



May 10, 2022

John Williamson, M.P.
Chair
Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario K1A 0A6

Dear John Williamson:

The Government of Canada welcomes the occasion to respond to the Standing Committee on Public Accounts ninth report, titled *The Investing in Canada Plan*.

The Investing in Canada Plan (IICP or the “Plan”) is an ambitious horizontal initiative launched in 2016 under which the Government of Canada committed over \$180 billion for infrastructure over twelve years. These investments are being delivered through programs administered by over twenty federal departments and agencies under five streams: public transit, green, social, trade and transportation, and rural and northern communities. This initiative also involves close work with provinces, territories, municipalities and Indigenous Peoples. Through this Plan, the Government of Canada is committed to creating long-term economic growth to build a stronger middle class, support the resilience of communities and transition to a clean growth economy, and build social inclusion and improve socio-economic outcomes for all Canadians.

Following a motion passed in the House of Commons in January 2020, the Auditor General of Canada (AG) audited the IICP and released her report on March 25, 2021. The Government of Canada accepted the AG’s recommendation, and Infrastructure Canada worked with its federal partner organizations to implement a Management Action Plan to respond to the AG’s recommendation. In response to the House of Commons Standing Committee on Public Accounts’ report on this audit, I am pleased to outline how the Government of Canada’s current work contributes to responding to each of the recommendations in the Committee’s report.

...2

Committee Recommendation 1: That, by 31 January 2022, Infrastructure Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining its progress on: A) the improved assessment and reporting of progress toward the outcomes and objectives of the plan, incorporating data demonstrating the impact of these investments as it becomes available; and B) clarifying and improving reporting on the contributions of legacy programs toward the plan's objectives.

(A) Infrastructure Canada has worked with departmental partners, the Privy Council Office and Treasury Board Secretariat to review indicators and targets, and adjusted these as needed to streamline and simplify the expected results to better align with the Plan objectives and outcomes. Infrastructure Canada and departmental partners have produced an Investing in Canada Plan Departmental Plan Horizontal Initiative Table for the 2022-23 fiscal year with updated indicators, interim measures and targets to better measure progress toward the Plan's objectives. Infrastructure Canada will continue to work with departmental partners and central agencies to measure and track indicators that report on outcomes and impacts on Canadians.

(B) Infrastructure Canada has worked with departmental partners, the Privy Council Office and Treasury Board Secretariat to integrate legacy programs into the Horizontal Initiative Table. Infrastructure Canada and departmental partners have produced an Investing in Canada Plan Departmental Plan Horizontal Initiative Table for fiscal year 2022-23, integrating legacy programs and outlining their contributions toward the objectives and expected outcomes of the Plan.

Committee Recommendation 2: That, by 31 January 2022, Infrastructure Canada provide the House of Commons Standing Committee on Public Accounts with a report outlining its progress on engaging with its delivery partners on data automation for public progress reporting.

Infrastructure Canada worked with partner departments and agencies on a new protocol to provide consistent, comprehensive and easy-to-understand information on the Plan, in a manner that fully respects existing program requirements and departmental roles, responsibilities and accountabilities.

Automation procedures have been implemented enabling Infrastructure Canada to streamline data quality assurance and provide quality data and up-to-date information to Canadians in a timely manner all the while ensuring transparency and consistency in the information presented. Infrastructure Canada will continue to collaborate with partner departments and central agencies to explore further steps to streamline and enhance data collection and reporting on the Plan's progress and results.

Six years into its 12-year timespan, the Plan is delivering important benefits across Canada. As of March 2022, over \$119 billion in funding under the Plan has been allocated to more than 77,000 approved projects across Canada. Further, 88% of the Plan's total program allocation is committed to either: projects; provincial and territorial bilateral agreements; First Nations, Inuit or Métis Nations. Funding under the Plan has supported a 15% increase in public sector infrastructure investment between 2015 and 2020, the last year for which data are available as reported in Statistics Canada's Infrastructure Economic Account (INFEA).

Within each investment stream of the Plan, significant results as of December 2021 include:

- The Plan has increased the capacity of Canadian municipal public transit systems by improving the capacity of Canadian public transit infrastructure by supporting the development of over 570 kilometers of transit-exclusive transport networks, including dedicated bus lanes and rights-of-way, increasing mobility across Canadian communities. Major public transit projects that will have transformative effects on cities are being supported in Montréal, Ottawa, Toronto, Hamilton, Calgary, Edmonton and Vancouver.
- Green infrastructure investments are providing charging and alternative fuel stations along Canada's highways and in strategic locations where Canadians live, work, and play to enable greater deployment of these types of vehicles to help decarbonise the transportation sector. For example, the Plan has provided 576 electric vehicle charging stations, 11 natural gas stations installed along key freight corridors, and 5 hydrogen stations installed in metropolitan centres. In addition, the Plan has supported 96 Clean Energy for Rural and Remote Communities projects that assist Indigenous, rural and remote communities transition away from fossil fuels to clean, renewable and reliable energy.
- Social infrastructure investments are helping to improve Canadian communities through reduced housing need, increased regulated childcare spaces and early learning programs, and enhanced community, cultural and recreational facilities. The Plan has exceeded targets for new affordable childcare spaces, created 28,900 new community housing units, maintained 156,900 community housing units, and repaired 209,800 community housing units, and built or repaired over 1,200 community, cultural and recreational spaces.
- Trade and transportation investments build stronger, more resilient, and more efficient trade corridors to access global markets and help Canadian businesses compete, grow and create more jobs. The National Trade Corridors Fund has leveraged \$4.2 billion in total investments for 28 marine projects, 24 road projects, 19 rail projects and 18 air projects.
- Rural and northern communities Infrastructure investments grow local economies, improve social inclusiveness and connectivity, and better safeguard the health and environment of rural and northern communities. Funding under this stream has experienced a good uptake across a broad suite of projects including broadband, roads, energy, health and food security. For example, 707 rural and remote communities are now connected to broadband, providing residents the opportunity to innovate and participate in our economy, democracy and way of life.

The Government of Canada has continued to invest in infrastructure since the Investing in Canada Plan was introduced. Investments in public transit, green and inclusive public buildings, broadband, trade corridors, housing, child care and support for Indigenous communities build on the policy objectives being pursued in the Plan, with additional funding to promote more ambitious outcomes.

Canada's infrastructure needs and priorities are evolving, and there is a growing need for evidence-based long-term planning toward a net-zero emissions future. We will move ahead with Canada's first ever National Infrastructure Assessment, which will provide infrastructure decision-makers and investors, both public and private and in every region, with information and insight to guide their investments.

To conclude, the Government of Canada thanks the Standing Committee on Public Accounts for its work and recognizes the contribution of the Office of the Auditor General in conducting this study.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. LeBlanc', with a stylized, cursive script.

The Honourable Dominic LeBlanc, P.C., Q.C., M.P.
Minister of Intergovernmental Affairs, Infrastructure and Communities