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• (1100)

[English]

The Chair (Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC)): I call the meeting to order. I would like to welcome everyone here, including Mr. Scheer, who is not normally on this committee.

Welcome to meeting number 31 of the Standing Committee on Public Accounts. The committee is meeting in public today and is being televised.

Pursuant to Standing Order 108(3)(g) the committee is meeting today to study report 9, “Investing in Canada Plan”, of the 2021 reports 6 to 9 of the Auditor General of Canada.

Today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021; therefore, members may be attending in person in the room or remotely using the Zoom application.

I believe everyone is attending remotely, so interpretation services are available for this meeting. You have the choice at the bottom of your screen of floor, English or French audio. Before speaking, click on the microphone icon to activate your own mike. When you are done speaking, please put your mike on mute to minimize any interference.

When speaking, please speak slowly and clearly. Unless there are exceptional circumstances, the use of headsets with a boom microphone is mandatory for everyone participating remotely.

Finally, should any technical challenges arise, please advise the chair and note that we may need to suspend for a few minutes as we want to ensure all members are able to participate fully.

I would now like to welcome our witnesses. Joining us today from the Office of the Auditor General are Karen Hogan, Auditor General of Canada; Nicholas Swales, principal; and Gabriel Lombardi, director.

From Canada Mortgage and Housing Corporation, we have Romy Bowers, president and chief executive officer; Paul Mason, senior vice-president, client operations; Michel Tremblay, senior vice president, policy and innovation; and Caroline Sanfaçon, vice-president, housing solutions, multi-unit.

From the Department of Indigenous Services we have Christiane Fox, deputy minister; Joanne Wilkinson, senior assistant deputy minister, regional operations sector; and Claudia Ferland, director

general, regional infrastructure delivery branch, regional operations sector.

From the Office of Infrastructure of Canada we have Kelly Gillis, deputy minister, infrastructure and communities; Gerard Peets, assistant deputy minister, policy and results; and Sean Keenan, director general, economic analysis and results and chief economist.

From the Privy Council Office we have Matthew Shea, assistant deputy minister, corporate services; and Michelle Lattimore, director of operations, results and delivery.

From the Treasury Board Secretariat we have Peter Wallace, secretary of the Treasury Board of Canada.

What a slate of witnesses we have with us today.

With that, I welcome you all, and we'll turn the floor over to Ms. Hogan for five minutes.

• (1105)

Ms. Karen Hogan (Auditor General of Canada, Office of the Auditor General): Madam Chair, thank you for this opportunity to present the results of our audit report on the investing in Canada plan.

Joining me are Nicholas Swales, the principal responsible for the audit, and Gabriel Lombardi, who led the audit team.

The investing in Canada plan is important because the government is investing \$188 billion over 12 years to generate long-term economic growth, improve the resiliency of communities, support the transition to a green economy and improve social inclusion and socio-economic outcomes for Canadians.

Our audit examined whether Infrastructure Canada and key federal organizations could demonstrate that the plan was meeting its objectives and whether they were providing complete, reliable and timely reporting on the plan to Canadians.

Overall, we found that Infrastructure Canada was unable to present a full picture of the results achieved and progress made under the investing in Canada plan. The absence of clear and complete reporting on the plan makes it difficult for parliamentarians and Canadians to know whether progress is being made against the intended results.

Specifically, we found that the department's reporting on intended results excluded almost half the government's investment. The reporting did not capture the more than \$92 billion of funding that was committed before the plan's creation in 2016. Although this issue was raised soon after the creation of the plan by one of its oversight committees and later in a 2019 internal review, we found that this reporting gap remained unresolved.

For the other half of the funding, Infrastructure Canada and its federal partners developed a reporting framework that includes expected results and indicators, but they did not report against the framework consistently and comprehensively. The clarity of the reporting was also affected by inconsistent information received from the partner organizations.

[Translation]

We were further disappointed to observe that the plan made no mention of the United Nations' sustainable development goals, even though the plan could play a significant role in achieving some of them. The government has recognized the importance of collaboration among federal organizations in this area.

We also found that funds weren't being spent as quickly as originally planned. Approximately 20% of the spending intended for the first three years was moved to later years. In addition, half of the total allocated spending is now planned for the last five years of the plan. No organization was tracking the impact of delayed spending on the plan as a whole. This means that the plan's objectives may not be met.

The issues affecting the investing in Canada plan aren't new. We've seen similar problems in several past audits in areas requiring cross-departmental or cross-government collaboration, such as the areas involving indigenous issues and climate change. This audit is yet another example of the need for the government to act on known issues, in this case the need for broad collaboration and clear reporting on results for this large initiative.

We made a comprehensive recommendation to Infrastructure Canada to improve monitoring, tracking and reporting on progress. The department agreed with it.

This concludes my opening remarks.

We would be pleased to answer any questions the committee may have.

[English]

The Chair: Thank you very much, Ms. Hogan.

We will now turn to Ms. Gillis for five minutes.

Ms. Kelly Gillis (Deputy Minister, Infrastructure and Communities, Office of Infrastructure of Canada): Good morning. Thank you for inviting me here today to talk about the Auditor General's report on the investing in Canada plan.

I'd like to begin by acknowledging that the land I am joining you from is the traditional unceded territory of the Algonquin Anishinabe people.

• (1110)

[Translation]

I'm pleased to be here with my colleagues from the Canada Mortgage and Housing Corporation, Indigenous Services Canada, the Treasury Board Secretariat and the Privy Council Office.

We want to thank the Auditor General and her staff for their examination of the plan. We accept the Auditor General's recommendations.

[English]

Introduced in budgets 2016 and 2017, the investing in Canada plan was created to provide a comprehensive reporting of cross-government effort to deliver infrastructure to communities across Canada.

Infrastructure Canada has a dual role in the plan. The first of these is to deliver infrastructure funding. Infrastructure Canada is one of 21 departments and agencies responsible for administering the programming included in the plan. In our second role, Infrastructure Canada acts as the central hub for reporting on plan-wide data, while each of the 21 departments and agencies that report into the plan is accountable for the management of its programs.

This information gives Canadians a global perspective on how the plan is moving forward. For example, our website provides a full accounting of the \$188 billion in funding delivered under the plan: how this funding has been allocated to programs, how much has been approved for specific projects and how much has been paid out to recipients. As a result of this horizontal reporting of the plan's progress, I am able to say that federal departments and agencies have approved over \$81 billion in funding under the plan—43% of the total, 40% of the way through the plan—associated with 67,000 projects, of which 91% have started.

[Translation]

Infrastructure Canada's horizontal results reporting role is set out in the requirements of the Treasury Board. However, we've created additional tools to enrich how we report to Canadians.

These tools include our online geo-map, which makes it possible to identify projects in specific regions and communities.

[English]

Also, in response to requests for information from the Parliamentary Budget Officer, we've provided additional project-level information in a way that is as comprehensive and comparable as the source data allows.

It is important to note, however, that not all programs report the same kind of information in the same way. This is because programs have been set up with different requirements, reflecting their diverse policy goals. Some, like the gas tax fund, provide funding as an upfront grant. While funding under such programs is fully accounted for and their performance is audited, very little project-level information is requested of applicants, by design. Others, like the investing in Canada infrastructure program, are application based, permitting federal departments and agencies to collect detailed project-level information.

It is also true that programs operate through long-standing funding mechanisms, which predated the plan—what we call “legacy” programs. The reporting requirements of these programs were preserved when the plan was put in place. Changing them would have caused significant delays, introduced uncertainty for infrastructure investments and been counter to binding agreements. However, as these programs reflect considerable ongoing investments in infrastructure, they were included in the plan as is. Where possible, we have integrated the available data of these programs into the horizontal reporting under the plan.

[*Translation*]

I would like to underscore that this entire horizontal reporting framework sits on top of existing departmental requirements and accountabilities for individual programs.

Each of the 21 departments and agencies is individually responsible for their respective programs, including the program design, spending, oversight and reporting.

[*English*]

This is information available through each department's own reporting framework, which can be reviewed through such tools as departmental result reports, main estimates, public accounts and proactive disclosures on the open government portal. We have developed a number of tools to report to Canadians and have continued to evolve our reporting, but we know there's room for improvement.

In developing our management action plan, Infrastructure Canada is taking careful consideration of the Auditor General's finding and is working with our delivery partners to ensure that Canadians and parliamentarians have meaningful information about the infrastructure that is being built under the plan.

The Auditor General also noted that 20% of the funds for the first three years of the plan were re-profiled to later years. Five years into a 12-year plan, over 40% of the funds have been committed and, as of January 2021, \$48 billion has flowed to recipients.

It is important to note that, for most infrastructure programs, federal spending is made as a reimbursement after the fact. This means that programs are rolled out, projects are started, construction begins and economic activity is spurred along, and federal dollars then are paid out. It is also critical to understand that infrastructure funding does not lapse but rather is re-profiled and carried forward to future years under the plan, so that it is available as infrastructure projects are built.

We appreciate the opportunity the Auditor General's work provides us to improve how we report on the investing in Canada plan.

• (1115)

[*Translation*]

I would be happy to answer your questions.

[*English*]

The Chair: Thank you very much, Ms. Gillis.

We will now go on to Ms. Bowers for five minutes.

Ms. Romy Bowers (President and Chief Executive Officer, Canada Mortgage and Housing Corporation): Thank you very much, Madam Chair.

Before I begin, I want to acknowledge that I'm joining you today from my home in Toronto, the traditional territory of many nations, including the Mississaugas of the Credit, the Anishinabeg, the Chippewa, the Haudenosaunee and the Wendat peoples.

[*Translation*]

I'm pleased to have the chance to speak to you today on behalf of the Canada Mortgage and Housing Corporation.

I want to acknowledge the Auditor General's report and show my appreciation for her very important work. We concur with the findings and recommendation and with Infrastructure Canada's response to the report.

Along with Infrastructure Canada, we're committed to providing meaningful reporting to Canadians on the investing in Canada plan and to finding ways to improve our reporting.

[*English*]

Under the investing in Canada plan, we are responsible for \$32.8 billion of government investment in various programs over 12 years. Through these programs, CMHC has committed funding to almost 22,000 projects in communities from coast to coast to coast. Those benefiting from these projects include individuals and families living in some of the most vulnerable situations.

Because of these projects, more seniors have suitable homes where they can safely age in place; more low-income families have affordable community housing; more women and children fleeing violence have safe shelter and more on-reserve communities get access to much-needed renovation and upgrades to their homes.

CMHC has taken great strides in recent years to transform itself to become a much more agile company. We've also become much more client-focused and responsive. Over the past year, we've made many adjustments to our national housing co-investment fund, reducing the length of the application process by over 50%. As a result, we've seen much stronger uptake on this program, which means a much greater pace of construction of affordable housing.

The Chair: Ms. Bowers, could you lift your mike? That would be great.

Thank you. Please carry on.

Ms. Romy Bowers: Thank you, Madam Chair.

We continue to be accountable to our ultimate client—Canadians. In addition to ICP reporting, each quarter we report on the progress of our national housing strategy initiatives, many of which are included in the plan and on our website at www.placetocalhome.ca.

Housing projects under the national housing strategy give more families a stable home where they can work, study and stay safe through these challenging times, and plan for a better future.

Many of our legacy programs are delivered through funding agreements that have been in place for many decades, and we report on them in accordance with historic agreements. Our newer national housing strategy programs have more stringent reporting requirements. We will use this opportunity to better coordinate reporting while also ensuring the privacy and safety of some of the most vulnerable people we serve.

We have always worked at CMHC to optimize public funding. We've been able to draw on our close partnerships with the private and non-profit sectors to get the most out of federal investments. We will continue to make public funding count and deliver the best possible results for Canadians.

I thank you for the opportunity to speak to the committee on this matter, Madam Chair, and I'm very happy to take any questions at this time.

The Chair: Thank you very much, Ms. Bowers.

We will now go to Ms. Fox for five minutes.

Ms. Christiane Fox (Deputy Minister, Department of Indigenous Services): *Kwe kwe. Ulaakut. Tansi.* Hello.

Today I'm speaking to you from the unceded traditional territory of the Algonquin Anishinabeg people.

I would like to begin by confirming that through the programs and investments administered through the investing in Canada plan, Indigenous Services Canada is working very closely with indigenous partners and our colleagues here today to achieve better outcomes.

Since budget 2016, Indigenous Services Canada has received more than \$4.29 billion in targeted funding under the plan. As of December 31, 2020, \$3.43 billion has been invested to support vital community infrastructure projects on reserve.

• (1120)

[Translation]

Through budget 2021, the federal government is proposing a historic new investment of over \$18 billion over the next five years to improve the quality of life and create new opportunities for people living in indigenous communities.

These investments will continue to help indigenous communities deal with the impact of the COVID-19 pandemic. The investments will also support continued action on infrastructure.

In addition to the report's findings, the Auditor General also brings to light the dynamic nature of funding relationships between the Government of Canada and first nations partners, demonstrating a need for cross-government collaboration.

[English]

To increase the financial impact and address the infrastructure needs of first nations communities, Indigenous Services Canada uses a portfolio approach for the allocation and reporting of targeted infrastructure investments.

This means that projects may be supported by multiple funding sources, not all of which fall under the investing in Canada umbrella.

To ensure transparency and results, a robust reporting process has been implemented, allowing both Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada to provide regular updates on their overall portfolio of infrastructure projects in first nations communities.

This includes an infrastructure investment interactive map that has been available on our site since June 2018, and which is updated on a quarterly basis. Given the department's focus on water, we also provide information by community as we work hard to eliminate long-term drinking-water advisories.

[Translation]

We're committed to helping first nations achieve their vision of self-determination, and to respecting their autonomy by seeking opportunities to reduce reporting requirements. To this end, the funding requirements, methodology and delivery of the program must reflect the evolving relationship between the federal government and first nations.

While we understand that reporting requirements will be different for every program, a flexible approach is needed for legacy funds, which include programs established prior to budget 2016 and which amount to approximately \$14 billion over 12 years.

[English]

First nations communities experience different realities than do cities and municipalities across Canada. Indigenous Services Canada does not support increasing reporting requirements for infrastructure legacy funds, as these funds are distributed to first nations for the management of their communities as a whole, not just for infrastructure projects.

[Translation]

As we move forward on the path towards self-determination and fulfill the vision of the department—which is to support and empower indigenous peoples to independently deliver services to their communities—we must note that first nations communities are responsible for carrying out infrastructure projects in their communities.

Through the investing in Canada plan, we've been able to support the health and well-being of indigenous communities by providing clean drinking water, reliable energy solutions and affordable housing units. However, we acknowledge that work remains to be done.

[English]

These investments are helping to meet the infrastructure needs of first nations communities and will lay the foundation for a long-term investment strategy in first nation community infrastructure to build healthy, safe and prosperous communities.

We will continue to engage and work with Infrastructure Canada to develop a consistent manner to provide comprehensive reporting on the investing in Canada plan.

Thank you. *Meegwetch. Qujannamiik. Marsi. Merci.*

• (1125)

The Chair: Thank you very much, Ms. Fox.

Colleagues, before I go to our first round of questioning, I would like to ask one question of the Office of Infrastructure Canada.

I would like to ask when the committee can expect to receive the management action plan from your office. I note that it is on your website, but the committee would like to receive that action plan. Do you have a timeline for us?

Ms. Kelly Gillis: We are working with our 21 departmental colleagues to develop the action plan. Given the importance of the action plan, we are looking at how we bring meaningful, comprehensive, complete and consistent consideration to it. Those are things we are looking at, because we have a number of reports available right now on the plan, but we want to make sure we are carefully and thoughtfully looking at how better to report, and that is why we are taking that time to develop that action plan.

You will certainly receive it before the due date of September 25, and as soon as possible prior to that date.

The Chair: Thank you very much for that.

We will now go to our first round of questioning, which is a six-minute round, starting with Mr. Scheer.

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

I appreciate the Auditor General's work. This is my first time on this committee, but we've been studying the various infrastructure programs at the transport committee, so I appreciate my colleagues' allowing me to sub in today.

There's a lot to unpack, with such a large department administering a large amount of money, as you point out, over many different funding envelopes. I suppose that's one of the reasons we flagged the challenge of getting accurate information back on the department's spending, based on the fact that it is spread out over so many projects.

I have a couple of questions for the Auditor General, just to get some clarity on them.

In your report, you indicated that there was quite a significant delay in terms of the program spending, and that not all the money that was allocated was being spent every year. We just heard from the deputy minister—I believe she said this but she can clarify if I've misquoted her—that they have spent 43% of the funds 40% of the way through the plan.

Is there a contradiction there? Is the plan behind? Have they taken that lapsed money and put it onto later years? Are we currently behind, or am I misreading something?

Ms. Karen Hogan: I think perhaps the department could also clarify, but what I heard in listening to the opening statement was that those funds were committed. I'm not sure that committed and spent go hand in hand. You can commit, but actual expenditures are what we were looking at in order to measure results.

Hon. Andrew Scheer: Thanks very much for that clarification. We are hyperaware of the difference between funding commitments and actual results. We've been studying the Canadian infrastructure bank at the transport committee. That is perhaps the most famous example of money allocated without results to show for it: \$35 billion allocated and so far not a single project completed, so thank you very much for clarifying that.

Can you speak to the dynamic of the legacy projects and the lack of reporting on those? In your report and your news release, you flagged this, or someone flagged this, because this issue was raised as early as 2017 by one of the plan's oversight committees. Why is it important that the previous government's previous legacy programs be included in terms of the reporting? If they are going to claim the money as money they're spending and allocating, why is it important that the reporting follow it?

Ms. Karen Hogan: What we found in the audit on the investing in Canada plan is that it included three buckets. It included projects announced in the 2016 and 2017 budgets and also legacy programs. As you mentioned, those legacy programs account for about half of the funding, \$92 billion.

When those legacy programs were designed and the reporting structures and accountability mechanisms set up, they weren't thought of in the context of the investing in Canada plan, so an adjustment was not made for their reporting to align with the plan.

Therefore, when half of your spending cannot be tracked in a similar and consistent way, it is difficult to demonstrate whether or not the plan is on target to meet the expected results and its overall objectives. One of our recommendations, then, focuses on the ability to try to find a way to ensure that you can capture the progress, results and outcomes of those legacy programs under the envelope and reporting framework of the investing in Canada plan.

• (1130)

Hon. Andrew Scheer: Were there shortfalls in reporting only specific to the legacy projects or, within the newly created programs by the current government, were there also some reporting shortfalls in those envelopes, as well?

Ms. Karen Hogan: In our audit, we found it was difficult to gauge the progress against the objectives and results of the plan, so it wasn't just because of the legacy programs. That was a large contributor. We also saw inconsistent reporting on results from federal partner organizations to Infrastructure Canada. Hence, when you report in an inconsistent way, it's hard to put a global picture together.

We also saw that, year over year, Infrastructure Canada would report—in a table in its departmental results reports—different results, but they were not the same results year over year. Again, it's very hard to measure progress when you're not reporting against the same baseline and you're not doing so in a comprehensive way to include all the programs.

There were a few elements that contributed to the lack of meaningful reporting on progress towards outcomes.

Hon. Andrew Scheer: Thank you very much.

It's so important, because when a government says to Canadians that this is how it is going to address economic decline and kick-start the economy, especially moving out of the impacts of the pandemic, in order to be able to trust the government, we have to be able to see if the money is actually doing what it is intended to do.

I'll go back to your point about committing money. Yes, it's easy to commit money. It's more challenging to spend money, but it's even more challenging to spend money properly. That's why these reporting mechanisms are so important.

If I have time left, Madam Chair, maybe I could ask the deputy minister....

Again, I've tried to take notes as you've spoken, so if I misquote you, please clarify. I believe you said that some of the programs don't require reporting by design. When we're talking about tracking the effectiveness of taxpayers' money, can you explain which

types of programs you would specifically design not to have some kind of a reporting or tracking mechanism?

The Chair: Thank you very much, Mr. Sheer.

We are over time, so I would ask for a very brief answer to that question.

Hon. Andrew Scheer: I can come back to that in my follow-up round, Madam Chair, if you'd prefer because of time.

The Chair: Thank you very much for that, Mr. Sheer. I will have you do that.

We will now move to Mr. Fergus for six minutes.

[*Translation*]

Mr. Greg Fergus (Hull—Aylmer, Lib.): Thank you, Madam Chair.

I want to thank the witnesses who are appearing before the committee today to discuss this very important issue. Horizontal programs are often about coordinating government policies and implementing these policies for very practical reasons.

In my opinion, we don't talk enough about the issue of gender-based analysis plus, or GBA+. I want to raise an issue that I'm concerned about. How will we reach people from culturally diverse communities, who are part of the groups included in GBA+?

My first question is for the Auditor General of Canada.

Ms. Hogan, thank you again for being here today.

When your team conducted the audits, did you carry out a GBA+ for certain aspects of this audit? If so, can you share your office's findings?

• (1135)

Ms. Karen Hogan: Thank you for the question.

As you know, I often appear before the Standing Committee on Public Accounts. I've committed to using gender-based analysis plus more often in our future audits.

The audit of the investing in Canada plan began as a result of a motion in the House of Commons. This occurred before I was appointed Auditor General. We didn't incorporate this analysis into our approach. However, I can assure you that we'll include it in our future audits. We'll also take into account sustainable development targets.

I made this commitment to the committee, but we didn't have the opportunity to conduct the analysis during this audit.

Mr. Greg Fergus: Thank you for your very candid response. I look forward to the audits that will address this issue. Based on our discussions over the past six months, I have no doubt that you'll take action.

Perhaps the deputy ministers had time to think about how they would respond to a similar question.

I want to ask Ms. Gillis the following question.

Ms. Gillis, you coordinate many activities at Infrastructure Canada. However, I would like to know whether you have applied GBA+ to some aspects of the investing in Canada plan.

Can you give us an idea of what you found in this analysis?

Ms. Kelly Gillis: Thank you for the question.

All new programs in the government require a comprehensive assessment and GBA+. This is mandatory.

[English]

When we look at infrastructure in and of itself in some of the programs we're funding, we know they're supporting vulnerable populations. For example, public transit is one of the largest areas of infrastructure investment through the Investing in Canada plan. We know that essential workers and women are more apt to take public transit.

Those are some of the things we take into consideration as we're looking at the types of investments and the types of programming we're investing in. It is a very important consideration.

[Translation]

Mr. Greg Fergus: Can you share some of the results of this analysis?

Ms. Kelly Gillis: Do you want me to do so now?

Mr. Greg Fergus: It has been three years since this analysis should have been applied to Canadian government programs. I think that most programs have been analyzed by the Office of the Auditor General. There has been enough time to learn from this and make findings.

Can you provide some examples, other than public transportation, which you've already talked about?

Ms. Kelly Gillis: The people in rural communities and northern Canada need the infrastructure investments. We've invested in connectivity projects to provide high-speed Internet access. These projects are very important. They give people the ability to access education and, in this situation, to go about their daily business.

We're also investing in recreational and cultural infrastructure. The goal is to give people access to the public services that they need.

Lastly, I want to mention our investments in areas such as access to safe and clean drinking water in remote areas.

[English]

We know that is very important, and we've been focusing a lot on waste-water facilities in areas where it's important for our communities to have fundamental clean access to infrastructure.

The Chair: Thank you very much, Ms. Gillis.

We'll move on to Mr. Blanchette-Joncas, for six minutes.

• (1140)

[Translation]

Mr. Maxime Blanchette-Joncas (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you, Madam Chair.

I'd like to take a moment to acknowledge all the witnesses here today.

My first question is for Ms. Hogan.

Good morning, Ms. Hogan, and welcome back.

You were asked for a report following the passage of a motion on January 29, 2020. I appreciate the insight gained from your expertise and your office's expertise. To be honest, I think that if you weren't here to keep an eye on things, I would be even more concerned than I am now. I'm amazed at the inertia that can be found in the federal government. I would even say that the findings in your report are quite troubling. I want to repeat the adage that "the more things change, the more they stay the same."

I can see that departments, crown corporations and a variety of organizations are slow to provide the information that you need to complete the audit mandate given to you by Parliament.

What can you tell the committee about your issues in this area? Can you think of any examples to provide some context?

Ms. Karen Hogan: One major issue that I want to point out following the completion of this audit is the horizontal programs. This program involves 21 federal organizations, including departments, crown corporations and regional development agencies. When you have a program of this magnitude, usually one department is responsible for it. In this case, the department is Infrastructure Canada.

As I said in my message to Parliament in March, we've seen this issue before. We often hear departments say that, when you have a horizontal program, if the lead department doesn't have the necessary authority, it's very difficult to force deputy ministers in other departments to adhere to the objectives and meet all the needs and requirements of a horizontal program. We've seen that in this case. This shows the importance of properly determining an accountability process at the start of a horizontal program, and of ensuring that the lead department has the necessary authority to report comprehensively.

Mr. Maxime Blanchette-Joncas: Thank you for these clarifications, Ms. Hogan.

You also noted in your report that Infrastructure Canada failed to show that its investing in Canada plan is on track to achieve its objectives. I find this extremely troubling. We're talking about billions of dollars, and I would even say \$188 billion. Despite the talk of senior officials about horizontal control of spending, I think that nonetheless you're no closer to stating with certainty that these huge amounts will be allocated in an equitable, fair, diligent and even rigorously controlled manner.

Ms. Hogan, do you think that we can fully investigate the entire program in the near future, or will we have to get used to the idea that another government fiasco is on the horizon?

Ms. Karen Hogan: There's a great deal of information on the outputs of a program. We can see a detailed expense summary. However, as a result of our recommendation, I hope that Infrastructure Canada can improve its accountability. It's really important to not just talk about outputs, but to talk about outcomes and progress in achieving program objectives. It's important to be able to improve the process in order to step back and assess whether the targets in the plan have actually been met.

Mr. Maxime Blanchette-Joncas: Thank you again for these clarifications, Ms. Hogan.

I noticed in your report that there was no breakdown by province, particularly for Quebec. I must say that this is unfortunate. The parliamentary budget officer points out in all his reports that Quebec has the longest approval times for infrastructure projects and the most delays. Why didn't your office do a breakdown by province?

• (1145)

Ms. Karen Hogan: When we saw the scope of the audit, we wanted to respond to the motion and show that there had been progress in achieving the goals of the plan, not look at the plan by region. I would encourage you to ask the department and check its website. During our audit, I noticed that there was a map of Canada. You can see where certain projects are located. This may address your concerns.

Mr. Maxime Blanchette-Joncas: I'd like to come back to a statement in your speaking notes, Ms. Hogan.

Paragraph 9 states, "The issues affecting the investing in Canada plan are not new. We have seen similar problems in many past audits..."

As I understand it, you made a recommendation, and the department accepted it.

Can we take further steps to ensure that we really put a lid on the issue and truly move ahead with structuring infrastructure programs for our communities?

Ms. Karen Hogan: In that paragraph—

[*English*]

The Chair: Could we have a very short answer, Ms. Hogan? I'm sorry.

Ms. Karen Hogan: No worries.

[*Translation*]

In that paragraph, I'm emphasizing that it's a horizontal program and that the difficulties of reporting comprehensively on such a program are not new. We see this type of difficulty in sustainable development projects and at Indigenous Services Canada. The government should address this issue generally.

[*English*]

The Chair: Thank you very much.

We will now move to Mr. Bachrach for six minutes.

Mr. Matthew Green (Hamilton Centre, NDP): Actually, it's Mr. Green, Chair.

I know you guys had a lot of fun with my colleague, Taylor, from Skeena—Bulkley Valley, but I am back, from the unceded Algonquin territories here in Ottawa and, of course, proudly representing Hamilton Centre.

Some pretty revealing questions were posed, beginning in section 9, at paragraph 9.30, which talked about the legacy funding and how it was not "integrated into the plan" and how the horizontal reporting framework "required reporting only for Phase 1 and Phase 2 programs, while legacy programs continued to operate without explicitly aligning with the plan's objectives, expected results, or themes". It also said, "The legacy programs, which represent almost half of the total \$188-billion commitment, were therefore not included in the supplementary table on the horizontal initiative."

My question is, why would these legacy programs be included if they were essentially being conducted and reported completely separately? That's probably for one of the staffers, because I don't know that Ms. Hogan would have that answer.

Ms. Kelly Gillis: Thank you, Madam Chair.

As Ms. Hogan mentioned, there are three different components to the plan.

In the legacy programs, which were the programs that were in existence before the plan was created, continued investment had not been made with those particular programs that ultimately were serving the overall objective of economic growth. If I give one great example from our programming, it's the gas tax program.

You can speak to any community across Canada: The gas tax program is a really important initiative. It is an upfront transfer payment, so it's not an application-based program whereby municipalities have to apply for their particular projects in advance. It's \$2.2 billion that flows through provinces and territories to communities, to allow them to invest in things like connectivity—

Mr. Matthew Green: I'm sorry. My apologies. I really have to get to the heart of the question. If I could, please, I have a supplementary to that, because I'm not so much interested in the talking points as I am in figuring out why in 2019 there was an internal evaluation of the plan conducted by Infrastructure Canada that also found gaps in reporting on legacy funding. However, the issue had not been resolved at the time of the audit, as per Ms. Hogan.

Your own internal audits have twice identified the failure to report legacy programs as a problem within the investing in Canada plan. Why has the leadership decided that it's not worth addressing this significant issue?

Ms. Kelly Gillis: What we have done is to incorporate them into various programs like our funding table. Our legacy programs are noted. In our geospatial map, where the data is available, we've included it. We have included it as an overall economic driver because it is an important investment in infrastructure.

On the exact modalities and the framework, as the Auditor General noted, the framework doesn't align perfectly, and we do not want to recreate or redo the gas tax program into a new framework, because that would undermine certainty and investments and undo necessarily binding agreements. We know that the program is coming up for renewal in 2024, so we have an opportunity to address some of the reporting requirements that we might want as a requirement for future reporting.

In the meantime, we are looking at the horizontal table right now, with the Auditor General's recommendation, to see how we can realign it to fit the horizontal reporting issues that have been addressed regarding legacy programs. We have already started to address reporting regarding legacy programs in our other reports that have been made public.

• (1150)

Mr. Matthew Green: Why then, through you, Madam Chair, would the federal partners not be required to align their reporting requirements with Infrastructure Canada's requirements? How confident can we be that Infrastructure Canada has a grip on these programs, when they aren't even collecting the right data?

Ms. Christiane Fox: Maybe I could speak a little about Indigenous Services Canada, to answer the question about why we aren't tracking legacy programs.

Mr. Matthew Green: If I could, respectfully, I'd like to go back to the previous witness, because I want it to be more broad, and I know that Indigenous Services will have a specificity that is not broadly applied to the other departments.

Ms. Christiane Fox: Absolutely.

Ms. Kelly Gillis: There are 93 programs and 21 departments. There are seven departments and 17 programs that are legacy. Each one of them had approved reporting frameworks, and each department and ministry is reporting on those programs and is accountable for the delivery of those programs with the frameworks that were in existence at that time.

Now, when we're looking at the broader reporting of the investing in Canada plan, which has a certain framework in place, they don't perfectly align. If I go back to the gas tax program, for example, in our programming—in our reporting right now—we divide out the program among green, public transit, trade and transportation, and social, rural and north. The gas tax program reports in all of those categories are available within that particular program and do not segregate between them, because it is a transfer payment to municipalities for them to have the flexibility to invest in the infrastructure they need.

We know it's audited. We know there is reporting after the fact. We just don't have the same data points to report the exact same way, so those are the—

Mr. Matthew Green: The reason I interject—and I know you guys have been in front of committee before—is that, after I get to

the answer, I have to get to my next question, and I have a limited amount of time. Please don't take my curtness as a personal dismissal, but I have to get to my other questions.

Paragraph 9.3—

The Chair: Mr. Green, I am so sorry.

Mr. Matthew Green: This is a good example.

The Chair: Your time is up, but I want to apologize for not realizing you were back at committee. You will have another opportunity to ask your questions.

We will now move to our next round of questioning, which is a five-minute round starting with Mr. Scheer.

Hon. Andrew Scheer: Thank you very much, Madam Chair.

I have a few questions for, I believe, Ms. Bowers from CMHC.

What would you say is the largest demographic in terms of income of Canadians who use the mortgage insurance that CMHC provides?

Ms. Romy Bowers: With respect to our mortgage insurance business, for homeowners, the largest demographic would be first-time homebuyers. Again, there's a range in ages, but I would say in the low to mid-thirties.

Hon. Andrew Scheer: In terms of income, would you say that it skews towards the lower and middle brackets than wealthier Canadians, first-time homebuyers who can afford to put down more than 20% and therefore don't require the products you offer?

Ms. Romy Bowers: With respect to our mortgage insurance business, it is for high-ratio mortgages, so, by law in Canada, you have to purchase mortgage insurance when you don't have the 20% down payment.

Hon. Andrew Scheer: First-time homebuyers who can't afford to put more than 20% down on the mortgage are the people who pay CMHC premiums.

Now, Canada Mortgage and Housing Corporation, you fund housing programs and various social benefit programs within your own agency. Is that correct? Do you manage and fund your own programs?

• (1155)

Ms. Romy Bowers: Canada Mortgage and Housing Corporation is Canada's national housing agency, and we have a variety of programs that support Canadians across the housing continuum.

With respect to our commercial businesses, which Mr. Scheer mentioned, we consider those commercial businesses whereby we generate revenue to self-sustain those programs.

With respect to affordable housing programs that support Canadians of lower income and who are perhaps more vulnerable, those are the programs that received appropriations from the Government of Canada.

Hon. Andrew Scheer: This year, on March 31, Canada Mortgage and Housing Corporation, CMHC, announced a special dividend payment of \$3.5 billion to the Government of Canada; that is, a transfer from CMHC directly to the Government of Canada. This means the premiums of those first-time homebuyers, who are low- and middle-income Canadians who can't afford to put more than 20% down on their mortgage, went to pay a \$3.5-billion dividend to the government. Is that correct?

Ms. Romy Bowers: It is correct that in March of this year we issued a special dividend. The circumstances for that dividend were quite unique. Typically, we issue dividends on a quarterly basis, as do many commercial entities, based on the revenues we earn from our commercial businesses. With the onset of COVID over a year and a half ago, we suspended our dividend because of the uncertainty of the economic conditions, so that we could preserve capital in the event of unforeseen circumstances. During this period, our revenues accumulated and our capital levels accumulated as well. We chose to issue a dividend as economic conditions became better with the alleviation of some of the COVID pressures, and that's the reason the dividend was a large amount.

Hon. Andrew Scheer: It says here on CMHC's website that that quarterly dividend is \$250 million, so that's exactly a billion dollars a year if it's \$250 million a quarter. That's off the backs of premium payers. That special dividend that goes into the government's coffers is directly on the backs of low- and middle-income Canadians and, as you just mentioned, first-time homebuyers. The federal government has scooped up the profits made on the backs of hard-working first-time homebuyers. Is that correct?

Ms. Romy Bowers: It is correct that we pay about \$250 million in dividends on a quarterly basis, and that's a result of the risk-based premiums that we charge for our mortgage insurance and securitization businesses. That's in line with the mandate that we have to support financial stability as part of the National Housing Act. We are also bound by the dividend framework that implicates all financial Crowns, and we make an effort to make sure that any excess capital or revenue that we earn is returned to our stakeholder, the Government of Canada.

The Chair: Thank you very much, Mr. Scheer. I'm sorry; your time is up.

We will now go to Mr. Blois for five minutes.

Mr. Kody Blois (Kings—Hants, Lib.): Thank you, Madam Chair.

Thank you to the witnesses. I would ask that you keep your answers as succinct as possible. I'll start with Ms. Hogan.

One of the key findings from your report was that the Government of Canada, specifically Infrastructure Canada, was not able to show that the spending that was happening is tied to, of course, the outcomes and results it's hoping to find. Is it your understanding that the objectives and results from Infrastructure Canada would be highlighted in 9.4 and 9.5 of your report, which are long-term economic growth and resilience of the communities? Is that fair? Is that your understanding of the objectives and results of the program?

Ms. Karen Hogan: Yes, paragraph 9.4 is the three objectives, and 9.5 is the seven expected results of the program.

• (1200)

Mr. Kody Blois: My understanding is that when you analyzed Infrastructure Canada's reporting in this regard, there was very little delineation to be able to show where the spending resulted in these types of objectives and results?

Ms. Karen Hogan: That's correct. It was difficult to compare progress across the seven results year over year, because there was inconsistent reporting against them. That would be an example.

Mr. Kody Blois: Is it project per project, or on an aggregate basis on the overall program? Surely there would be some type of results to say if we're going to make an investment in transit, this is going to improve one of the results, but you're talking more on an aggregate level.

Ms. Karen Hogan: We absolutely sat back and looked on an aggregate level, while we also looked at 32 specific programs. We noted in our audit report that we found that in less than 20% of those did their strategic documentation even mention the investing in Canada plan. When we sat back to look at measurement against expected results, it was the information that was included in a supplementary table in Infrastructure Canada's departmental results report, so it was much more global reporting.

Mr. Kody Blois: I think that's fair from the report. The challenge I have is when I look at these results, one is around urban mobility improved and environmental quality improved. These are quite broad metrics in terms of the results. How far would you like to see Infrastructure Canada get into that very detailed analysis, given that there are other causal factors that could improve some of these results beyond investing in Canada? How deep and how far do you need the government to illustrate?

Ms. Karen Hogan: Well, I acknowledge that they are very broad results and it's likely hard to put your finger on a very clear and measurable target.

However, I would offer up, as an example, that some of the sustainable development goals could have been used in order to establish some of these outcomes or results that would then infer that you've had an increase in economic growth or seen an improvement in social inclusion.

We were just looking for the department to be able to demonstrate that its own expected results were clear and measurable. That goes to making this really clear at the outset of a plan, so that you've thought it all through and don't try to adjust as you go.

Mr. Kody Blois: Okay. Perhaps they should be looking for even tighter, more measurable results is what I am hearing from you.

As quickly as you can, when we look at investing in Canada infrastructure—and I'll get to delayed spending—what analysis did you have in terms of the fiscal capacity of provinces and territories to actually put in their component share?

Ms. Karen Hogan: We didn't really focus in on that. However, we often heard that it was perhaps a reason for the delay in spending. There were provinces and municipalities that were likely slow in requesting reimbursement, and that might be a reason.

It was really difficult for us to nail down why spending was delayed.

Mr. Kody Blois: Ms. Gillis, I'll go to you. I have about a minute and 20 seconds left, according to my watch.

When I look, for example, at the infrastructure bilaterals with the province, they lay out spending per year. When I talk to provincial officials, at least here in Nova Scotia, they deem that as just a guide.

Is that something we can talk about in terms of delayed spending? Even the Government of Canada was perhaps a bit ambitious regarding what the provinces and territories had the ability to match in terms of their own fiscal process, or even just the fact that they see this as, "We have 10 years to spend it. It doesn't have to all go according to the plan."

Ms. Kelly Gillis: When we look at the integrated bilateral agreements, there are allocations across each of the provinces and territories. Once agreements are signed, the speed at which provinces and territories determine to prioritize, do intakes and send applications to us is very much within the control of the provinces and territories.

That said, at this point in time, we have \$13 billion committed, and we have another about \$7 billion under review within that particular program.

Mr. Kody Blois: Madam Chair, could I table a question? I know I won't have time for it to be answered in my round.

What percentage of the investing in infrastructure Canada plan includes provinces and territories that have to match funds? I would be interested in having that answer, as a committee member, to better understand the delayed spending aspect of the AG's report.

Thank you.

The Chair: Thank you very much, Mr. Blois.

We will now move on to our two-and-a-half-minute round, starting with Mr. Blanchette-Joncas.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Madam Chair.

My question is for Ms. Bowers from the Canada Mortgage and Housing Corporation, or CMHC.

Ms. Bowers, could you talk to us about the national housing strategy, which was announced in 2017. It's an ambitious federal government program, a nearly \$40 billion plan to address housing needs, including social housing.

I saw that CMHC was managing various programs, including the rapid housing initiative. We are talking about a \$1 billion program. Last fall, the program was aimed at projects in certain regions of Quebec. The federal government and the Government of Quebec reached an agreement, and the federal government granted \$116 million to Quebec.

However, we don't know if, out of the \$500 million to support projects from the provinces, there will be funds for other projects in Quebec. We've had no news about that.

Can you tell us more about this?

• (1205)

[*English*]

Ms. Romy Bowers: I would like to speak for a few moments about the national housing strategy.

The member is quite correct, in that it is a very significant investment by the Government of Canada in housing. With respect to the investing in Canada plan, there are aspects of the national housing program that are included in the program.

With respect to the national housing program, because we're not bound by some of the reporting requirements that were set in past agreements, we are able to provide a very high degree of granularity and good reporting to support the Auditor General's recommendations.

With respect to investments in the province of Quebec, we are able to provide granular reporting of our investments and funding by province.

I think the last part of Monsieur Blanchette-Joncas' question was with respect to the rapid housing strategy. Again, with respect to that particular program, there was a special agreement with the Province of Quebec to provide funding under that program, which was intended to support housing needs that were very linked to the COVID pandemic. The funds for that were forwarded to the province very quickly.

The Chair: Thank you very much. I'm sorry; we are over time.

I will now move on to Mr. Green for two and a half minutes.

Mr. Matthew Green: Thank you.

Within the report, paragraph 9.48 states:

We found that in the first 3 years of the plan, federal organizations consistently spent less than they had initially planned. This led to funding reallocations that increased expected spending levels for later years.... As a result, for Phase 1, Phase 2, and legacy programs, approximately \$9 billion was moved to later years, representing 20% of initially planned spending.

It also lays out how, in the fourth year of the plan, "\$3 billion of Phase 1 and Phase 2...was not spent as planned and would have to be reallocated to future years."

It has been a critique of this plan that it is being used for big funding announcements, which are great for playing politics but don't mean anything if the money isn't actually being spent and the programs aren't completed. Aside from important projects being delayed, what risk does loading this funding pose?

Through you Madam Chair, to Ms. Gillis, is there a risk that this funding lapses or just doesn't get invested?

Ms. Kelly Gillis: First, infrastructure funding does not lapse. It gets re-profiled. When we look at the funds that are set aside for particular projects, when we have an obligation, that money is set in reserve for the bills that come in for that particular project.

With Infrastructure Canada funding, the economic activity actually begins when we make the commitment for funds. That's when the proponents can contract; they can hire and they can undertake the work to actually get the project done. Then they send the bill, often to the province, and the province sends a bill to us. The actual flow of funds is a lagging indicator. There is a huge timing difference when the economic activity is actually happening within communities.

We've been working with provinces and territories to close that gap. We have a working group to do that. Our profiles are actually based on the forecast from provinces and territories once we have signed agreements with them.

When we look at what happens within communities, it is very much when we make that commitment for that particular project for the economic activity.

Mr. Matthew Green: How are you able to calculate the impacts that delays have on building housing and improving infrastructure or better public transit?

Ms. Kelly Gillis: For us, the real impetus is actually getting the projects approved. This past year, we've accelerated project approvals. We've had almost 3,000 projects approved for almost \$4 billion. That is when a proponent knows they have the funding to move forward with their project. They can hire; they can design and they can build.

That is the key driver.

• (1210)

Mr. Matthew Green: Just to be clear for the record, this is about the announcement and not the actual outcome of the finished project, in conclusion to my questions?

The Chair: Give a very short answer, Ms. Gillis.

Ms. Kelly Gillis: No. This is about a binding agreement for them to have the funds and the financial surety to move forward with the project.

The Chair: Thank you very much, Mr. Green.

We will now go to our next round of questioning for five minutes with Mr. Berthold.

[Translation]

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

Now I'd like to turn to the Auditor General.

Ms. Hogan, I was very proud to see that one of the first motions adopted by the minority government in the House of Commons was to give you the mandate to analyze the Investing in Canada Plan.

I just want to reiterate that the purpose of the motion was to ask the Auditor General to determine whether the goals and promises of the plan had been fulfilled. We understand that because of the pan-

demie, there has been a bit of a delay in tabling your report, but we now have it.

I'm on the Infrastructure Canada website right now. Some of the goals you mentioned in your audit report include employment, resilience, inclusiveness and accessibility.

With respect to jobs and growth, we were told that the plan would create 100,000 good paying jobs each year.

I would remind you that when the government announced this plan, it was to justify exceptional expenses of \$10 billion. This exceptional \$10 billion deficit, during the government's first years in office, was to be eliminated in order to return to a balanced budget at the end of the first term.

However, we've seen what has happened. Spending has been much higher than that, and deficits ballooned dramatically throughout the years of that first term.

We could have agreed on investments to create jobs.

Has your analysis allowed you to determine whether the plan has created 100,000 good paying jobs each year?

Ms. Karen Hogan: As we noted in our report, it was very difficult to get a complete picture of progress toward the goals. We were unable to target this goal. We had difficulty determining progress in general.

Mr. Luc Berthold: So you were unable to determine whether 100,000 jobs had been created per year because you didn't have access to enough data. Is that right?

Ms. Karen Hogan: Actually, the lack of data has affected our analyses. We didn't target this data, so I can't answer your question.

Mr. Luc Berthold: Have you studied the credibility of such goals? Was it based on anything?

You weren't able to estimate how many jobs were created by a plan, but you had to rely on data.

Did you have access to any information on this?

Ms. Karen Hogan: I don't know if I understand the question. You're asking if we had access to information. Is that correct?

Mr. Luc Berthold: In other words, when you analyzed the Investing in Canada Plan, which called for 100,000 good jobs a year, did you have access to any data? The government had to base it on something. Putting a goal in place requires information.

Did you find that information?

Ms. Karen Hogan: We did not look at how the government set the goals of the plan. That was already specified. For us, according to the motion, it was to see whether Infrastructure Canada was able to demonstrate that the plan was on track to meet the plan's targets and goals.

We weren't able to demonstrate that the quality of the information was good enough to lead to a positive conclusion.

Mr. Luc Berthold: Did you determine whether or not there were any bad investments? Did you do such detailed research?

Ms. Karen Hogan: No. We assumed that the government's investments and commitments were within its control. We needed to assess whether Infrastructure Canada was able to demonstrate the progress of programs and projects towards achieving the plan's objectives.

• (1215)

Mr. Luc Berthold: I'll now turn to the Office of Infrastructure of Canada and address Ms. Gillis.

Ms. Gillis, what is Infrastructure Canada's role in all of this?

It's a horizontal program. We would have expected that Infrastructure Canada's primary mandate was to ensure that the 100,000 good-paying jobs each year were created.

Can you tell us that was the case?

[English]

The Chair: Make it a very short answer, Ms. Gillis.

[Translation]

Ms. Kelly Gillis: Thank you for the question.

I can say that the Parliamentary Budget Officer has looked into this matter. In his June 2020 report, he mentioned that 81,400 jobs have been created as a result of our plan.

Mr. Luc Berthold: Is it the number of jobs per year?

Ms. Kelly Gillis: It was for 2019. He didn't have the results for the next year.

Mr. Luc Berthold: You didn't know it for 2016 to 2019?

Ms. Kelly Gillis: In our analysis of the data with the Department of Finance Canada, that's the number of jobs that we saw.

Mr. Luc Berthold: We'll come back to that, thank you.

[English]

The Chair: Thank you very much, Mr. Berthold.

We will now move to Ms. Yip for five minutes.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Thank you, Madam Chair.

Ms. Bowers, in your opening statement you mentioned that more seniors have suitable homes where they can safely age in place. Can you tell us how the investing in Canada plan helps seniors?

Ms. Romy Bowers: When you look at the various housing programs that we include in the investing in Canada plan, there are a number of programs that are very specific to support low-income seniors. That's one way. When you look at other housing programs, they are more general in scope but they are targeted at lower-income Canadians. We know from the studies we have that when you look at lower-income Canadians and housing needs, many of those are seniors on fixed incomes. We ensure that we focus on the needs of the most vulnerable, and seniors would be in that category.

Ms. Jean Yip: Can you elaborate on the more stringent reporting programs for the national housing strategy, and how this will help our vulnerable populations?

Ms. Romy Bowers: With respect to reporting requirements it's important to note that we've had the most challenges with respect to some of the reporting on some of our legacy programs for many of the reasons Ms. Gill has mentioned. Many of those legacy programs are bound by bilateral agreements with the provinces and territories, and it's very hard to move away from some of the reporting structures that were established in the past.

With respect to new programs under the national housing strategy, there was clarity from the very beginning. We were targeting vulnerable populations, and seniors were one. As we negotiate bilateral agreements with the provinces and territories, and as we work with our proponents on more of the direct delivery programs, we can ensure that reporting requirements are understood up front and that we collect the information so we can provide granular reporting. That will help us understand the impact of the programs and provide assurance to Canadians and parliamentarians that the government investment is benefiting those who are most vulnerable in our society.

Ms. Jean Yip: Can you give an example of something that describes the more stringent reporting requirements?

Ms. Romy Bowers: For example, we have categories of Canadians who are most in need whom we're targeting: women and children who are fleeing violence, seniors on limited income, indigenous people living in urban areas. As we design the reporting templates we have subsets dedicated to collecting information about these vulnerable groups, and we can collect the information and report on them.

Ms. Jean Yip: Thank you.

Ms. Hogan, in your audit did you find any further delays to infrastructure projects during the pandemic?

• (1220)

Ms. Karen Hogan: I'm trying to remember when this ended. I think our audit period ended in December 2020, hence that was covering part of the time frame, but we didn't specifically note, because we didn't look at individual projects. As I mentioned earlier, we looked at 32 of them just to see how they were reporting back through objective and results measurements, but we didn't target individual projects to know whether they had delays because of things like the pandemic.

Ms. Jean Yip: Thank you.

Ms. Gillis, it is said that Infrastructure Canada will commit to data automation for public progress reporting. Can you explain what this means, what was done previously and how this will improve reporting moving forward?

Ms. Kelly Gillis: What we have done with the invest in Canada plan since its inception is to try to look at the different lenses and vantage points that might be of interest with the different programs being implemented under the plan. We put in a geospatial map for any programs or projects that have a longitude and latitude, so people can look up the types of investments that have been made in their communities.

We've put a funding table in place that outlines the 93 programs under the plan, the allocation, how many projects have been approved, how many have started, the funds that have flown to pay for those particular projects. We also have a horizontal initiatives report that has focused on the new programming in budgets 2016 and 2017. When we look at the improvements, we are looking at all those areas to see how we can put out more meaningful reporting.

The Chair: Thank you very much.

We will now move on to our next round of questioning, starting with Mr. Lawrence for six minutes.

Mr. Philip Lawrence (Northumberland—Peterborough South, CPC): Thank you very much, Madam Chair.

I'm going to follow up on the line of questioning by my colleague Mr. Berthold. My questions start with the Auditor General. These 100,000 jobs were promised but, just in general of course, the only thing we appear to be able to measure, and not very well, is expenditure. We don't seem to see the impact on GDP, on jobs or on racialized or vulnerable populations. Are there tangible numbers we can point to and say we spent these million dollars or we've attempted to spend these billions of dollars appropriately? Here's the number of jobs, the increase in GDP, the impact on indigenous communities, racialized communities or vulnerable populations. Are there any such numbers that we could point to?

Ms. Karen Hogan: I will ask my colleague, Nick Swales, to add in if I perhaps misspeak. Overall I think our finding was that there was a lack of meaningful reporting on progress, but there were outputs that were measured. There was a lot of spending, start dates, approval dates, progress on spending and commitments, but nothing about demonstrating achievement of the objective and the results that were laid out in the plan.

I'm going to see if Nick wants to add something.

Mr. Nicholas Swales (Principal, Office of the Auditor General): I would just nuance that slightly to say it's not so much that there was nothing. It's the reporting that was inconsistent, and the measures used would change from year to year.

That said, and to your specific point, there was a number reported in the last horizontal initiative table on a GDP increase as a result of the plan. We are seeing that some measures are getting reported on. It has not, so far, been the same ones from year to year, and not the full slate that was laid out in the framework for the plan.

Mr. Philip Lawrence: I find that absolutely challenging, and of course you've pointed that out very well in your report. There is the fact that Canadian taxpayers are spending billions of dollars and working extremely hard to generate these monies as revenues. To give the benefit of the doubt, perhaps these monies are being spent

exceptionally well, but we don't have any reporting to tell us one way or the other.

With respect to Ms. Gillis here, the Auditor General has pointed out that data is a substantial problem, particularly in this horizontal program.

First of all, when will that be fixed? Can you give us a date?

Ms. Kelly Gillis: We are working with the 21 departments involved to come up with an action plan to look at this particular issue, and to come back with specific dates to have meaningful and complete reporting, as the Auditor General has recommended. That work is under way.

• (1225)

Mr. Philip Lawrence: Okay, but we still don't have a date. This program is now six years old, and we still don't know when we're going to have decent reporting to show whether it's successful or not. We simply can't tell whether this program is having any impact, because of this data. We need this data.

I ask again, can we please get a commitment for a date for all the taxpayers who are working out there, the single moms who are contributing their income tax and sales tax to this government, so these programs can be funded? Can we have a date as to when that data will be available?

Ms. Kelly Gillis: We will have a detailed action plan for the committee before the end of September. We are looking at all of the issues involved. There are 93 programs. For every one of these programs, there is substantial information on the website of the department that is managing it. We're talking about the horizontality of this. We are also investing in things.

With Statistics Canada, there's a new economics account that specifically talks about jobs in infrastructure that didn't exist before, which also helps understand the macro impact we are making. We also see that from 2015 to 2020, public sector investment in infrastructure increased by 15%. That leads to increased jobs. We know that with every million dollars invested in infrastructure, seven jobs are supported.

It's bringing that forward in a way that's meaningful, easy to understand and in one place. There are a number of different data points that point to the right things being done. It's just a matter of bringing it together into one report that can be easily digested and understood.

Mr. Philip Lawrence: The Auditor General, though, has clearly pointed out that you don't have the data you have right now.

If I could get a little technical here, you're working across departments. When the department has inconsistent data, or data you can't use or use well, what are your action steps?

Does the minister come and support you, or why is the minister not giving you that support over the last six years?

Ms. Kelly Gillis: We are working very collaboratively across 21 departments in 93 programs. When there's a change in reporting, it's often for a very good reason.

I'll give you an example from our own programming. Originally, we thought we would be monitoring transit to 100 metres from housing, so 96% of people would have access to it. That data was not reliable, so we had to change it to best service areas, because different communities manage transit differently and report on it differently to transit authorities.

We had to evolve our data on what's available, and that can happen within the 93 programs for very valid reasons. There's good communication and collaboration in trying to provide consistent comparable information.

The Chair: Thank you very much, Mr. Lawrence.

We will now go to Mr. Longfield for six minutes.

Mr. Lloyd Longfield (Guelph, Lib.): Thank you, Madam Chair. Thank you to the witnesses and the people in the background who have supported the information that we're getting this morning.

Madam Hogan, I'd like to start with you in terms of the sustainable development goals, which is one of my favourite topics, as you know. I looked at the 17 goals and I thought there are probably nine that apply. The four that certainly apply are goal 6, which is clean water and sanitation; goal 10, reduced inequalities; goal 11, sustainable cities and communities; and goal 13, climate action.

When you're doing your pre-audit planning and then your communication with departments of what you're going to be auditing.... I'm thinking of ISO audits. When the ISO auditors would come to my businesses, they would say they were going to audit in certain sections and they were going to be looking for certain types of things.

Is that something you work on or could be working on with the departments you're auditing, to say that you're going to look for these sustainable development goals or you're going to be looking at committed funds versus spent funds, for example? Do you have that type of meeting before the audits?

Ms. Karen Hogan: We absolutely do. When we set out to audit a topic, we have many meetings and conversations in order to make sure we understand the universe, the program and what we're looking at.

We then establish criteria that we will audit against. Those criteria are communicated back to all the departments involved. They all agree to the criteria against which we will measure them during the audit. It's well established and agreed to at the onset of every audit we do.

• (1230)

Mr. Lloyd Longfield: In the example of sustainable development goals, is that part of a matrix that the departments would then be looking at?

Why did we miss that on this audit?

Ms. Karen Hogan: I'll highlight that we didn't miss it on this audit. We went looking for it as we normally do on our work. We found that the plan had not incorporated the United Nations sustainable development goals, especially—as you correctly pointed out—as there are so many that would link to it. Even the main objectives of this plan are so closely aligned with sustainable development goals. We were looking for oversight committees to be challenging

it and for reporting to be aligned with some of those goals. We didn't see that.

We did hear from departments, however, that it's a requirement for every project individually to consider those goals, but we were just not seeing any reporting back up through the plan. This is a significant plan that could have demonstrated some real advancement and contribution to those goals. We were disappointed to see that was not in there.

Mr. Lloyd Longfield: That's very good, and good for you for pointing that out.

It is new. Departments need to start getting into that mindset. Having that as part of your audit is going to help move things forward for departments in future audits.

I'd like to go to Ms. Bowers on CMHC and tracking projects. In my riding we have 12 projects we've been working on with our local CMHC representative. Six of them now have been approved. Last night, I heard that city council has now approved one of the supportive housing projects that we've been working on with CMHC.

As we get from commitment to.... First of all, to get to commitment, we have to get the local city council's involvement. We need to get the province to say that this is supportive housing and that they will support this part of the project. There are a lot of horizontals outside of government. To track the milestones, which is what I'm doing.... Now that I know city council approved this certain project last night in Guelph, I'll be on the phone to CMHC in the next few weeks to see how we're moving ahead with the financing part of that project.

How do we track the milestones? I can only imagine, with the number of projects you have, that has to be a huge challenge.

Ms. Romy Bowers: First of all, I'd like to thank you for the acknowledgement of our staff on the ground. It's very important for our staff to work directly with the proponents. We recognize that creating affordable housing is challenging. It requires a lot of cooperation and partnerships with many levels of government, profits and non-profits. We recognize the complexity of that.

When we were tasked with delivery of the national housing strategy, we invested very significantly in our technology capabilities. We have amazing systems in place that help us track the milestones you mentioned.

As we first launched the national housing strategy, we were criticized that our processes were too long. Because we had data about the length of the processes, it really allowed us to identify where the pain points were and try to improve to serve Canadians better. It's been a great success story.

Having said that, there's always room for us to improve. I really welcome feedback or comments from any constituents or any Canadians about any of our services. It's only by hearing from them that we can continue to improve on a continuous basis.

Thank you very much.

Mr. Lloyd Longfield: Thank you. I think the more transparent we are on those, the more communities will understand where we're heading with our projects overall.

Ms. Gillis, the example of the global positioning, the reporting to communities on specific projects and expanding that....

Finally, I'm going to go to Ms. Fox.

The reporting on the boil water advisories I always hold up as the example of good reporting on what projects are in place and what the next milestone is. Is that going to move into the financials as well?

Ms. Christiane Fox: We are constantly looking at better ways to be open and transparent, and the long-term drinking water advisory work, taking it community by community, is a good approach. We do that, as well, for our infrastructure funding. It's important to note that there is data around the money that has been spent and the completion. I can give you an example, for instance—

Mr. Lloyd Longfield: Thank you. I wish I could hear it.

Thank you, Madam Chair.

The Chair: Thank you.

We are over time.

I will now go on to Mr. Blanchette-Joncas for six minutes.

• (1235)

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Madam Chair.

Ms. Bowers, I'd like to come back to my earlier statement and get your comments specifically on the rapid housing initiative, which was announced last fall. I'd like you to tell us about the \$500 million that wasn't necessarily intended for big cities, but rather for smaller projects.

We know that Quebec signed a \$116 million agreement with the federal government in early 2021. I'd like to know whether additional money has been confirmed by the federal government for this envelope.

[*English*]

Ms. Romy Bowers: I ran out of time in answering this question previously, so my apologies to Monsieur Blanchette-Joncas.

With respect to the second phase of the rapid housing initiative, I will confirm that there were additional funds provided for this in the amount of \$1.5 billion in the most recent budget. We're in the

process of obtaining our authorities for that and also developing the program. As soon as these details have been confirmed, we will be providing them publicly, so we should have that information in the coming months.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Ms. Bowers, I just want to understand. The \$500 million has already been clarified. There was an agreement with CMHC for a federal investment of \$116 million in Quebec.

Is there any extra money that Quebec should receive soon that the federal government hasn't yet disclosed.

[*English*]

Ms. Romy Bowers: I'll just clarify. There was \$1 billion dedicated to the first round of the rapid housing initiative—\$500 million for the large cities and \$500 million for the projects—so all the monies associated with that have been committed and spent, including for the province of Quebec.

Where there is a lack of knowledge and clarity, because it was just in the most recent budget.... There has been an additional commitment of \$1.5 billion dollars. The amounts that are going to be dedicated to various streams or to different provinces have yet to be determined, but as soon as those determinations have been made and the appropriate authorities have been granted, we'll be providing information.

[*Translation*]

Mr. Maxime Blanchette-Joncas: That answers my question, Ms. Bowers.

An additional \$1.5 billion was announced in the last budget. As you know, a number of projects submitted under the rapid housing initiative were not selected for lack of funding.

Will these projects automatically be reconsidered or do these people have to redo the work of weeks, if not months in the case of certain organizations?

[*English*]

Ms. Romy Bowers: If I have time, I'll just answer very quickly. The program design for the \$1.5 billion has not been completed, so I'm not able to provide a response to Monsieur Blanchette-Joncas's question at this time. We're working very hard to provide this clarity, and we'll provide it as soon as we're able to.

Thank you very much.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you very much.

My question is for Ms. Gillis, from the Office of Infrastructure Canada.

Ms. Gillis, I'm tempted to discuss the gas tax program with you. It's now more difficult for some municipalities to use the gas tax budget for infrastructure.

Are you aware of the new terms of the 2019 version as they relate to municipalities?

Ms. Kelly Gillis: Thank you for the question.

For the gas tax program, agreements were reached in 2014 with the provinces and territories.

I know that Quebec has its own program, which it is joining with ours to enable Quebec to fund various infrastructure projects in the province. Nothing has changed for us since 2014. We are still working with the same program.

Mr. Maxime Blanchette-Joncas: What I can tell you, Ms. Gillis, is that in 2019, the federal government changed the criteria for the program.

Currently, the only sources of revenue for small municipalities are, for the most part, from gas taxes and municipal taxes.

The federal government is currently prioritizing remediation work, and the municipalities can't use the money they are rightfully owed for infrastructure work.

Are you aware of this problem?

Ms. Kelly Gillis: I can assure you that the federal government has not changed the criteria or their interpretation. It has not changed the agreement with Quebec.

Quebec has its own program, and it's within that program that the eligibility of certain types of projects has been changed. It wasn't the federal government that changed the agreement. Nothing has changed in the agreement that was reached with Quebec a few years ago.

• (1240)

Mr. Maxime Blanchette-Joncas: Thank you, Ms. Gillis, for the clarification.

Madam Chair, how much time do I have left?

[*English*]

The Chair: You have 35 seconds.

[*Translation*]

Mr. Maxime Blanchette-Joncas: Ms. Hogan, I hope you can leave us on a positive note. How do you see things going forward?

Indeed, there were recommendations today. However, what can the committee do to help move things forward, despite what appears to be, in light of your report, an impasse?

Ms. Karen Hogan: I would encourage you to discuss ways to improve the management of horizontal programs.

This isn't just about infrastructure spending. As I mentioned previously, it's also about climate, biodiversity and indigenous services challenges.

So I would encourage the federal government to begin discussions to find better ways to manage horizontal projects.

[*English*]

The Chair: Thank you very much, Mr. Blanchette-Joncas.

We will now go to Mr. Green for six minutes.

Mr. Matthew Green: I appreciated the previous questions coming from my friend from the Bloc, Maxims.

As some of you on committee know, I'm a former city councillor for Hamilton, and I recall the announcement—which is where some of my frustration comes from, quite frankly. I recall the announcement, particularly when it came to one-third/one-third/one-third funding. Big programs would be announced. That would raise the expectations of the residents, but then those would require willing partners in the province and the municipalities. As Mr. Blanchette-Joncas has so aptly described, municipalities, as you know, are able to raise revenues only through property taxes and building permits.

I'm going to take this moment just to—for the benefit of those watching and even for the members of this committee—ask Ms. Gillis to maybe explain the process. An announcement happens. What are the parameters around successful partnerships as they relate to municipalities in particular? As well, what would the typical timeline be from announcement to shovels in the ground, with the understanding that maybe some of these programs need to be, by requirement, shovel-ready?

Ms. Kelly Gillis: I'll give you examples of the different programs, because the process will differ depending on whether it is a provincial allocation program or it is merit-based or it is a transfer, like a gas tax.

I'll start with the gas tax, because it's the simplest. It's an allocation. The payment is made—and we've accelerated it for last year and this year so that one payment of \$2.2 billion is flowed to the provinces and territories and that goes to about 3,600 municipalities across the country. There is no cost sharing. It's 100%. It pays for 100%. There are no applications.

Mr. Matthew Green: Can we pause for one moment on the gas tax? What are the parameters on the gas tax? What is the purpose of the gas tax, and what is the mandate for municipalities to spend this, to invest this money?

Ms. Kelly Gillis: The gas tax was the result of an agreement that was signed with the provinces and territories in 2014. It has 18 different categories of investment, so it's very broad. It can do sidewalks. It can do water. It can do connectivity. It's really the municipalities that prioritize its capital.

It's not operating, so there is a restriction there to prioritize infrastructure they need. It can pay for 100% of the projects. There is no cost-sharing requirement. No applications are required. There's reporting after the fact on what they've done, and it is audited after the fact. It isn't a project-by-project application, so it's quite flexible.

Also, they can save it, so if a smaller municipality wanted to do a big project the following year, they could save that money for the following year.

Mr. Matthew Green: My apologies, because I'm just trying to unpack this. You're going to have to explain it to me like I'm five.

Would there be a climate lens on the gas tax? If I recall, was there not an initial intention or spirit to use the gas tax to help with the transition to oppose carbon economy investments and things like transit?

Ms. Kelly Gillis: The types of eligible projects lend themselves very well to reducing emissions resiliency or adaptation, so water quality projects and transit projects would be included in the eligible types of projects.

Mr. Matthew Green: If we could pause there, has it not been the experience...? You're talking about municipal governments. You can give a municipality a hundred buses, but if there's no support for operations, municipalities will pass on this. In terms of transit, particularly investments in public transit, how often has it been the case or what is the uptake rate for municipalities to do capital investments in things like buses or LRTs and those types of things, absent supports from operational funding?

• (1245)

Ms. Kelly Gillis: Various provinces and municipalities prioritize. Again it's up to the municipalities to prioritize the types of projects they're bringing forward, but transit is one of the most popular types of eligible investments with the gas tax, as well as other.... They can do bus stops. They can do a number of different capital investments that are required for municipalities. Certainly, when I'm talking with city managers, this is a program they very much appreciate, given the flexibility and the certainty it provides for their capital plans.

Mr. Matthew Green: Has there ever been any conversation about providing a small ratio of support for operational on it?

Ms. Kelly Gillis: Operating is a different particular challenge. Infrastructure Canada, in all its programming, does not support operating. It really is about infrastructure, supporting the capital investments needed in communities across the country.

Mr. Matthew Green: Are there any opportunities for potential partnerships horizontally, to use the buzzword of the day, between Infrastructure and Transport or Climate Change or one of these other ministries, which may have an interest in a mandate? We're both 15 minutes away from what could be an announcement: I'm just finding out locally in my city, with a project like LRT—which has been probably 15 years in the making, wrangling back and forth with the province—that the feds are now potentially coming on board to support the project. I spent four years fighting in Hamilton Centre for light rail transit, fighting to keep it public so it wasn't privatized. Significant monies were invested by the municipality. The feds come along and make an announcement today. What would that timeline look like potentially?

Ms. Kelly Gillis: I'll move to another type of program where we're looking at the timelines involved, like our integrated bilateral agreements. The integrated bilateral agreements are signed, and the provinces and territories themselves then determine their own cost-sharing opportunities, because they can range.

I'll talk about the COVID stream. We've just adjusted the integrated bilateral agreements to allow for projects that are relevant and important now that we're living with COVID, like HVAC in schools and long-term care in hospitals. For that particular stream, we pay 80% of the funds, so there's a 20% cost sharing on the other side, yet we approve the projects that come in within 20 working

days, and so far almost 2,000 projects and almost \$2 billion have been approved just since last October. Then it's up to—

Mr. Matthew Green: Here's to looking for some good news, hopefully at one o'clock.

Thank you.

The Chair: Thank you very much.

Colleagues, we'll now go to our next round of questioning, which is a five-minute round, starting with Mr. Webber.

Mr. Len Webber (Calgary Confederation, CPC): Thank you, Madam Chair.

Thank you to all the witnesses here today, and to my colleagues for their great questions.

Ms. Fox, in my previous role in provincial politics, I had the honour and the pleasure of working with treaties 6, 7 and 8 as the indigenous relations minister. I worked with many wonderful people in those communities.

Now, moving to federal politics, I find, Ms. Fox, you've been here many times and I find your presence here and your information very interesting. I want to focus on some comments you made today. You said:

To ensure transparency and results, a robust reporting process has been implemented, allowing both Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada to provide regular updates on their overall portfolio of infrastructure projects in first nations communities.

I know this is going along the same line as Mr. Longfield earlier, but he didn't have time to get an answer. I'm hoping to get some clarification on that. You talked about a robust reporting process that has been implemented, yet you went on to say that you are committed to supporting first nations in realizing their vision of self-determination, and to respecting their autonomy by seeking opportunities to reduce reporting requirements by first nations.

First you're saying you're going to have a robust reporting period, and then you're saying you're going to reduce reporting. Can you give me some clarification there, please?

• (1250)

Ms. Christiane Fox: Absolutely. I would say it in the following way.

What we're trying to achieve as a department is getting the right balance between a reporting structure that allows us to have that open and transparent approach, while understanding that there needs to be a balance, given the level of capacity. As you know, the federal government has multiple departments; it's a big machine. We have to think about the reporting requirements from our partners' perspective.

I'll give you the example of the legacy programs. Over time, we have programs that are very much under the investment in Canada plan, and then we have these legacy programs that date back to before that. Much of that money is actually A-base funding; therefore, communities can use it for utility bills and salaries. If we started asking them to report on the details of that, we would lose sight of the importance of getting the detail around the project itself. We try to limit the burden while still being open and transparent to Canadians by posting our information online.

For example, if we want to look at health infrastructure across indigenous communities, we can say that we have 210 health-related infrastructure projects, 200 that are complete and 10 that are ongoing. We can talk about the health facilities and where we stand, with 49 projects under way. It's to get to the level of detail that helps us identify the priorities, better understand the gaps that still exist, and then work towards that versus reporting on the very small details, which frankly is quite burdensome for communities and doesn't really fit the objective of that openness and transparency. That's the nuance we're really trying to achieve here.

The water website, the infrastructure websites and the map where you can zone in on communities are helpful for us, for Canadians and for communities.

The last point I would make to answer your question would be around how we as a federal system can look at community needs through their lens, and not necessarily that we have a myriad programs. How can we engage directly with communities and ask what they would prioritize and how they would see that?

When I have conversations with indigenous leaders, they'll tell me that first they built their health infrastructure, but then because there was a new health facility, they could actually attract economic development. A mine might set up because now there's a health facility, and with that might come additional connectivity.

We have to have that conversation through a community lens versus our programming lens.

Does that answer your question?

Mr. Len Webber: It does, and I have four more seconds.

Thank you, Ms. Fox, for that.

The Chair: Thank you very much, Mr. Webber.

We will now go to our last questioner of the day.

Mr. Sorbara, you have five minutes.

Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.): Thank you, Chair; and good morning, colleagues.

There have been many great questions. I'll try to ask a couple of follow-up ones.

First, to the Auditor General, obviously it's another great report that I enjoyed reading.

Paragraph 9.6 of the report talks about this horizontal initiative in infrastructure, with 21 federal organizations: 13 federal departments, two crown corporations and six regional development agencies. I think about the bureaucracy in all those organizations.

Can you explain to me the complexity of this audit versus the other audits you have performed? Can you very quickly explain to me that differential, please?

This may have been asked earlier, but I had to take a personal call. Excuse me.

Ms. Karen Hogan: I'm not sure I would say it's a more complex audit for our organization. Obviously, the more departments that are involved, the more it adds to the administrative burden and the need to gather more data and summarize it.

The more important point I would raise here is the complexity of how the reporting structure needs to have been thought through for this program in order to be able to actually measure results and outcomes. There are so many organizations that are all individually accountable in their own right for their budgets and the programs and the projects they do, but they also contribute to a much broader program: the investing in Canada plan.

It's not to successfully report on one against the other but to make sure they're aligned and that you can feed into the meaningful reporting in both instances, at an individual departmental or Crown level, as well as at the broader program level across the federal government.

It's figuring out that nuance that's complex for the government. For us, it's more places to go and more people to meet.

• (1255)

Mr. Francesco Sorbara: I want to pivot here.

I completely agree with you, AG, when I look at these organizations and the reporting structure, and you say results and outcomes. At the end of the day, Canadians want results. There may be a bureaucracy in place, but we want results.

Here in the city of Vaughan—and I'm one of the three MPs who represent the residents of the city of Vaughan—we have a subway that comes up from Toronto into the city of Vaughan. It was planned, and along with that was a highway 407 extension out to Whitby. It was done and it was planned and we see it operating. Canadians want results.

In terms of the infrastructure side, one of the bullet points says about 40% of funds have been committed of the \$180 billion, so \$70-odd billion have been committed and \$48 billion flowed to recipients. Obviously this is in connection to when something is committed and when something is built and then paid for. I want to understand that. My question on that front pivots, too, on the idea of operating dollars versus capital dollars. When we think of each of them....

I know, Ms. Fox, you commented on this in terms of the indigenous funding. Can each of you comment in terms of operating and capital?

In the infrastructure plans, when I think of infrastructure, I don't think of it as paying—as you mentioned, Ms. Fox—utility bills. I look at it as building, and then the asset is turned over to the entity, turned over to the municipal, the provincial, federal....

Can you comment on the infrastructure spending that's taking place? Is it operating or is it on capital?

I'd like to start on the infrastructure side, then move to the other two witnesses today, please.

Ms. Kelly Gillis: Thank you, Madam Chair.

When we look at the programming within Infrastructure Canada, we are on the capital side. It is about proponents, so communities, provinces and territories building particular infrastructure assets. What is eligible from our programming is the capital.

That said, we have some programming in the investing in Canada plan that is funding research. When we talk about building codes and when we want to have the advancement from climate and the severity of the weather that we're facing for the future, we are also investing, and we have \$45 million in the investing in Canada plan that funds research at the National Research Council.

There are different programs that are doing different things, but all with the advancement of the objectives of building the infrastructure we need in this country.

Mr. Francesco Sorbara: Could I hear from the other two witnesses, please?

Ms. Christiane Fox: Maybe I can go next.

Quickly I can say that we have both pockets of money available at Indigenous Services Canada. For instance, in budget 2021 we have a new investment of \$4.3 billion, plus \$1.7 billion for O and M.

Similarly, on water investments, in the fall economic statement, we got an additional \$1.5 billion strictly for O and M.

For our pockets, there's both, and I think the O and M aspect is key in order to ensure that the asset management plan is effective.

The Chair: Thank you.

Our time is up. Thank you very much, witnesses, for joining us today. We certainly appreciate being able to have this conversation with you. You are free to disengage from our meeting at this point in time.

Mr. Blanchette-Joncas, do you have a question?

[*Translation*]

Mr. Maxime Blanchette-Joncas: Thank you, Madam Chair.

Could you tell me if it's possible, as part of the committee's work, to obtain written responses from CMHC?

I asked some questions earlier, but I didn't have much time. I'd like to get some clarification on programs that are under way. Would that be possible?

[*English*]

The Chair: Absolutely. If you have asked a specific question during the committee meeting and weren't able to get the answer, or

if you have some information that you would like to receive, we can definitely ask the department to provide that.

I know our clerk will make note of that and we will follow up with that.

Thank you, Mr. Blanchette-Joncas.

Colleagues, before we adjourn, there are two questions or some information I need to give you.

In regard to my earlier question, while the audit was tabled on March 25, 2021, giving the department until September 25, 2021 regarding the management action plan, our committee has a motion that requires invited departments to provide an action plan 48 hours prior to their attendance at a meeting. Therefore, I would like to seek your guidance on how to proceed regarding the action plan from Infrastructure Canada.

Does the committee want to receive it sooner, or are you willing to allow the department more time, that is, until their September 25 deadline?

Mr. Blois.

● (1300)

Mr. Kody Blois: It seemed as though, in the beginning of your remarks today, you mentioned that there was something on the website, but then, when the question went to Ms. Gillis, it seemed that the report was still being prepared.

If the Auditor General has given the department up until...I think you just said September, to be able to complete the management report, I don't know if it's appropriate for our committee to say that we need it sooner, notwithstanding the fact that, yes, that is the normal practice, but we've had our meeting before.

Perhaps we could ask for a progress report or what they have right now that they could share with us. To ask for the full thing before the deadline that the AG set is a bit problematic, in my view.

The Chair: Thank you very much, Mr. Blois.

Go ahead, Mr. Berthold.

[*Translation*]

Mr. Luc Berthold: I agree with Mr. Blois on the progress report. We could indeed ask the officials from Infrastructure Canada to provide us with a report by the end of May indicating exactly where they stand. I think that's the best solution.

If someone else has imposed a deadline on them, it would be difficult to ask them to do otherwise. However, we can ask them for a progress report so that we can follow up on this. It's very important to show them that we will follow it very closely.

[English]

The Chair: Thank you very much.

Colleagues, I see three more hands up to speak to this issue. I've been advised that we aren't able to lengthen this meeting by very much due to the technical support that we will need, so if you could keep your comments brief on this, I have another issue to raise with you.

Go ahead, Mr. Lawrence.

Mr. Philip Lawrence: I'll be brief in accordance with the chair's direction.

We have a motion, and they should abide by the motion. We're not asking for any deliverable other than an action plan, sort of a plan to a plan. I think it's utterly reasonable to ask for that.

Thank you.

The Chair: Thank you.

Go ahead, Ms. Yip.

Ms. Jean Yip: I agree with Philip. That's new.

Oh, oh! I'm just kidding.

If other departments come before us, and they also submit an action plan, and they know that this is what's expected, why would they not do that? In many of the action plans, they often have staggered dates, and they also indicate that they're updating us, so I don't see why they can't say within their actions that the report is still incomplete or that this is an update.

Thank you.

The Chair: Thank you.

Go ahead, Mr. Sorbara.

Mr. Francesco Sorbara: Quickly, I'm in agreement with Jean. I want to see these action plans. We are the public accounts committee, and we need and deserve them.

The Chair: Thank you.

Mr. Berthold, your hand is still up. Do you have a further intervention?

Mr. Luc Berthold: I will follow my colleagues in that we will request the action plan. If there's a majority, I will follow it.

• (1305)

The Chair: Thank you.

I also see our analyst's hand up.

Go ahead, Dillan.

Mr. Dillan Theckedath (Committee Researcher): Thank you, Madam Chair.

Good afternoon to the members today.

I just want to provide some context. If we don't have the action plan, and we've asked the chair to maybe.... We'll have to discuss this at a future meeting. Without the deadlines within the action plan, we would need further guidance from the committee on how

to determine when we can expect certain deliverables in our recommendation.

It also is part of the norm to have something against which to measure the progress and hold them to account. The response in the audit does not provide any dates, and that's the last thing we, as a default, use. If we did not have that action plan, we would need further drafting instructions from the committee with regard to deadlines.

Thank you very much.

The Chair: Thank you, Dillan.

Go ahead, Mr. Blois.

Mr. Kody Blois: I'll be very quick. I think I misunderstood when you said the management plan by the Auditor General. That's the department and how they're going to address it, but the action plan is the plan to address the management plan, which we will then present. Is my understanding correct? Is that the difference?

The Chair: I believe so. Dillan is nodding yes.

Mr. Dillan Theckedath: Madam Chair, I think the clerk might be in a better position to speak about the specifics of their protocol and what they're required to....

The Chair: Yes, Angela, please.

Mr. Dillan Theckedath: I think you're better than me at this, Angela.

The Clerk of the Committee (Ms. Angela Crandall): Well, the motion the committee adopted is that the departments provide an action plan before they appear before the committee. I think the action plan has been left to the interpretation of the department, but it usually follows that kind of plan where there are varied dates. It's not a final plan. It's just an outline of how the department will go forward. If what I'm hearing the committee say is they want this, perhaps you could agree to some kind of motion whereby we would make a second request to the department for that.

The Chair: Is someone willing to move that motion?

Mr. Philip Lawrence: I'm happy to move the said motion.

The Chair: Thank you.

Are there any other comments?

Yes, Dillan.

Mr. Dillan Theckedath: Madam Chair, to maybe support the committee's wish, given that the DM has said that they're still in the process.... We want to respect that this will be a surprise. However, they were required to provide it to us 48 hours prior to today's meeting, per the motion. I wanted to start with a discussion point, if the committee would agree. Today's date is the 11th. I believe another member raised the idea of the end of the month. I think that would be a very reasonable time for them to give a snapshot of what they plan on doing. It would be a very reasonable date. It was suggested by a member, and I support that.

The Chair: Thank you.

That's a friendly amendment to Mr. Lawrence's motion.

Are we in agreement, colleagues? I see nods and thumbs-up.

(Motion agreed to [*See Minutes of Proceedings*])

The Chair: Thank you very much. That motion will pass, and we will draft a communication to the department, letting them know that this motion has been passed.

Lastly, colleagues, for our meeting on Thursday, if you will recall, we had a conversation. There was a request to have us lengthen the meeting by an hour due to the briefing that we are going to receive, as well as the two reports that we wanted to get through. Our clerk has heard from our multimedia services that they are stretched to the limit and that it looks like we would only be able to lengthen it by half an hour, if that.

Angela, do you have an update for us on that?

The Clerk: I'm sorry. I haven't received confirmation that we can extend it. I did make a request for today and was told that it would not be possible. I'm waiting to hear for Thursday, but I expect we will get a similar response.

The Chair: Thank you. That's just a heads-up, because I know that request has been made.

There's another issue for Thursday's meeting. The law clerk has a conflict with our meeting and one with the BOIE. At first, the law clerk was going to attend our meeting, but now his office is saying that he will be sending Mr. Michel Bédard, deputy law clerk and parliamentary counsel. Do you have any issues with this individual being sent in place of the law clerk for our briefing?

Mr. Fergus.

• (1310)

Mr. Greg Fergus: Madam Chair, I don't have a deep problem with it. I wanted to raise an issue, going back to the first problem in terms of the timing. Almost all of us get on the call about 15 minutes before the meeting actually starts, to do our sound check. I'm wondering if perhaps, for this one time only, we might actually start a bit early, and that way we might be able to saw off the difference.

The Chair: Thank you for that, Mr. Fergus.

Angela.

The Clerk: If I might speak, Madam Chair, I think we're going to run into the same issue, because it's a multitude of services that we require at the time of the actual meeting: broadcasting, interpretation and all the other things that go with it. When we're doing the sound checks, we don't have all those services involved. I can make the request, but I'm not sure we'll get approval.

The Chair: Thank you, Angela.

Colleagues, as I see no other hands up or concerns in regard to the deputy law clerk attending the briefing on Thursday, is it the will of the committee to adjourn? I'm getting the thumbs-up.

Thank you so much, colleagues. I appreciate your indulgence in answering these questions. Have a great day.

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