropriate expertise to complete the actual assessment.

**Mr. Taylor Bachrach:** I asked the question because my understanding is that the climate lens assessment was meant to guide your department's decision-making around investments so that those investments went into projects that drive down emissions. If the assessment process is being done retroactively, after the project is approved, it's hard to see how that assessment guides the decision-making process. It's describing the emissions impact of the project, but that's not the most important aspect of the climate lens, arguably.

In the budget, there's \$36 million to develop a new climate lens methodology. I'm wondering what the scope of that initiative will be and what lessons your department takes from its current climate lens that will inform that process.

**Ms. Kelly Gillis:** The funding in the budget is for Environment and Climate Change Canada to look at a broader applicability of the climate lens as we look at our commitments to net zero in 2050 and reducing emissions as we move forward into 2030. It has a broader applicability than Infrastructure Canada or even just infrastructure.

Certainly when we looked at the climate lens, it was about behavioural changes and understanding how you build projects differently. It was part of the project approval process to bring in different understandings and doing things differently from business as usual.

That said, we also have been investing with the National Research Council in more resilient materials, and also working with the Standards Council of Canada to, again, look at building in the north more resiliently, as well as looking at net-zero types of material with NRCan, working with the National Research Council. It's other things to bring upstream opportunities that go beyond the investments of project-specific opportunities that we've been looking at.

• (1705)

**Mr. Taylor Bachrach:** Ms. Gillis, in budget 2021 it was noted that \$17.6 billion in new funding was being earmarked for green recovery, yet when The Globe and Mail did an analysis, they could only count \$8.75 billion.

Could you explain the \$17.6-billion figure? Also, what spending is a part of that figure as green recovery?

**Ms. Kelly Gillis:** For the budget overall, which was an extensive budget, I can talk about Infrastructure Canada and the commitments in there, the important parts of what we're doing in contributing to the enhanced climate plan.

The \$1.5-billion green and inclusive building that was part of the enhanced climate plan is an important commitment in advancing what we can do in climate, but for the actual individual programs within the budget itself, I don't have an itemized list beside me at this point.

**Mr. Taylor Bachrach:** Ms. Gillis, turning to the departmental plan, under "Planned Results for Public Infrastructure, Communities and Rural Economic Development Policy" on page 8, we see that for the departmental result identified as "Infrastructure improves the 'quality of life' for all Canadians", indicator 1.2.3 reads, "GHG emissions per capita in current year less 0.0000085 megatons (2005 reference year)" and the target is less than zero.

I read this over several times trying to understand what it meant. Could you explain it in simple terms?

**Ms. Kelly Gillis:** Mr. Chair, as we look at GHG investments per capita, we are looking at investments to reduce our GHG, and I will ask my colleague Gerard Peets to go through that particular indicator.

**The Chair:** Please make a brief comment, Gerard. We're over time.

**Mr. Gerard Peets (Assistant Deputy Minister, Policy and Results, Office of Infrastructure of Canada):** Our programs measure GHG impacts based on a baseline. The Environment Canada processes factor in economic growth and measure infrastructure investments compared to a standard of economic growth.

As to the specifics of the question, we'll have to get back to you.

**The Chair:** Thank you, Mr. Peets, Mr. Bachrach and Ms. Gillis.

We're now going to move on to our next set of questions. Mr. Soroka, you have five minutes.

**Mr. Gerald Soroka (Yellowhead, CPC):** Thank you, Mr. Chair, and I'll be splitting my time with Mr. Kram.

This government always seems to be focused primarily on how much money they can spend and how fast they can spend it. We see this in the federal budget and we see this within the department. However, if the only metric for success is how much money the government can spend, since the other ones are being revitalized, then it appears the government is falling down on that front too. The recent Auditor General's report said, and I quote:

We found that the programs contributing to the Investing in Canada plan were not spending their allocated funding on projects as quickly as planned.

I am hoping you can elaborate on the reason the money is not getting out the door as fast as government would like.

**Ms. Kelly Gillis:** When we look at the overall plan, we can see that it involves 21 departments, 93 programs and 12 years. We've just completed our fifth year, so we're just at 40%. As a government, overall we have committed \$81 billion, and as at the end of January, \$48 billion has been paid related to those commitments, and that relates to a whole host of different programs and services related to infrastructure.

If I concentrate just on our own types of infrastructure investments that we do know are making a difference in communities, we've invested in 1,100 community centres across the country. We are investing in light rail in Vancouver, Calgary, Edmonton, Ottawa, Toronto. Those are important announcements that are—

• (1710)

**Mr. Gerald Soroka:** Okay, Chair, we're short of time. We're going to have to go to Mr. Kram.

**The Chair:** Thank you, Ms. Gillis.

Go ahead, Mr. Soroka.

**Mr. Gerald Soroka:** I'll pass it to Mr. Kram now.

**The Chair:** Thank you. Mr. Kram, go ahead.

**Mr. Michael Kram (Regina—Wascana, CPC):** Thank you, Mr. Chair.

Thank you to the witnesses from the Office of Infrastructure Canada for joining us today.

Back in February, 17 members of Parliament, including me and Mr. Fillmore, signed a letter in support of Ronald McDonald House Charities. The letter was sent to the Minister of Finance and cc'ed to the Minister of Infrastructure and Communities as well as the Minister of Health and the Minister of Middle Class Prosperity.

The letter explained that Ronald McDonald House Charities provide accommodation, meals, peer support and many other services to take care of an entire family while their child is being treated in a nearby hospital. Ronald McDonald House Charities were looking to expand their network of houses and services across Canada.

Maybe I missed it in the recent budget, but I didn't see anything in the budget for Ronald McDonald House Charities, so was their request formally denied or just ignored?

**The Chair:** Go ahead, Ms. Gillis.

Mr. El-Khoury, can you mute yourself, please? Thank you.

Ms. Gillis, go ahead.

**Ms. Kelly Gillis:** I would have to look into that particular letter, because offhand, I am not aware of that particular request.

**Mr. Michael Kram:** All right.

In just more general terms then, perhaps you could provide some friendly advice to Ronald McDonald House Charities about how they could qualify for funding. If they had promised to put solar panels on the Ronald McDonald House or something like that, would that perhaps make them qualify for some of the funding announced in this week's budget?

**Ms. Kelly Gillis:** As we look at non-profit organizations and opportunities for the services that they provide, depending on the program, they may be eligible. I would be happy to have a conversation with them to understand more about what their opportunity is and to direct them to the right place, whether it's our programming or other programming within the federal government.

**Mr. Michael Kram:** Well, it certainly was a disappointment to see that they were not included in this week's budget. I don't think I have enough time left to get into too many other details, so I will just leave it at that.

Thank you to the witnesses.

Thank you, Mr. Chair.

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

We'll now move on to our next set of questions.

We have Mr. Fillmore. I'm asking that Mr. Fillmore try to split his time with Mr. Iacono, as we're trying to fit everybody in here.

Mr. Fillmore, you have the floor.

**Mr. Andy Fillmore:** Thanks, Mr. Chair.

I'll just say thank you to Mr. Kram. The letter was a very good letter. I know that Ronald McDonald House is seeking enhanced funding across the country. They are getting projects funded. They had one funded in my riding here in Halifax, for example. Thank you for raising that. We can follow up later.

Ms. Gillis, first of all, I want to thank you and your team for all your incredible hard work and dedication. Because of your work, there are Canadians across the country who have jobs. There are communities across the country that are having their infrastructure renewed. I give a sincere thank you to you and your team for helping that happen.

When we look at the 10-year agreement that the Conservatives signed on the gas tax fund in 2014, we see that it does not require provinces to provide detailed reporting on each project or its outcome. In that context, I'm saddened to see that the Conservatives are trying to drum up false claims, as we've heard in the first hour, that there are missing projects.

I know it took a lot of work for you to correct the lack of reporting in the Conservative programs. I'm wondering if you can clarify that there are, in fact, no missing projects, and that they're all accounted for.

**Ms. Kelly Gillis:** I can indeed confirm that there are no missing projects, and we have provided the PBO with a full accounting of the projects. At the time, there were 52,000. Now there are 67,000, because every day there are new projects that are approved. We

worked with the 21 departments to provide the information to the Parliamentary Budget Officer.

I can go further and say that we have a funding table on our website with all of the programs for the \$188 billion. In the Auditor General's paragraph 9.40, she says that the project list in the funding table does provide a full accounting for the plan, so there is no question that we have been able to report on the full plan and provide the information to the Parliamentary Budget Officer and the Auditor General.

That said, there are different levels of information that are available, such as for the gas tax. We don't get the same level of detail as we do for other programs that apply directly to us or other federal departments.

• (1715)

**Mr. Andy Fillmore:** Thank you for that, Ms. Gillis.

Mr. Chair, I'll yield the remainder of my time to Mr. Iacono.

**The Chair:** Thank you, Mr. Fillmore. Thank you, Ms. Gillis.

Mr. Iacono, you have the floor.

[*Translation*]

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

Thank you, my dear colleague, for giving me the rest of your speaking time.

Since 2015, our government has invested \$430 million in Laval to improve our transportation, our roads, and even our water infrastructure. That has been tremendous.

However, we also know that in 2014, the Conservative government cut the Building Canada fund from \$1.7 billion to \$210 million. So we saw a decrease for the 2014–15 period.

The Office of Infrastructure of Canada is projecting significant contributions of over \$2 billion. More money is being invested to fund streams of the new Building Canada fund.

Can you tell us why more money is needed and what it will be used for?

[*English*]

**The Chair:** Ms. Gillis, you're on mute.

[*Translation*]

**Ms. Kelly Gillis:** Thank you very much for the question.

Communities are in need of significant infrastructure investments. We are working on our programs to ensure that they meet the specific needs of the communities. We are working to ensure that our new programs, such as the green and inclusive community buildings program, make it possible for communities to access targeted funding for buildings that need to be built or repaired. It's important that our programs continue to meet the needs of our communities now and into the future.

**Mr. Angelo Iacono:** Thank you.

I'd like to ask you a few more questions.

Have the infrastructure needs that existed yesterday increased or decreased, and why?

[English]

**The Chair:** Go ahead, Ms. Gillis.

[Translation]

**Ms. Kelly Gillis:** Thank you for the question.

Infrastructure is essential to ensure good quality of life. Infrastructure needs are changing and becoming more complex, especially with the climate considerations, which we have already discussed. Investments must be made differently in buildings that are built differently to respond to climate change. We need to consider how investments are made and how projects are built to ensure that we put up strong buildings that will be around for many years.

In the big cities, where many people live, we have congestion issues. We need to make investments to support public transit. We need to make sure that Canadians have the infrastructure they need on a daily basis. I'm thinking of wastewater treatment and drinking water. These things are essential to everyday life.

[English]

**The Chair:** Thank you, Ms. Gillis and Mr. Iacono.

Members, it is 5:19. We have the bells going right now. First off, I'll need unanimous consent to proceed. Do I have unanimous consent?

I see that we're good. Okay. Thank you.

I am going to be very tight on time here. I'm going to try to squeeze in the Bloc and the NDP for their last segments of two and a half minutes, and then I'm going to go into the votes for the ways and means. Hopefully, they'll only take one vote, and then we can meet the time that we have allowed and is available for us or remaining.

With that, Mr. Barsalou-Duval, you have two and a half minutes.

• (1720)

[Translation]

**Mr. Xavier Barsalou-Duval:** I have no comment, Mr. Chair.

[English]

**The Chair:** Okay. Thank you, Mr. Barsalou-Duval.

Mr. Bachrach, you have the floor for two and a half minutes.

**Mr. Taylor Bachrach:** Thank you, Mr. Chair. I'm sorry; I thought we were only having the single round. It sounded like our time was going to be cut tight there. I'm caught a little off guard. Perhaps—

**The Chair:** If you want, Mr. Bachrach, why don't we do it this way? Why don't we go to the votes first and see if we can get the votes out of the way? If we have time remaining, then I'll come back to you and Mr. Barsalou-Duval. Does that sound fair?

**Mr. Taylor Bachrach:** It sounds fair, yes.

**The Chair:** Okay. Great. Thank you.

I will now go to the vote on the main estimates. I'm hoping that we could just do this in one vote, members. I guess you can let me know that after I finish reading them:

CANADIAN AIR TRANSPORT SECURITY AUTHORITY

Vote 1—Payments to the Authority for operating and capital expenditures.....\$567,828,793

(Vote 1 agreed to)

CANADIAN TRANSPORTATION AGENCY

Vote 1—Program expenditures.....\$35,786,127

(Vote 1 agreed to)

DEPARTMENT OF TRANSPORT

Vote 1—Operating expenditures.....\$741,693,237

Vote 5—Capital expenditures.....\$122,406,985

Vote 10—Grants and contributions.....\$960,185,842

(Votes 1, 5 and 10 agreed to)

MARINE ATLANTIC INC.

Vote 1—Payments to the corporation.....\$149,875,667

(Vote 1 agreed to)

OFFICE OF INFRASTRUCTURE OF CANADA

Vote 1—Operating expenditures.....\$156,413,071

Vote 5—Capital expenditures.....\$66,232,666

Vote 10—Grants and contributions.....\$4,338,537,607

(Votes 1, 5 and 10 agreed to)

THE FEDERAL BRIDGE CORPORATION LIMITED

Vote 1—Payments to the Corporation.....\$18,497,000

(Vote 1 agreed to)

THE JACQUES-CARTIER AND CHAMPLAIN BRIDGES INC.

Vote 1—Payments to the corporation.....\$325,009,620

(Vote 1 agreed to)

VIA RAIL CANADA INC.

Vote 1—Payments to the Corporation.....\$769,779,151

(Vote 1 agreed to)

WINDSOR-DETROIT BRIDGE AUTHORITY

Vote 1—Payments to the Authority.....\$971,574,541

(Vote 1 agreed to)

**The Chair:** Finally, shall I report the same to the House? Members, what is your pleasure? Is one motion fine?

I'm seeing people nod their heads.

**Mrs. Stephanie Kusie (Calgary Midnapore, CPC):** One motion is fine, Chair. Pardon me.

**The Chair:** Thank you.

Ms. Kusie, do you want to move that?

**Mrs. Stephanie Kusie:** Do you mean move that one motion is fine?

**The Chair:** No, move all of them.

**Mrs. Stephanie Kusie:** No, I will not move all of them, thank you. I move that one motion is fine.

**The Chair:** Okay, that's fine.

Do I have a mover for all of them?

**Mr. Andy Fillmore:** I'll move that, Chair.

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

Are there questions or comments on the motion as outlined?

Mr. Clerk, call the vote, please.

(Motion agreed to)

**The Chair:** Thank you, Mr. Clerk, and thank you, members. We have that out of the way now.

Mr. Barsalou-Duval, did you want the floor for two and a half minutes? If not, I'm going to go to Mr. Bachrach.

[*Translation*]

**Mr. Xavier Barsalou-Duval:** Thank you, Mr. Chair.

As Mr. Bachrach pointed out, I was under the impression that we would have no more rounds. That's why I wasn't ready to ask questions earlier. However, I have one for Ms. Gillis, if she is still with us.

Regarding the last question I asked, about the federal gas tax fund, she said that it would not be possible to meet my request, that is, the request from Quebec municipalities. They want the program adjusted to allow projects that were previously eligible to be eligible again, since the agreement will end in 2024. In fact, the agreement does not have to be reopened to respond to their request, because it's simply a matter of interpretation. The way of interpreting the criteria has changed, but not the criteria themselves.

So I will try again. Is there any possibility that the government will consider this request, which has been made repeatedly by all Quebec municipalities?

• (1725)

[*English*]

**The Chair:** Go ahead, Ms. Gillis.

[*Translation*]

**Ms. Kelly Gillis:** Thank you for the question.

The federal government has not changed the details and, more importantly, the interpretation of the agreement. If you have specific issues that need to be clarified, we can always discuss them with our colleagues in the Quebec departments. Quebec has its own program and we have ours. I don't know if the Quebec program has changed, but we're following our program. The agreement started in 2004 and will end in 2024.

**Mr. Xavier Barsalou-Duval:** According to the information I have, things are stalled on the federal side. It is possible that in Quebec they are saying the problem is in Ottawa, and in Ottawa they are saying it is in Quebec. However, since people in the municipalities are telling me that the problem is in Ottawa, I assume they are not mistaken. They say that neither the program nor the criteria have changed, but the way the criteria are applied has changed. They used to be able to use the funds for fire halls, city halls and community centres, but not anymore. This is a serious is-

sue, especially for smaller municipalities. I feel it's important that you look into the issue.

[*English*]

**The Chair:** Go ahead, Ms. Gillis.

[*Translation*]

**Ms. Kelly Gillis:** Thank you for your comment.

We can certainly look into that and make sure we communicate clearly. We haven't changed our agreement or the way we apply it.

[*English*]

**The Chair:** Thank you, Ms. Gillis, and thank you, Mr. Barsalou-Duval.

We'll now move on to the NDP and the final speaker and the final questions. Mr. Bachrach, you have the floor for two and a half minutes.

**Mr. Taylor Bachrach:** Thank you, Mr. Chair.

Ms. Gillis, your department has a commitment to reduce greenhouse gas emissions by 10 megatonnes through infrastructure investments. Could you provide an update on where your department is with regard to reaching that goal?

**Ms. Kelly Gillis:** We are 28% of the way through to reaching that particular goal. We still have significant funds remaining to be committed within our program—within the green stream and overall—to continue making progress.

**Mr. Taylor Bachrach:** Ms. Gillis, are there any technical reasons that the permanent transit fund does not kick in until 2026?

**Ms. Kelly Gillis:** Mr. Chair, we'll be completing the integrated bilateral agreements in the 2027-28 time frame. We have the funding right now from the \$15 billion that was announced by the minister and the Prime Minister just over a month ago. That will include both bridge funding for those large transit projects that are advanced and will require funding between now and 2026, as well as the other streams that we talked about—rural, active and ZEBs. Then we will be doing an extensive consultation on the permanent public transit fund, which will begin in 2026.

**Mr. Taylor Bachrach:** If I'm clear, the consultation on the permanent transit fund is going to begin in 2026. I thought that's what you said.

**Ms. Kelly Gillis:** Sorry; we will begin a consultation later this year on the permanent public transit for that particular program, and the program will begin in 2026. In the meantime, we do have the integrated bilateral agreement and we do have the money and the funds that were announced just over a month ago.

**Mr. Taylor Bachrach:** Mr. Chair, I have one more really quick question for Ms. Gillis.

**The Chair:** Yes, go ahead.

**Mr. Taylor Bachrach:** Why is there a decline of \$1 billion in the departmental estimates?

**Ms. Kelly Gillis:** In the overall funding, the estimates for grants and contributions are down by just over \$1 billion. Those estimates for our grants and contributions are based on working with provinces and territories with projects that have been approved and based on understanding the cash requirements that would be needed to satisfy those particular projects. The main difference, as we see in the details of the exact programs, has been a payout under the projects from budget 2016 for our clean water and waste water, as well as our public transit infrastructure fund.

• (1730)

**The Chair:** Thank you, Ms. Gillis. Thank you, Mr. Bachrach, and thank you to all members today and to all the witnesses.

Minister McKenna and your entire team, thank you for coming out and giving us your time today. It was a great meeting, with lots to be chatted about. We got a lot of great answers.

Before I adjourn, I want to remind members, as I did last meeting, about the reports that were distributed for the aircraft certifica-

tion study. Once again, if members have any suggestions or edits, it would be very helpful if you could submit those to the clerk so we can have them in writing in both official languages when the committee begins consideration of that draft report.

On the topic of reports, the analysts will soon be drafting the report on the study of the Canada Infrastructure Bank. It would also be helpful for the analysts if members can submit their drafting instructions to the clerk before that happens.

With that, I'm hoping that those who didn't submit yet would do so to expedite these processes through the committee stages. That way we can fit some more studies in, and with that, fit some more reports in.

Members, once again, thank you. We'll see you next Tuesday.

Now it's my pleasure now to adjourn the meeting.

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