

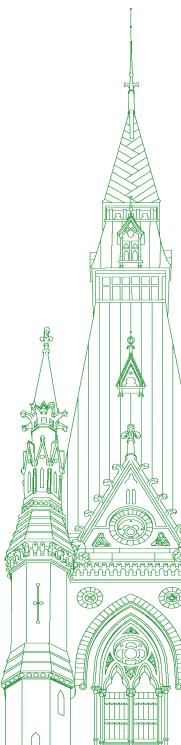
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Standing Committee on Transport, Infrastructure and Communities

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Chair: Mr. Peter Schiefke

Standing Committee on Transport, Infrastructure and Communities

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• (1105)

[Translation]

The Chair (Mr. Peter Schiefke (Vaudreuil—Soulanges, Lib.)): I call this meeting to order.

Welcome to meeting number 62 of the House of Commons Standing Committee on Transport, Infrastructure and Communities. Pursuant to Standing Order 81(4) and the motion adopted by the committee on Thursday, February 16, 2023, the committee is meeting to discuss Main Estimates 2023-24 and the subject matter of Supplementary Estimates (C), 2022-23.

Today's meeting is taking place in a hybrid format, pursuant to the House order of Thursday, June 23, 2022. Members are attending in person and remotely using the Zoom application.

[English]

For the benefit of our interpreters, all witnesses joining us online today have been sound tested.

With us today, from the Office of Infrastructure Canada, we have Glenn Campbell, senior assistant deputy minister, investment partnerships and innovation; Michelle Baron, acting assistant deputy minister and chief financial officer, corporate services branch; Erin Lynch, associate assistant deputy minister, communities and infrastructure programs; and Ms. Kelly Gillis, deputy minister.

We will begin with opening remarks.

For that, I will turn it over to you, Ms. Gillis. You have five min-

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

[Translation]

Thank you for the invitation to speak with you today on Infrastructure Canada's Main Estimates 2023-24 and Supplementary Estimates (C), 2022-23.

As you know, the Minister of Intergovernmental Affairs, Infrastructure and Communities, Hon. Dominic LeBlanc, will be joining us for the second half of the meeting.

My remarks today will be very brief.

[English]

I am joined by colleagues who were previously introduced.

Our supplementary estimates (C) sought a net increase of \$7.7 million, of which \$7.5 million is for the final P3 Canada fund payment for the Tłıcho all-season road, which reached substantial completion. The remainder is for some small transfers to other organizations to support information technology and bridge expertise.

Our 2023-24 estimates seek \$9.6 billion for infrastructure that helps build strong communities, fights climate change and strengthens our communities, including through the invest in Canada program, the permanent public transit program and the Canada community-building fund.

My colleagues and I will be happy to answer any questions you have today.

[Translation]

Again, thank you for inviting me to appear before the committee.

The Chair: Thank you very much, deputy minister.

[English]

We'll begin our lines of questioning today with Mr. Davidson.

Mr. Davidson, the floor is yours. You have six minutes.

Mr. Scot Davidson (York—Simcoe, CPC): Thank you, Mr. Chair.

It's great to be back on the transportation and infrastructure committee this morning. Hello to all of my colleagues.

Since I'm here, I'd like to move my motion that was tabled on February 13, 2023, concerning the need to study the dumping of fill on aerodrome construction sites in Canada.

I'll read the motion, Mr. Chair:

That, pursuant to Standing Order 108(2), the Standing Committee on Transport, Infrastructure and Communities study the Canadian Aviation Regulations pertaining to aerodrome work, with particular focus on: (a) issues that have arisen when individuals and corporations use the pretense of building an aerodrome to lucratively dump fill without regard for municipal and provincial soil laws, including environmental and jurisdictional concerns; (b) the consultation process, including the obligation of proponents to notify interested parties, including municipalities and First Nations communities when aerodrome work is undertaken; (c) the scope of Transport Canada's review of the Summary Report submitted prior to aerodrome work, including the power granted to the Minister to prohibit aerodrome activity; and (d) what opportunities exist for parties adversely affected by aerodrome developments to raise their concerns with Transport Canada and the responsible Minister.

This requires urgent study. It is very urgent for my community, and I'd like to lay out the comprehensive reasons why.

So that the committee understands, all of the information I'm about to present has been communicated to Transport Canada and the Minister of Transport. There has been no action taken to date.

In the coming months, a general aviation aerodrome was set to be built in my community of Georgina, Ontario, in the small but mighty town of Pefferlaw. The legislative consultation process is now concluded, as has Transport Canada's direct involvement under the Canadian aviation regulations, CARs, from here on.

Despite this, there remain significant concerns that the proponents of this, New Aerodrome Ontario 2021, referred to as the Baldwin east aerodrome project, are using the federally regulated process as a mean to dump significant amounts of soil and fill on the properties of 7818 and 7486 Old Homestead Road. According to the proponent's own disclosures, they plan to dump 1.2 million cubic metres of fill, or 120,000 truck loads, on the site, generating between \$12 million and \$18 million in revenue.

This practice has already taken place in other communities throughout Ontario, including Greenbank airport, and aerodromes in Scugog, Tottenham and Burlington. In 2014, media reports revealed that federally regulated aerodromes, such as Greenbank airport, were being used as dumping grounds for contaminated dirt and soil. In these cases, federal jurisdiction over aerodrome land was being used to circumvent municipal and provincial soil rules.

At that time, requirements for aerodromes, under part III of the CARs, related only to registered aerodromes or licensed airports. Aerodromes that did not meet the requirements would not be included in Transport Canada publications, but they would not cease to be aerodromes, and, consequently, would remain exclusively within federal government jurisdiction. There is no mechanism for Transport Canada to disallow the establishment of an aerodrome.

In such instances, the dumping of soil occurs under the pretense of expanding or developing an aerodrome, but once that fill is deposited on site, it has now become financially lucrative for proponents. We need to understand that there's a new term: it's now called "cash cropping fill". That wasn't around 30 years ago.

• (1110)

No further work is undertaken related to the aerodrome itself. The properties become abandoned, and municipalities discover that much of the tonnes of dumped soil is contaminated, which requires significant redemption at a cost to taxpayers and to our environment.

In response to the Greenbank Airport incident, Parliament approved section 143 of the Economic Action Plan 2014 Act, No. 2, which amended the Aeronautics Act to require consultations and allow the Minister of Transport to make an order prohibiting an aerodrome activity or development if it is unsafe or "not in the public interest". Let me say that again—"not in the public interest".

This was done so that these sorts of incidents couldn't happen again, but now we are where we are in my community. This has not worked out.

The gatekeepers and bureaucrats at Transport Canada don't care about the many issues surrounding these sorts of proposals, even though significant concerns like those relevant at the Greenbank Airport remained unaddressed. Worse still, the minister has no obligation to act—zero—even when overwhelming evidence is presented to him.

The aforementioned dumping of soil is of foremost concern to residents in my community close to the GTA. One of the proponents, Wilf Goldlust, also owns Triwaste Services and Trillium Recovery, which is subject to a director's order in 2015 proceedings from the Ontario Ministry of the Environment related to illegal fill dumping on a former rail line in Haldimand County. Goldlust was represented by the main proponent, Maurizio Marchioni, during these proceedings.

Despite being built on provincially significant wetlands, a groundwater recharge area, highly vulnerable aquifers and woodlands within the Lake Simcoe watershed, if you can imagine, the aerodrome has been designed to specifically avoid a required assessment by the Environmental Agency of Canada. This is another workaround. The proposed runway lanes are 991 metres, or 3,250 feet, but the agency only considers projects relating to the construction of aerodromes with runways of over 1,000 metres. So here we have a proponent putting out two runways at 991 metres to avoid an environmental assessment.

Both the construction and operation of an aerodrome at this location will have a serious impact on the local environment. In addition, the distinct lack of a business case, and care, for an aerodrome in this area reinforces the impression that the proponents don't actually intend to operate one once dumping a fill has concluded. Prospective pilots—I'm a pilot as well, so I know about these issues and I know about these issues with airports—have numerous and local area concerns. Those concerns are even if Buttonville closes.

Moreover, the proposed lanes of the two paved runways are too short for commercial traffic. Large aircraft that usually utilize instrument landing systems will not be able to do so, meaning that only small aircraft will be able to make use of this aerodrome, significantly limiting economic viability. An airport, if they want to have commercial activity or any viable business plan, is required to have a runway of at least 5,000 feet so that they can put in an ILS.

It's also notable, and this is very strange, that the direction of the runways don't favour northwest prevailing winds, and therefore will lead to unfavourable landing conditions for most pilots, who will constantly look to land elsewhere. As such, the proposed aerodrome lacks significant demand or capabilities to be suitable for recreation or commercial air traffic.

The site of the proposed aerodrome is in a rural area with limited or non-existent access to the required services or infrastructure, meaning there is no water, no sewers, no natural gas and no phase three power.

• (1115)

This is out in an environmentally sensitive area, out in rural Georgina. It's not zoned as commercial. Both of the nearby roads, Morning Glory and Stoney Batter, are insignificant for increased heavy traffic, particularly during the prolonged construction process. These are basically tar and chip roads.

There's also a distinct lack of servicing for the water, sewage and power in the area that would be required should the aerodrome be approved and begin operation. When asked about the business case for this proposal, the proponents refused to answer, saying it was none of the community's business how they planned to operate. Can you imagine someone building an airport and telling the community that it's none of their business to ask these questions?

Finally, the widespread opposition to this proposal across the community needs to be acknowledged. To be clear, the vast majority of this opposition is not from individuals opposed to aerodrome in and of itself. After all, there are many around the area. We have Lindsay. We have Peterborough. There are grass strips in Uxbridge. We have Lake Simcoe Regional Airport. We have Barrie airport.

As an indication of how widespread this opposition in my community is, more than 97% of those participating in the consultation process were against it. E-petition 4213 calling for this project to be denied closed with 2,026 signatures, and we are awaiting a response from government.

This little community of Pefferlaw... I told you it's mighty. There are 3,000 people here, and I can assure you that, if you look at the signatures on the e-petition, the vast majority are from this little community. The town of Georgina, the Lake Simcoe Regional Conservation Authority and the Regional Municipality of York have expressed opposition to or concerns about the project, and the Federation of Canadian Municipalities has issued a resolution expressing concerns about aerodromes being approved so developers can just dump contaminated fill, with municipalities unable to enact their bylaws.

The local first nation, the Chippewas of Georgina Island, whom I am proud to represent.... It is very unusual for first nations to do this, to bring this to the minister's attention. They issued a band council resolution, and I'd like to read this to you. This is band council resolution 02-02-23-1036, from the Chippewas of Georgina Island first nation:

Do hereby resolve:

- 1. Whereas the construction of a general aviation Aerodrome 'Baldwin East' has been proposed for the property at 7818 and 7486 Old Homestead Rd. and received approval from Transport Canada;
- 2. And whereas the provisions of the Canadian Aviation Regulations Part III, subpart 307 require that any new aerodrome proposal engage in a consultation process with the local community, but do not require a duty to consult impacted first nations; we insist consultation is addressed with the impacted First Nations;
- 3. And whereas it is recommended that any proponent seeking a new aerodrome engage in non-mandatory pre-consultation process with the key stakeholders, including local municipalities, in advance of the required consultation process; and whereas Transport Canada has a constitutional duty to consult First Nations when their proposed conduct has potential to adversely impact the First Nations rights:
- 4. And whereas the aerodrome's proponents did not engage with the Chippewas of Georgina Island in any meaningful or recommended non-mandatory pre-consultation process in advance of the required consultation process;

- 5. And whereas numerous environmental concerns have been raised about the impact of the aerodrome and related fill dumping will have, including the Lake Simcoe ecosystem;
- 6. And whereas the proposed aerodrome is on the traditional lands of the Chippewas of Georgina Island, and whereas the proposed aerodrome has the potential to adversely impact the Georgina Island First Nation aboriginal and treaty rights.

(1120)

Therefore let it be resolved that the Chippewas of Georgina Island First Nation oppose the aerodrome project moving forward. And demand that Transport Canada consult with them on any proposed aerodrome project that they may have an adverse impact on our rights.

Since the CARs were amended in 2014, there have been two uses of the powers granted to the minister to deny the establishment of an aerodrome from proceeding. In 2020, the Minister of Transport issued an order prohibiting the development of an aerodrome in the municipality of Saint-Roch-de-l'Achigan. It was an instance where the proponent had been sent a letter from then-minister Garneau, which outlined serious shortcomings in the demonstration of the economic benefits of the project, while noting the strong opposition from residents.

The other usage of the power was in 2015 when a proposed aerodrome in Mascouche and the Terrebonne was initially approved following Transport Canada's consultation process. The municipalities and the Government of Quebec argued against its approval, citing incompatibility of the project with the minister of the environment guidelines, and the minister prohibited the development thereafter.

Despite all this, Transport Canada continues to maintain that they only look at the aeronautic legitimacy of a proposal. Other considerations, including the viability of a project, local opposition, the background of the proponents and the likelihood of a soil dumping endeavour, etc., all fall outside the remit of this process.

Colleagues, this is a growing problem that we're now facing. It can become an environmental catastrophe for communities. We are here as members of Parliament. I know everyone in this room is here to stick up for their constituents. This is a clear case of the government not listening and the government working badly for Canadians.

I would hope, due this being a growing problem across the country that needs to be seriously looked at.... A study by the Standing Committee on Transport, Infrastructure and Communities will help address these issues.

I think by providing more clarity on the scope of the problem and some solutions that we can give government to correct this legislation, communities like mine and all Canadians can be heard and...the process works for them.

Thank you very much, Mr. Chair.

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

If there are no objections, I would move for unanimous consent to adopt the motion.

(Motion agreed to)

The Chair: Well done, Mr. Davidson.

We will move on.

Mr. Davidson, the floor is still yours to ask the questions that you perhaps wanted to ask the members. If not, we can move on to Mr. Chahal, who has been waiting with bated breath.

• (1125)

Mr. Scot Davidson: Before Mr. Chahal—I know he's waiting—I'm going to turn the remainder of my time over to—

The Chair: I think you can use your time for the motion.

We'll just go to Mr. Chahal, if that's fine. Then we'll go through the regular motions.

Thank you, Mr. Davidson.

With that, we'll turn the floor over to Mr. Chahal for six minutes.

Mr. George Chahal (Calgary Skyview, Lib.): First of all, thank you for your opening remarks and for joining us today at our infrastructure committee.

I think there's a lot of important and great work that the department has done.

I want to focus my first question on.... There has been a tremendous impact from disasters across the country and several in my communities in my province of Alberta.

Can you provide us an update on the disaster mitigation and adaptation fund that was announced in 2018?

Ms. Kelly Gillis: With that particular fund, which is a really important opportunity to invest in our communities and make our public infrastructure more resilient, to date we've approved approximately 100 projects to the tune of \$2.2 billion. Actually, right now, we have an open intake on that particular program which closes in July. Communities can avail themselves of further investments to be able to make their communities more resilient.

As part of the national adaptation strategy, this particular program was topped up by almost \$500 million. That's part of the open intake that's going on right now. We do hope that communities will avail themselves of it to make their communities more resilient.

Making your community more resilient is not just to make investments in capital, in infrastructure, although that is very important. As part of our work that's been ongoing, and then increased and accelerated as part the national adaptation strategy, we have also invested in things like codes and standards, that is, tools to help communities know what work needs to get done on their infrastructure to make it more resilient.

We've been working very very closely with the National Research Council and with the Standards Council of Canada to be able to provide more knowledge and information on how we build in our communities going forward. The investment certainly in DMAF, the disaster mitigation and adaptation fund, is very important. There are investments that are going on to over \$2 billion right now. There will be more investments to almost a billion dollars once that particular intake closes in July and further investment decisions are made.

Then we will have ongoing work on codes, standards, research, knowledge and support to communities to understand how they can make their communities more resilient.

Mr. George Chahal: Thank you for that update.

In the province of Alberta, we've seen delays in a number of projects like the Springbank Off-stream Reservoir because our provincial Conservative government has wanted to re-review projects that that have been approved. We had a major, disastrous hailstorm in my constituency of Calgary Skyview, with over \$1.5 billion in damage. We saw the provincial Conservative government not support our communities with cleanup and rebuilding.

How do we ensure...and what is our role to step in? Have we considered or looked at supporting municipalities and communities when provincial governments don't support or fund disaster relief in communities?

Ms. Kelly Gillis: For our disaster mitigation and adaptation fund, that particular program is not going through provinces and territories. It is open to all orders of government to apply directly to Infrastructure Canada. There isn't a reliance on prioritization by orders of government to come to us. Similar to the infrastructure program for our invest in Canada program, this particular program does allow communities to look at their priorities and to come to us with an investment application. That is one really important project.

Also through the FCM, we have an asset management program and a climate change innovation program that communities can apply to directly to give them technical competencies and capabilities to understand how they can protect their assets better, and also, specifically for climate change, on the kinds of innovations they have to make to their infrastructures to make them more resilient. Again, those are applications that communities make directly to the FCM, who are managing these particular programs on our behalf.

Actually, what we have seen in communities is that just a few years ago, in 2016, only 7% of them took resilience into consideration in their asset management plans. Now we see a large percentage who do. We've seen a change in behaviour through these particular programs, which is really important.

• (1130)

Mr. George Chahal: Thank you for that.

Has the Canada Infrastructure Bank considered...?

You've done a lot of great work across the country in supporting municipalities through public transit, clean power, green infrastructure and so many great projects in my city and region. Have we looked at considering or expanding the mandate of the Canada Infrastructure Bank to do more?

Ms. Kelly Gillis: Actually in budget 2023, the Canada Infrastructure Bank was expanded specifically in the area of clean...and clean transition and clean electricity. As we look at the challenges to transition to net-zero 2050, the Canada Infrastructure Bank I think is an important tool. It's one tool in the tool box, but an important one. There we have looked at...and they have been directed through the budget to increase their work in these particular areas. They had particular targets lower. They've been given targets of \$10 billion in each of these particular areas.

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

[Translation]

Mr. Garon, go ahead for six minutes.

Mr. Jean-Denis Garon (Mirabel, BQ): Thank you very much, Mr. Chair.

I thank the witnesses for joining us today.

You are probably familiar with the municipality of Sainte-Marthe-sur-le-Lac, which experienced extremely significant flooding in 2019: 600 homes were flooded. That was a major incident in my constituency.

At the time of the climate change adaptation of infrastructure projects, the government committed to cover 40% of the \$51-million cost of rebuilding and expanding the dike under the federal program. I have seen the documentation. So it was 40% of \$51 million, or \$20.4 million, for the City of Sainte-Marthe-sur-le-Lac. However, for purely administrative reasons, which are not reasons of non-compliance, the department flip-flopped and decided to pay only half of the amount. So the City of Sainte-Marthe-sur-le-Lac was deprived of more than \$10 million, which is huge for a municipality of its size. Consequently, the Quebec government had to give \$10.2 million of public money, from Quebec taxpayers, to the municipality to enable it to adapt to climate change.

Is the department considering how this money will be returned to Quebec taxpayers?

Ms. Kelly Gillis: Mr. Chair, I thank the member for his question.

I don't know the details of the project you just talked about. But I do know that, for projects like that one, we have different types of programs that enable us to share costs with the provinces and territories.

We just provided \$33 billion under bilateral agreements through the investing in Canada infrastructure program, a program that funds cost-shared projects with the provinces and territories.

The program I mentioned to Mr. Chahal is not like that, as it is not cost-shared with the provinces and territories. However, communities still have the option of working with the provinces to have the provinces share in the cost of a project.

Mr. Jean-Denis Garon: Thank you.

I am familiar with that program. However, Ottawa had committed to provide some \$20 million. The dike had to be rebuilt extremely quickly, as the potential impact was major, but for purely administrative reasons, Ottawa decided to cut the money in half.

Is there any openness within the department to enable the Quebec taxpayer to have the same treatment under the same program as any other taxpayer in any other province?

That is my question.

Ms. Kelly Gillis: Thank you.

The eligibility requirements for all our programs are the same across Canada, and we apply the same rules everywhere. I don't know what the administrative problems or administrative changes were in the case of the project you mentioned. However, I do know that the compliance requirements and conditions are the same across the country. Quebec has been treated the same as any other part of the country would have been in the same situation.

• (1135)

Mr. Jean-Denis Garon: As you are unfamiliar with the case, I understand that there is clearly no question in the department of treating the taxpayers of Sainte-Marthe-sur-le-Lac equally.

Thank you very much.

I have a question about something else. In the context of the construction of the Réseau express métropolitain, or REM, which will be extended to the Montreal airport, we know that the REM project is moving forward, but we still don't have a precise timeline for the work on the branch that will lead to the Montreal airport.

I would like to know if you could give us more details on the progress of the project. We are all looking forward to going to the airport using the REM. What is the specific date?

Ms. Kelly Gillis: Thank you again for your question.

Investments in the REM project, which is very important for Montreal, are not made by the Office of Infrastructure of Canada. They come partly from the Caisse de dépôt et placement du Québec and partly from the Canada Infrastructure Bank. They are the ones who could provide you with an update on the project.

Mr. Jean-Denis Garon: Thank you very much.

I have a question about the gas tax fund, which is about to expire. I would like to know if the department is considering renewing the fund and, more importantly, if you anticipate any changes in the way it operates. If so, what are they?

Ms. Kelly Gillis: Thank you again for your question.

The 10-year agreement for this program will end in March 2024. We are currently discussing what the program will look like if it is renewed. In terms of changes, it is too early to answer you, as we are currently in discussions with the provinces, territories, communities and others about what the program needs and what changes may be made if we renew it in 2024.

Mr. Jean-Denis Garon: The program is in its final year. The department is engaged in reflections and work. We know that we ultimately want to achieve net-zero emissions. We also know that gaspowered vehicles will no longer be available for purchase as of 2035. This will impact gas tax revenues. Yet the federal gas tax fund represents a significant portion of our municipalities' revenues.

Has any forecasting been done within the department as to how the shift to net-zero emissions will impact this fund?

Ms. Kelly Gillis: Thank you.

The connection between the gas tax and the fund disappeared a number of years ago. That's why we renamed it the Canada community-building fund a few years ago.

There is no relationship between gas tax collection and the fund. This year, the fund is \$2.4 billion, and indexation is 2%. For every \$100-million increase, the amount and distribution of funding changes.

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

[English]

Thank you very much, Deputy Minister Gillis.

[Translation]

It is now Mr. Bachrach's turn.

[English]

Mr. Bachrach, the floor is yours. You have six minutes.

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

Thanks, Ms. Gillis. Welcome back to the committee. I also thank your team for being here to answer our questions.

I'd like to start with the five-year legislative review of the Canada Infrastructure Bank Act.

I was just looking on the Infrastructure Canada website. It says the review is currently under way. I don't think there's very much information about what the review looks like.

I wonder whether you could talk a bit about the shape of that review, how the public can engage in it, what proactive steps Infrastructure Canada is taking to reach out to stakeholders and solicit their feedback in the program to date, and what you foresee as being the timeline for reporting back to Parliament.

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

I'm glad you actually looked on our website. We have a website that talks about the review.

We've had a number of engagements with stakeholders across the country, whether these are financial institutions, the private sector, or provinces and territories. We had a ministerial meeting with our colleagues in infrastructure ministries across the country and this was an important part of the discussion. There have been bilateral tables and round tables. The C2P3—that's an acronym for the Canadian Council for Public-Private Partnerships—has hosted a number of round tables. It has been an active part of the discussion

in the infrastructure...as well as the communities across the country using also the FCM.

There's been a lot of engagement. We've been receiving written comments. They continue to come in daily, at this point in time, from interlocutors, stakeholders and interested parties. We've also used social media to avail ourselves of making sure people are aware of the opportunity to provide comments on the five-year legislative review.

On a legislative review such as this.... It began in June of last year, and the minister will table a report in Parliament in June of this year. That would be the reporting requirement.

(1140)

Mr. Taylor Bachrach: Thank you, Ms. Gillis.

Moving on to public transit, I think everyone's aware that our public transit systems took a real hit during the pandemic. Ridership plummeted, fare-box revenue plummeted and there's a lot of concern among transit authorities that we could be facing a bit of a death spiral, in terms of the use of public transit.

While Infrastructure Canada is focused on building new transit systems and expanding transit—my colleague spoke a bit to that in his questioning—there's a real concern about the sustainability of our transit systems delivering the services they already provide. There's been a call for the federal government to take a more proactive role in supporting the operations. I know there have been two emergency interventions to help support transit services.

Could you speak to the future of the federal government's role in providing operational support for transit systems, so that municipalities and municipal property taxpayers and riders aren't left trying to support these networks financially as they return to full ridership?

Ms. Kelly Gillis: Thank you for the question.

Public transit, as you've rightly said, is a really important part of a community and the mobility of people within our communities. That's why it's been the most important investment asset class for Infrastructure Canada recently, and why the government has announced a \$3 billion permanent public transit fund, starting in 2026-27, as well as rural transit, active transit, zero-emission bus transit funds lately, again to enhance the opportunity to be able to fund transit.

As we're coming through on the other side of the pandemic and working with communities and understanding the ridership and the fare box, communities are working to understand the service provision and the operating costs of what can be provided, and working with their municipal and provincial governments.

We have been, and continue to fund rehabilitation, as well as capital, and we are consulting. We have consulted on the permanent public transit fund. That has not finished its design, but we have been in the capital investment to be able to enhance the provision of transit within communities, which is a really important investment and support for communities going forward.

Mr. Taylor Bachrach: Okay, Ms. Gillis, I'm trying to parse your words.

I didn't hear anything specifically about operational support. There's a lot of emphasis on infrastructure, and I understand that at Infrastructure Canada, that is the predominant focus, but the concern is really around operational support. How do we ensure that these transit networks don't have to cut routes, don't have to reduce service and, as a result, go into this death spiral where riders are seeing less and less service delivery at a time when we need more and more people to be riding public transit?

I know that my time has now expired, so maybe we'll pick it up in the next round, but I appreciate your—

The Chair: You actually have 45 seconds left, Mr. Bachrach.

Mr. Taylor Bachrach: Oh, I do? Well there you go.

Speaking specifically to operational support, there have been dollars through the Safe Restart Agreement and the subsequent agreement to provide operational support to keep these transit services alive, but the real question is about the future role of the federal government in funding transit operations.

Is that role currently being discussed within Infrastructure Canada?

Ms. Kelly Gillis: Infrastructure Canada, as I said, is funded capital to continue. The communities that are closest to the service provision are best at determining the costs and service provisions based on their ridership and the needs of their community.

Those have not been, traditionally, part of Infrastructure Canada, and at this point in time, there's been no decision for that to change.

The Chair: Thank you very much, Deputy Minister Gillis.

Thank you, Mr. Bachrach.

Next we have Mr. Muys.

Mr. Muys, the floor is yours. You have five minutes.

Mr. Dan Muys (Flamborough—Glanbrook, CPC): Thank you, Mr. Chair.

First, before I ask some questions of the officials from the Office of Infrastructure of Canada, I want to amplify the remarks and the motion put forward by my colleague, Mr. Davidson, about soil dumping. Certainly in my community, which is in proximity to the GTA, we've been dealing with this issue of soil dumping, as have all of the communities in and around the Golden Horseshoe and the GTA for a number of years.

In fact, we've had a number of instances of contaminated soil dumping where the municipality and the province have had to chase that down relentlessly, and so I certainly support this study. The fact that there's this loophole in the regulations at the federal

level is outrageous, and I certainly support every effort to close that

Since we have departmental officials here in the first hour before the minister arrives here in 15 minutes, let me take this opportunity to go a bit granularly into some infrastructure projects in my constituency that I want to ask about.

Regarding the green and inclusive community-building fund, there was a proposal put forward by proponents of Canada's basketball training centre and hub, which would have been located in my constituency at Clappison's Corners in the Hamilton area. It actually had the support of all MPs from all parties in the Hamilton area. They were sort of twice passed over for funding. It's a LEED building, zero-carbon building design centre, version two, with lots of economic impact and tourism opportunities there. It's something we're very excited about, but that fund, I think, is currently closed to applications.

Is that going to reopen, or is there another avenue that proponents of this project should pursue, because they haven't received any feedback?

(1145)

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

That particular fund, as you noted, has just closed. We have received a number of applications—certainly significantly more than the fund's value—and those assessments are just under way. Decisions will be made known to the proponents in the coming months.

As I said, that particular fund literally just closed, and decisions will be known in time. People have seen that program as very relevant to their communities across the country, so thank you very much for the interest.

Mr. Dan Muys: There's hope yet that this might be pursued under that program.

I'm switching gears to the extent that rural Internet falls under the bailiwick of your office. When we talk about infrastructure, certainly in my community, it's important. I have rural areas and suburban communities within the city of Hamilton. While it is the tenth largest city in the country, the rural areas are really below standard in terms of the basic standard for service for rural Internet.

I know that there are a number of federal departments, provincial governments and others that are involved in rolling out permits for rural broadband across the country. What level of involvement does the Office of Infrastructure have in that?

Ms. Kelly Gillis: In our invest in Canada infrastructure program, we did have Internet and broadband as an eligible category in our rural and remote stream. I would say that it was more ISED, the science and innovation department, under its universal broadband program that would be the main program funding Internet within the country. As well, CRTC has an Internet fund.

Also, our Canada community-building fund also does allow Internet as a service provision and eligible asset category. It would be completely within the purview of Hamilton to use those funds to be able to augment Internet connection within the community.

Mr. Dan Muys: Let me ask this, because here's what I've observed in the last couple of months. There have been a couple of announcements through the universal broadband fund, provincial—in this case, the Government of Ontario—infrastructure funds, often jointly. In all of the communities surrounding us, millions of millions of dollars, multi-millions of dollars in a lot of cases.... Yet we have had only \$300,000 19 months ago. We seem to be being overlooked. I'm not sure why. Is it that the application's not being made?

Just from your experience in working, when there are multiple levels of government, is it the federal government that's providing the funding and the province that's deciding on the implementation? Is it just that there are shovel ready projects not ready? What potentially would you speculate to be the hiccup here?

• (1150)

Ms. Kelly Gillis: I have no details on that, so I'd be very hesitant to speculate on what the concern is and why the applications have not been made and/or funded.

Mr. Dan Muys: All right, thank you.

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

Thank you, Deputy Minister Gillis.

Next we have Mr. Rogers.

Mr. Rogers, the floor is yours. You have five minutes.

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

Welcome to our witnesses today. It's good to have some of you back, those we've seen at previous meetings.

I want to focus on coastal erosion and disaster mitigation funding. I live in a very rural, remote community. I guess I could call it "remote" or "rural". Bonavista—Burin—Trinity has 256 small communities, for the most part, that rely heavily on the infrastructure program that we support as a government.

Since 2015 we have had 221 infrastructure projects that have been approved, which is pretty impressive in terms of the numbers, but these are not large-dollar-value projects. Many of them are very small, but they provide very important support to these small communities.

Many of these communities have challenges besides rural infrastructure, like the normal stuff you see: bridges, roads and municipal stuff. With coastal erosion, we have had numerous storms that have come up the eastern seaboard, in the fall of the year especially, that

do tremendous damage to coastal infrastructure. Many of them have seawalls that were constructed 50 years ago that need replacement, places like Bonavista, for example.

On the Burin Peninsula, there are a number of communities where they have erosion taking place on some of their coastline, which impacts some of the roads that run next to it. It's a beautiful riding to drive around because you're always looking at the ocean, for the most part, if you're travelling the peninsulas—the Burin Peninsula, the Bonavista Peninsula, the Baie Verte Peninsula and so on.

These are major challenges, because doing these projects is very expensive. In terms of the percentage of costs, many of these small communities are really challenged to able to do these projects.

You mentioned earlier, Ms. Gillis, that these communities and municipalities can now apply directly to Infrastructure Canada to secure funding to try to fix some of these problems. Many of them, as I said, run into millions of dollars.

What percentage of the funding would the community have to provide, number one? Number two, if we encourage our towns to apply, what is the process they have to go through? Basically, how do they access that funding?

Thanks.

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

I'll start with the application process.

It depends on the program. If it's the disaster mitigation and adaptation program that you referenced, there's substantial information on our website on the application guide, the evaluation criteria and the steps to go through. We also have a team under Erin and a colleague that supports any questions. We've also done a number of webinars on the particular program.

We're always available to support communities in understanding the application process and to support any answers to questions they have in getting through that particular process. I think it's a really important component—especially for communities that don't have a lot of capacity—to be able to support those people, because there's a limit to the amount of expertise, potentially, in getting through an application process.

It depends on the program. For the disaster mitigation and adaption program, the federal government has a 50% cost-share, but there are other programs that we pay more for. If it's an indigenous community or indigenous recipient, for example, we can go up to 100%.

It depends on the program. We have significant information on our website for each and every program we have. We have a rural transportation program that would be relevant to your riding. There's active transportation that may also be relevant to your riding and others. The actual application process and the cost-sharing will vary, depending on the program.

Is there anything, Erin, that you would like to add on the particular programs?

• (1155)

Mr. Peter Schiefke: Mr. Chair, are we good?

The Chair: We're good. We have about 30 seconds left, if Ms. Lynch wants to add anything on to that.

Ms. Erin Lynch (Associate Assistant Deputy Minister, Communities and Infrastructure Programs, Office of Infrastructure of Canada): No, I think the deputy covered it. Thank you.

The Chair: Okay.

With that, on behalf of all members, I want to thank the officials for appearing before the committee today.

We're now going to adjourn for five minutes to allow the witnesses to leave and to be able to welcome Minister LeBlanc to the committee for the second half of our meeting today.

This meeting is now suspended for five minutes.

• (1155) (Pause)_____

• (1200)

The Chair: I call this meeting back to order.

On behalf of all of the members of this committee, I would like to welcome the Honourable Dominic LeBlanc.

It is always a pleasure and always entertaining, sir, to have you appear before committee.

We will begin, sir, with opening remarks. I will turn the floor over to you. You have five minutes.

Hon. Dominic LeBlanc (Minister of Intergovernmental Affairs, Infrastructure and Communities): Mr. Chair, thank you.

I'll dispense with the dig at the beginning about its being "entertaining". I'm here for a substantive conversation on our government's infrastructure priorities. If you're seeking entertainment, Mr. Chair, it must be at another meeting. I couldn't help you with that.

[Translation]

I am happy to be joining you. Earlier, you had an opportunity to speak to our deputy minister and her colleagues. Mr. Chair, I am really happy about this opportunity to discuss how Infrastructure Canada is delivering for Canadians. As I said, deputy minister Kelly Gillis is with me today to help me answer your questions.

Infrastructure Canada continues to work with all levels of government, as well as indigenous communities and other partners, to get public infrastructure built.

[English]

Together we are helping to build major infrastructure projects across the country, advance zero-emission transit options and increase affordable housing opportunities for Canadians. From bridges to broadband, we are connecting Canadians across the country. We are helping to make buildings greener and sources of water cleaner. We are supporting a historic conversion of bus and school bus fleets to lower-emissions vehicles in order to help propel us to net-zero emissions by 2050.

We're building accessible community buildings. We're greening public transit. We're in active transportation networks. We're also addressing homelessness and supporting natural infrastructure.

[Translation]

Canadians rely on us every day, as we and our partners rely on each other to deliver to Canadians. Together with our partners across the country, we are improving Canadians' quality of life. That's why I'm pleased to be here to discuss how our investments can, I hope, work for Canadians.

We recently presented the 2022-23 supplementary estimates (C), which sought a net increase of \$7.7 million to help us deliver an unprecedented level of programming for public transit, and green, rural and northern infrastructure projects across the country.

● (1205)

[English]

Our 2023-24 estimates seek \$9.6 billion in funding to support the department's commitment to invest in infrastructure that helps build stronger communities, fight climate change, and of course strengthen the economy. The majority of the 2023-24 funding will support projects delivered through such infrastructure programs as the investing in Canada infrastructure program, the permanent public transit program and the Canada community-building fund, previously known as the gas tax fund.

The year ahead, Mr. Chair, promises to be another productive one, with new programs ramping up and legacy programs coming to successful conclusions.

[Translation]

Budget 2023 confirmed the Government of Canada's commitment to furthering key infrastructure projects in Canada, and key support for what we are doing at Infrastructure Canada. That's support for transformative investments that fight climate change, deliver cleaner energy, promote investment in our communities, and create well-paying jobs.

[English]

Infrastructure in Canada is evolving. Our department is playing a key role in building that greener, cleaner and more resilient future that Canadians expect. Infrastructure Canada's 2023-24 main estimates detail the necessary funding that will enable us to continue that work and get things done for communities across the country, obviously including communities, Mr. Chair, represented by you and our colleagues at this table.

I look forward to our discussion. I thank you for your invitation. I understand that all of the difficult and technical questions were cleaned up by the deputy and her colleagues beforehand, so this should be a very cheerful and easy conversation, as always, Mr. Chair, and that's why I'm here.

[Translation]

The Chair: Thank you very much, Minister.

Once again, we are happy to have you with us in committee. [English]

We'll begin our line of questioning today with Dr. Lewis.

Dr. Lewis, I'll turn the floor over to you. You have six minutes.

Ms. Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you, Minister, for attending today.

According to the infrastructure department's plan, projected departmental expenses are going up by \$2 billion in this fiscal year when compared with spending in 2022 and 2023. That would represent a 25% increase in planned spending from the year before. In addition, it would represent an increase of 75% in the department's budget from just three years ago. To put it in dollar figures, you are planning to drive up spending by \$2 billion this fiscal year and within three years, the department has increased its planned spending by \$4.1 billion.

That's a massive increase and this increase is coming at a time when Canadians are struggling with groceries or struggling with bills. It seems extremely disconnected from the Canadian public and out of touch with fiscal reality.

My question to you is, when everybody else is tightening up and Canadians are facing such financial stress, do you think it's fair to plan a massive increase of your department's spending, in the sum of billions, which will increase the inflationary pressures on Canadians?

Hon. Dominic LeBlanc: Mr. Chair, through you to Dr. Lewis, thank you for the question.

I certainly share your concern about fiscal responsibility and about understanding that Canadians, as you said, are feeling economic pressures in their family budgets and in their daily lives.

I think it's important, and perhaps the deputy can add some detail to what I think is a basic principle.... You're right, there has been an increase in the expenditures, but the grants and contributions that our department is putting out are, to a very considerable extent, investing with partner governments and community organizations. If it's a transit system.... A lot of this is cash flow on a big, ten-year transit project. In certain fiscal years, certain amounts of money

will be available and that would be reflected, obviously, in these detailed estimates.

I think your concern—and I would share it—is that these expenditures have to be on projects that benefit Canadians and their communities, that fight climate change and that improve transit. A very small percentage of that expenditure, of course, would be administrative or overhead.

This is money put into community—

• (1210

Ms. Leslyn Lewis: I'd like to speak about that. We do have limited time.

The \$35-billion Infrastructure Bank has yet been unable to complete any projects. The bank actually spent \$24 million on employee salaries and bonuses and did not even spend half that amount on infrastructural projects.

How do you justify spending double the amount on employee salaries and bonuses rather than on infrastructure projects?

Hon. Dominic LeBlanc: Mr. Chair, the views of Dr. Lewis on the Infrastructure Bank are well known. It won't surprise you or colleagues that I don't share her pessimism with respect to the Infrastructure Bank.

I think the Infrastructure Bank—and I've shared that with the board chair and the CEO—has been in previous years slow to ramp up and to be able to point to, for example, the 43 investment commitments that they have made—27 of which have reached final close. These are complicated financial transactions, which is precisely why the government created the Infrastructure Bank.

I've been an opposition MP, too, Mr. Chair. It's easy to say that no projects have been completed. We can play with the word "completed". I can tell you that premiers across the country and mayors, including those of some of the big cities in the country, have talked to me about the importance of this financing vehicle.

I hope that colleagues have taken note-

Ms. Leslyn Lewis: I'm not concerned with the importance.... I'm disputing the efficacy of the bank, which this committee has already given notice about. This committee has recommended that the bank be abolished. I'm wondering why you are not respecting the wishes of this committee that the bank be abolished because of its unproductive nature.

That is not my conclusion; it is the conclusion of this committee.

Hon. Dominic LeBlanc: It's not a conclusion that the government shares. We think the bank can be improved and strengthened. It shouldn't be abolished. We would disagree with that conclusion. That shouldn't surprise anybody.

In fact, in the budget that was tabled last month, we indicated that we were giving a direction to the bank in terms of investing more in clean energy projects and in projects that would allow indigenous partners to take equity positions in large infrastructure projects.

We think there's a very useful and positive role for the bank, but we share some legitimate frustrations in terms of its ramp-up. The good news is that we think that's behind them.

Ms. Leslyn Lewis: We share those frustrations, because in 2021 and 2022 the bank managed to spend 35% more on salaries and bonuses than the year before while spending less on infrastructural programs. It is clear from these numbers that salaries and bonuses are the primary focus of this bank and not the development of infrastructure for the benefit of taxpayers who are funding this bank.

Hon. Dominic LeBlanc: Again, that's a slogan that you, Dr. Lewis, can use. I focus on the Canada Infrastructure Bank's approved investments of \$8.6 billion, which have attracted \$7.9 billion in private equity and institutional capital. So at a time when the bank is ramping up to pursue the ambitious mandate that our government wants it to pursue, staffing costs have increased in a very modest amount compared with the \$8.6 billion in approved investments.

Ms. Leslyn Lewis: I'm going to ask for the last word on this, because—

The Chair: Unfortunately, there's no time left.

We barely had enough time to get your last sentence in there, Mr. Minister.

We will go now to Mr. Chahal.

Mr. Chahal, you have six minutes. The floor is yours.

Mr. George Chahal: Minister, thank you for joining us today and providing opening remarks.

I think Infrastructure Canada and the Canada Infrastructure Bank are doing some great work across Canada. I've seen the benefits in my city of Calgary and throughout the province of Alberta, with numerous projects that are going to benefit municipalities and communities.

I want to start by talking about public transit and the importance of our government's investment in the Green Line.

Minister, can you tell this committee how this project will make transit more accessible in my city and surrounding communities?

• (1215)

Hon. Dominic LeBlanc: Mr. Chahal, you have been an effective advocate for the infrastructure needs in the great city of Calgary. You and I have had numerous conversations, whether about the museum project we announced together some months ago or the extension of this important transit infrastructure with partners in other orders of government.

This is precisely the kind of investment that we believe will unlock greater housing opportunities for people in a city like Calgary, which, as you would know better than I, has faced significant housing pressures. There's an environmental climate change effect of having more people using accessible, affordable and effective public transit.

We continue, Mr. Chahal, to look at opportunities where we can partner with the City of Calgary and the Province of Alberta.

My discussions with the infrastructure minister and the transportation minister from your province have been very constructive and encouraging. I had a conversation with Premier Smith about infrastructure opportunities as recently as a few weeks ago.

We think we're just getting going. The permanent public transit funding, which as you know is \$3 billion coming on stream in a couple of years, will give us an opportunity to make long-term commitments with the City of Calgary and other partners to continue to advance exactly that kind of project.

Mr. George Chahal: Thank you, Minister, for that.

I want to go on to talk about another important project or investment we've made. We know that the Calgary Stampede is coming very soon. It's the greatest outdoor show on earth.

Minister, I hope you can come to visit and attend and maybe take a tour of the BMO Centre, which is being expanded. There is the importance of that conference and convention facility to the revitalization of the city of Calgary, and there's the importance of tourism after the challenges we faced with COVID-19. Could you talk about the importance of that investment?

Hon. Dominic LeBlanc: Again, Mr. Chahal, there is a perfect example where the greatest outdoor show on earth, which is the Calgary Stampede, attracts hundreds of millions of dollars of investment. I've had conversations with the former mayor of Calgary, with the current mayor and with former Premier Kenney about the importance of that BMO infrastructure. There again, the Government of Canada has been a partner with the city and the Stampede itself. The province has been a long-time proponent of this important event.

You've highlighted, Mr. Chahal, an example where we think the Government of Canada has to play a role in building accessible community infrastructure that drives a sustainable economy. And in your city, that particular annual event....

You're right about the COVID period. I remember conversations with then Premier Kenney about restarting the Stampede and how important it was for the Alberta and Calgary economy. So why wouldn't the Government of Canada share some of the infrastructure costs that make an event as important as this possible?

The first time I got cowboy boots and a cowboy hat, Mr. Chahal, was when I was working as a young assistant for Mr. Chrétien. Your brother was a colleague of mine in the Prime Minister's Office then, and we were at the Calgary Stampede together. So my attachment to that event goes back decades, including with your brother.

Mr. George Chahal: Thank you, Minister.

Put on your boots and come back to join me at the Calgary Stampede. We can have some fun and see some of the great projects that you've helped bring forward.

Minister, can you speak about the progress the Canada Infrastructure Bank has made since your last visit to our committee, and talk about where you see the Infrastructure Bank going moving forward?

Hon. Dominic LeBlanc: As I've said previously at this committee, and we've said publicly in question period, the Infrastructure Bank was, in our view, slow to ramp up in making investment decisions and making investment opportunities available to partners.

The good news is, as I said in my response to Dr. Lewis, your colleague, that it's well under way in making significant investment decisions, including in big and small projects across the country. We have, in the recent budget, asked it to focus on things like indigenous equity, which might provide, in a province like yours, Mr. Chahal, an opportunity for indigenous partners to be equity partners in resource projects and infrastructure developments that are key, perhaps, to future energy or natural resource projects.

If I think about Atlantic Canada, the Atlantic loop is an area where I know it's working with Atlantic provinces, and, of course, we're going to focus increasingly on greening the electricity grids. The Infrastructure Bank will be playing an enhanced role in that.

I see, unfortunately, that the chair is indicating we're sadly out of time.

(1220)

The Chair: Thank you very much, Mr. Chahal, and thank you, Minister.

[Translation]

Mr. Garon, you now have the floor for six minutes.

Mr. Jean-Denis Garon: Thank you, Mr. Chair.

Minister, thank you for joining us.

Recently, you've made several announcements related to public transit projects, particularly in Quebec. It's hard not to notice that the Outaouais region has been somewhat forgotten.

You know your files, and you are not unaware that there is a tramway project that has been getting a lot of press. This project is supported by all levels of government, by the National Capital Commission and by your colleague the member of Parliament for Hull—Aylmer.

I saw you come in earlier, Minister. I thought you looked very healthy and in good spirits. It seems to me that it would be a good day to confirm to us that the government is supportive of the project and to tell us when the project will be started.

Hon. Dominic LeBlanc: Mr. Chair, I thank the member for his kind comments about my health. He is right; I am feeling very well. In fact, this week, I am scheduled to go to Maisonneuve-Rosemont Hospital, located in Quebec, for a checkup—I have to have one every six months. They saved my life at that hospital.

As for the Gatineau project, you are absolutely right. The Gatineau tramway is a project that we share with the Quebec government and that will be done jointly with the Quebec government. I would have liked to have been with Minister Guilbault in the Outaouais region last week, I believe, but it was not possible to align our schedules, sometimes because of her schedule, sometimes because I was in another part of the country.

That said, we continue to support that project. A revised funding request was submitted to the department on March 25 in connection with the planning of the project. We will be announcing it soon.

Mr. Jean-Denis Garon: Concerning the funding, the project office tells us that it is the eleventh hour. This is a major project.

Will an announcement be made on this soon?

Hon. Dominic LeBlanc: I hope so, but we need to be specific. The project in question is related to financial support for planning activities.

Mr. Jean-Denis Garon: Are we talking about a project office?

Hon. Dominic LeBlanc: That's not a term we use. For us, it's a planning and engineering exercise, among others, to prepare for the capital investment that will come. However, I understand and share your impatience. I am personally optimistic that I will soon be across the river with a colleague from the Quebec government and our colleagues from the Outaouais.

Mr. Jean-Denis Garon: Were you in government in 2017 when the talk about the project began?

Hon. Dominic LeBlanc: I was at Fisheries and Oceans Canada at the time, if memory serves.

Mr. Jean-Denis Garon: You were part of the cabinet. This project has been talked about since 2017. At some point, the impatience becomes justified.

I have a question about the Canada-Quebec agreement. Announcements were made, and we talked about it in the House. We knew that, out of the \$7.5 billion, \$2.3 billion was at stake for Quebec.

Can you confirm that all of the \$7.5 billion that was allocated to Quebec will be spent in Quebec?

Hon. Dominic LeBlanc: If you're talking about the \$2.7-billion agreement established under the investing in Canada infrastructure program, which is bilateral, I would say that there was frankly a very positive collaboration with Minister Julien and Minister Guilbault. We have reached an agreement and come up with joint projects that we will announce in the coming months.

I will be specific, as we are here to discuss finances. In a former program of the Harper government, an amount of about 700—

Mr. Jean-Denis Garon: You know what \$7.5 billion I'm talking about. Is that money going to be spent in Quebec? It's a simple yes or no answer.

Hon. Dominic LeBlanc: In terms of the amount of money that we have committed, as a government, to projects involving the federal government and Quebec, the answer is yes. We can provide you with the details of that, as that question has been raised in the House. I would like to remind you, however, that under a previous program, during the Harper era, funds were not allocated, and in the budget a year ago, the Minister of Finance took back a total of \$700 million to redistribute it across the country, including to Ouebec.

However, if you are talking about the Canada-Quebec agreement established under the investing in Canada infrastructure program, I would say that all the money allocated by our government will indeed be spent in Quebec.

• (1225)

Mr. Jean-Denis Garon: I accept your answer, but I would appreciate it if you could submit the relevant details to the committee.

Hon. Dominic LeBlanc: We will make sure of that. I just don't want there to be any misunderstanding.

Mr. Jean-Denis Garon: Exactly.

I would now like to come back to the Canada Infrastructure Bank. I am curious. I heard the questions from my colleague, Ms. Lewis. As we know, the bank's mandate is being revised. A great deal of criticism has been levied against the lack of transparency in the process. It has therefore been an issue.

This organization is not a bank and has difficulty creating infrastructure. Have you considered changing its name?

Hon. Dominic LeBlanc: No, we have not. We obviously want to keep the word "Canada" in its name. It's a public funding institution for infrastructure projects. I can confirm that we will keep the word "Canada" in its name. However, I'm open to your suggestions, if you think there's a better word than "bank" to define the organization, for example.

Mr. Jean-Denis Garon: For the word "Canada", I could be very creative. Let's keep in touch.

Hon. Dominic LeBlanc: You have some ideas on that.

Mr. Jean-Denis Garon: Don't ever doubt it.

Earlier, with the deputy minister, I quickly touched on the subject of the dike in Sainte-Marthe-sur-le-Lac. The City of Sainte-Marthe-sur-le-Lac was promised just over \$20 million. Because of administrative delays, \$10 million or more were cut and Quebec paid it out.

At Infrastructure Canada, is there any political will to pay back Quebec's taxpayers for the \$10 million that the province spent instead of Ottawa?

Hon. Dominic LeBlanc: I, too, come from a small Atlantic region. These types of projects are essential in smaller towns, in regions. Let me look into it. We will then provide more details on that. I am sensitive to this type of issue.

I wasn't here when you talked with the deputy minister, but I am sure she gave you a completely satisfactory answer. I will, however, make sure with her that the required details are provided to you. If it's possible to do something else, it will be my pleasure.

The Chair: Thank you very much, Minister.

Thank you, Mr. Garon.

[English]

Next we have Mr. Bachrach.

Mr. Bachrach, the floor is yours. You have six minutes.

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

Thank you, Minister, for being here with us today and taking our questions.

You and I have spoken in the recent past about the situation facing Prince Rupert, a community that's struggling with a serious infrastructure deficit. This is a small community, a small city, that supports Canada's third-fastest-growing port and can't accommodate future port growth unless it addresses its drinking water infrastructure crisis. As you know, over Christmas the city had to declare a state of emergency after a series of watermain breaks. They now fear the catastrophic collapse of their drinking water infrastructure, which of course would put them in a very tenuous situation when it comes to supporting the port operations and the residents who call that place home. We were thrilled to see the B.C. government come in to the tune of \$65 million, which is part of the cost of addressing the immediate needs of the community in their water crisis.

Now, I asked you a question about this in the House of Commons on March 7. I was really pleased that you ended your response by saying you "hope to have good news soon." I wonder if you could start by talking about what that good news might look like from a federal perspective and what "soon" might mean.

Hon. Dominic LeBlanc: Good news would look like a further significant investment by the Government of Canada with the City of Prince Rupert in this critical project.

Mr. Chair, Mr. Bachrach is absolutely correct that he and I have had a number of occasions to discuss the importance of this project. It is an anomaly that a city with that population would be such a critical piece of the economic infrastructure of Canada. I have heard from business leaders on multiple occasions of the importance of that port.

I have been going to Prince Rupert since I was kid with my dad, who was the fisheries minister in the 1970s, so I understand the size of the community and its economic impact on the Canadian economy.

It is unreasonable for the City of Prince Rupert to assume some infrastructure as critical as a water system. On the full cost, you're right: the Province of British Columbia invested \$65 million, which we think is positive. We obviously recognize that. We know there's a program at our department called the disaster mitigation and adaptation fund. All bureaucratic programs have nice acronyms; this one is called DMAF.

On February 28 and again on April 5 there were conversations between the department and the City of Prince Rupert. There's a deadline in July, on July 19, and we'll work with the City of Prince Rupert, to make sure they maximize the possibility for the Government of Canada to allocate funds from that program, and I'll work with the deputy and our colleagues in the department to make sure that they understand the priority that you and I and the government have on finding a way to help Prince Rupert.

That, I hope, may be the first and best place to start, as I said to you, but it won't be the end of our work together, and we're looking at other options where the Government of Canada could continue to make those investments.

• (1230)

Mr. Taylor Bachrach: Thank you very much, Minister.

It's certainly promising and good to hear that there are plans being put in place to get them the assistance they need as quickly as possible. I think the idea of having the catastrophic failure of a city's water system in such an important geographic location is really unthinkable and needs to be avoided.

Once the immediate infrastructure crisis is averted, in the longer term there needs to be a way to support these smaller port communities that are playing such an integral role in our country's economy. One of the proposals that's been put forward is establishing some kind of a threshold under which the federal stipend that port authorities pay to the federal government would be redirected towards municipalities to support the infrastructure they need to accommodate port growth and run their civic operations. Is this a proposal your government is considering?

Hon. Dominic LeBlanc: The short answer would be yes. Of course, my colleague the Minister of Transport would have the direct line of sight on these port lease payments and so on, but it was an idea you shared with me when we spoke a few months ago. I hadn't thought of that. I talked to Omar Alghabra, my colleague, about exactly that because it speaks to the creative way that our government should partner with a city like Prince Rupert in recognizing that the traditional Canada-B.C.-City of Prince Rupert programs don't meet.... This is not a precedent for a 100 places in the country. There are maybe a handful of smaller places that are huge economic arteries for the country.

The answer is yes, we're looking with Transport Canada at how that might work, but we're not going to stop there. The deputy and I and our colleagues in the department are reimagining new infrastructure programs, whether it's the Canada community-building fund or other instruments we hope to roll out in the coming months. There's a fall economic statement coming up. There's a budget coming up. Your provincial government has been very articulate in advocating for this as well, so I'm hoping that we'll have a better tool kit at Infrastructure Canada to work directly with these smaller municipalities that happen to be, by geography, these giant economic arteries for the whole country. We should have a better tool kit to respond to that.

My commitment to you is to develop that with Prince Rupert in mind, but we're looking at these short-term solutions. The disaster mitigation and adaptation fund can be another contribution, we hope, and perhaps Transport Canada's port leases, but I'll be happy to follow up again with Mr. Alghabra.

The Chair: Thank you very much, Minister.

Thank you, Mr. Bachrach.

Next we have Dr. Lewis.

Dr. Lewis, the floor is once again yours. You have five minutes.

Ms. Leslyn Lewis: Thank you, Minister. You stated that the Infrastructure Bank has spent modestly on salaries, so I'm just going to highlight some of these salaries. In 2020-21, spending for infrastructure programs was \$25 million versus \$17.742 million on salaries. In 2021-22, spending on infrastructure was just \$11 mil-

lion versus salaries of \$24 million. In the same year, 2021-22, the bank's executives awarded themselves a 35% increase in salary and bonuses.

Minister, why is this failed bank paying bonuses to underperforming executives?

Hon. Dominic LeBlanc: Mr. Chair, it won't surprise you that I don't share the premise of the question. I just want to be very precise that the executives of the bank didn't award themselves those bonuses. Those would have been approved, of course, by the board of directors, which is at arm's length from the government.

I think the numbers Dr. Lewis was quoting are from the annual report of the bank. It's done in a transparent way. These are approved by a board of directors. The comparable metrics are similar to private sector financial institutions. We also recognize that the bank was ramping up. As the number of investment decisions was increasing and as the equity and financing that was being made available to projects was going up, it's reasonable that the staff should go up as well—

• (1235)

Ms. Leslyn Lewis: Minister, that's not accurate.

Hon. Dominic LeBlanc: —but in a modest and reasonable way.

Ms. Leslyn Lewis: Minister, that's not accurate. In fact, from 2020-21—

Ms. Jennifer O'Connell (Pickering—Uxbridge, Lib.): I have a point of order.

The Chair: I'm sorry, Dr. Lewis. We have a point of order from Ms. O'Connell.

Ms. Jennifer O'Connell: Mr. Chair, it's customary that when a question is asked, the witness is given a relatively equal amount of time to respond without—

A voice: [Inaudible—Editor] equal amount of time.

Ms. Jennifer O'Connell: Excuse me. I have a point of order, and I have been recognized by the chair. I would appreciate not being interrupted while I have the floor.

Mr. Chair, my point of order is that for the sake of interpreters, it is incredibly difficult to receive interpretation when people are talking over each other. If Dr. Lewis would like to take back her time, that's reasonable, but interrupting the minister or witnesses does not help our interpreters. It is also customary in this committee to allow the witness to respond in an equal amount of time.

The Chair: Thank you very much, Ms. O'Connell.

I'll just ask members and remind members to do their best not to talk over the witnesses whenever possible.

Dr. Lewis, you have three minutes and four seconds left on your time. The floor is yours.

Ms. Leslyn Lewis: Yes. Thank you, Chair. We do have limited time, so I do reserve my right to interrupt if the minister's going on too long.

Minister, what exactly are the metrics you use in judging whether or not the Infrastructure Bank is successful? I do want to make note that in fact in 2021, there was less invested in infrastructure than there was in 2022. It wasn't ramping up. In fact, there were double salaries paid in 2021 and 2022...than there was in infrastructure projects.

What are the metrics you use, MInister?

Hon. Dominic LeBlanc: Mr. Chair, thank you.

The metrics we use are the investment decisions that the bank, approved by their board, makes. Of course, we're happy to share with the committee the detailed list of large projects and smaller ones in every part of the country where they have made an investment decision. Many of these projects are multi-year projects. There are different moments in a particular project's planning where certain amounts of money would be booked by the bank.

The good news is that they're receiving more requests for financing. They are processing, i.e., approving, investment decisions on an increasing basis. Of course, in terms of their own operating costs, they are transparent and in our view reasonable as compared with other private sector financial institutions.

I would urge you, Mr. Chair, and I understand that it may be in the coming days, that the CEO of the Infrastructure Bank, Mr. Cory, and the board chair, Madam Vrooman, are the ones who are best able to talk to that. The good news is that the deputy and I are meeting with them later this evening, and I'd be happy to share Dr. Lewis's concerns with them and urge them to come to the committee, if they're invited, with very fulsome answers to that.

Ms. Leslyn Lewis: Thank you.

Thank you, Minister.

Minister, I'm still very concerned that the single recommendation of this committee that the Infrastructure Bank be abolished is not something that you are adhering to. By every single metric—zero projects, failing to leverage private sector investments and failing in transparency—the bank has missed the mark.

Will you undertake to do an honest assessment of the performance, productivity and transparency of this bank in the five-year review, or are we going to see an A+ grade accorded to this bank?

Hon. Dominic LeBlanc: Again, Mr. Chair, it won't surprise you and some colleagues that I don't share Dr. Lewis's pessimism with respect to the bank. I share the concern that I think all of us had in terms of its ability to quickly ramp up and make money available as a financial institution would for these important projects.

The good news, Mr. Chair, as colleagues will know, is that there is a legislative review of the bank that's currently under way. I've had an initial briefing from officials who have been involved in this. That will be part of the transparency.

Dr. Lewis doesn't share that view. That's fine. We think the bank has been transparent, as it should be, and so the government will be with this legislated review that is currently under way. My hope,

Mr. Chair, is that we'll share it with Parliament before the end of June. Perhaps, if I'm very lucky, you'll invite me back in the fall to talk about it.

• (1240)

The Chair: Thank you very much, Minister. We may take you up on that.

[Translation]

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

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

For some MPs and for some parties, the Canada Infrastructure Bank has no purpose. But I believe the opposite. In Laval alone, the bank helped to revamp and improve the Société de transport de Laval, including services, energy and greenhouse gas reduction.

Minister, there are two large infrastructure projects in my riding, specifically the Pie-IX bridge and the extension of highway 19, between highway 440 in Laval and highway 640 in Bois-des-Filion.

Can you update the committee about the status of both infrastructure projects and outline the impacts they will have on transportation in our communities?

Hon. Dominic LeBlanc: Thank you, Mr. Chair.

I thank our colleague, Mr. Iacono, for his question.

I share his concerns. The city of Laval and the region it represents in Quebec have recorded very significant population growth, which obviously leads to certain infrastructure needs.

The member raised the issue of the Pie-IX bridge. As he knows, an agreement in principle was reached in February 2023, in order to include this project in a transportation agreement with the ministère des Transports et de la Mobilité durable of Quebec. Over the coming months, we're expecting an approval from Quebec's Cabinet, which will allow changes to the agreement in order to include this project. It's also important to note that there are two projects for the Pie-IX bridge, and not just one.

There was a project prior to the one currently included in the agreement between Canada and Quebec. The good news is that we've obtained the government of Quebec's cooperation. In passing, I'd like to acknowledge Minister Guilbeault and Minister Julien. I hope we will be announcing significant investments with Quebec.

Our colleague, Mr. Iacono, mentioned extending highways 19 and 440 in Laval, as well as highway 640 in Bois-des-Filion.

As I said earlier, this project involves completing a section of highway 19, located between the 440 in Laval and the 640. It involves adding three new lanes, one of which will be reserved for buses, electric buses and carpooling vehicles, as well as four new interchanges and a new bridge to the east. The project also includes building a park-and-ride and a terminal, setting up noise barriers and extending a multiuse trail.

It is therefore a project that recognizes the importance of this infrastructure in our colleague's riding, and an example of other investments we can hope to make. It will be my pleasure to work with Mr. Iacono to pursue these types of investments, which are essential for Laval, a city I enjoy very much and an important region for Canada's economy.

• (1245)

Mr. Angelo Iacono: Thank you, Minister.

How is the federal government working on advancing major infrastructure projects in Quebec?

For example, could you provide more details on progress made with extending the Montreal metro's blue line, between the Saint-Michel and Anjou stations?

Hon. Dominic LeBlanc: Thank you, Mr. Chair.

Mr. Iacono just named another megaproject. Extending the Montreal metro's blue line, just like Quebec City's tramway, is a public transit project. Those are two examples of major investments we've done.

On several occasions, I've discussed with the Quebec government the difficulty of cost increases for both megaprojects, which are suffering the same fate as other projects proceeding throughout the country. However, the good news is that we've come to an agreement with the Quebec government for the blue line project to move forward.

I hope to meet up with Mr. Iacono and our colleagues in the greater Montreal area soon. Mr. Garon is also welcome if he wants to come and share the good news with us.

I am really looking forward to it, Mr. Chair. You might be there too.

The Chair: I will be happy to be there, Minister. Thank you.

We will now give the floor to Mr. Garon for two and a half minutes.

Mr. Jean-Denis Garon: You can also invite me to the Gatineau tramway announcement.

Minister, municipalities can access public infrastructure funds to counter shoreline erosion. However, there are situations where affected lands are private property. That's the case along the Richelieu River, for example, where extremely costly and significant work needs to be done.

Is that a situation you've thought about?

Are you planning to take steps to help these property owners adapt to climate change?

Hon. Dominic LeBlanc: Thank you for the question, Mr. Garon.

I've seen it in Atlantic Canada as well, just as you have at home. It's a challenge in coastal areas or in those with major rivers, such as the Richelieu River, which you mentioned.

The deputy minister will correct me if needed, but my understanding is that most, if not all, federal programs target public infrastructure. As for costs associated with mitigating overflow risks, or preventing shoreline erosion on private land in coastal areas, the issue of private property rights falls under the provinces.

I'm not trying to quibble; I don't know the answer, but currently...

Mr. Jean-Denis Garon: We're in the same situation. Haven't you negotiated with Quebec and the provinces to set up programs?

Hon. Dominic LeBlanc: To my knowledge, we haven't received any requests from the provinces, including Quebec, about investing in private lands.

As I said, it's a challenge for financial institutions, insurance companies and individuals. I'll be happy to raise it at the next infrastructure ministers' meeting. My colleague Bill Blair is working on the issue of insurance, but it doesn't include risk mitigation, as you said.

Mr. Jean-Denis Garon: We have 20 seconds left and I have a very good question to ask you, Minister.

Hon. Dominic LeBlanc: I can't wait. Go ahead.

Mr. Jean-Denis Garon: Regarding the Active Transportation Fund and the Natural Infrastructure Fund, we know that the project submission deadline has passed. It's been several months, even a year for one of the two funds.

Can you tell us which proportion of the \$400 million and \$200 million funding envelopes will go to Quebec, as well as the nature of the selected projects? If not, can you send that information to the committee?

Hon. Dominic LeBlanc: Once the final decisions are made, approved projects and the proportion of funds allocated to each province will be disclosed transparently. It will be my pleasure. I just want to confirm that the final decisions have indeed been finalized. Otherwise, we can give you the facts about decisions made to date, or even confirm the final details once both funds are spent.

It's a shame that there were many more applications than funds available, but I'm certain that, as an MP for Quebec, you will be pleased with the selected projects. We will provide you with this information right away, or even confirm everything once the funds are spent.

Thank you.

(1250)

The Chair: Thank you, Minister and Mr. Garon.

[English]

Next we have Mr. Bachrach. The floor is yours. You have two and a half minutes.

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

Minister, transit authorities have expressed concerns—and I'm sure they've done this with you directly—as have other groups, with something they've termed the "public transit death spiral". At the same time that your federal government is investing in transit infrastructure and has made commitments to the future expansion of public transit systems, there are immediate concerns about the operations of existing transit.

I'm wondering if you could characterize in your own words the public transit death spiral.

Hon. Dominic LeBlanc: Mr. Chair, thank you for the question.

I certainly wouldn't want to think that our government in any way would participate in a public transit death spiral. I think the record will show, during—

Mr. Taylor Bachrach: No, the question was if you could characterize their concerns, which they've expressed to you, with regard to the public transit death spiral.

Hon. Dominic LeBlanc: I don't share the view that there's a death spiral. If you look at the significant investments our government has made in public transit, you see that it has been historic, including accepting the request of the Federation of Canadian Municipalities for a permanent, recurring \$3 billion annual public transit fund.

I do get the concern around operating costs. That is an issue I have discussed with the Federation of Canadian Municipalities and mayors of big and small cities across the country. We recognize that COVID-19 has been an enormous challenge. We needed these systems to operate to take essential workers to work at a time when others weren't able to do so, or who were safely, perhaps, staying at home. That opened up a real concern around some of this ridership. Remote working, teleworking, has also reduced, in some cases, ridership.

The Government of Canada doesn't operate transit systems. We don't presume to know what the appropriate service standard that a municipal or provincial transit authority might like to undertake. We do recognize these financial pressures. We have evolved the federal support for transit from simply expanding transit networks to looking at rolling-stock repairs, because transit authorities were saying to us that expanding is very expensive, very important, but dealing with the state of good repair of current transit infrastructure is something that we could do. Our government so far, other than during the COVID-19 emergency payments to provinces, has not supported the operating costs of transit authorities.

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

Thank you once again, Minister.

Next we have Mr. Strahl.

Mr. Strahl, the floor is yours. You have five minutes.

Mr. Mark Strahl (Chilliwack—Hope, CPC): Thank you, Mr. Chair.

Thank you, Minister.

As you know, this committee has committed to undertaking a study of McKinsey & Company's role in the creation of the Canada Infrastructure Bank.

You are listed in that motion as one of the people we would like to hear from. I'm wondering if we can get your commitment today that you will come as a witness as part of that testimony, if your schedule permits it. I'm sure the committee would be willing to move the meetings to make sure that you are able to participate.

Will you come and participate in that study?

Hon. Dominic LeBlanc: Through you, Mr. Chair, thank you to my friend, Mr. Strahl, for the question.

We have obviously followed the committee's conversations, including the government operations committee, around looking at the Infrastructure Bank's contracts with McKinsey.

I, of course, played no role in those contracts whatsoever. I didn't know about them until we saw them reported publicly. I don't purport to give direction to the executives of the bank or to the board around who, in their judgment, they should be contracting with for what particular services.

I'm not sure I could add very much. It would be a very boring meeting if I were to come and talk about something of which I have absolutely no knowledge.

I know you're thinking that hasn't prevented me from talking about things like that in the past. I could see the look on your face, and I take the teasing.

I do think the best place to start would be with the CEO of the Infrastructure Bank, Mr. Cory, and the board chair. Tonight when the deputy and I see them, we will ensure.... I think the CEOs may be here on May 2. We'll make sure they're available as well.

Mr. Mark Strahl: We believe in ministerial accountability, and despite the fact that you weren't the minister at the time of the bank's creation, you are the minister now, and it's very disappointing to hear that you won't make yourself available for that committee hearing. I would ask you to reconsider that when you meet for dinner tonight with the executives at the bank, because we did find.... Obviously there's \$1.43 million in contracts, both tendered and untendered, that went to McKinsey.

When President Biden was here, the Prime Minister's Office did a news dump that day. One of the things they revealed was that the Prime Minister stayed in a \$6,000-a-night hotel suite in London during the Queen's funeral. The second thing they dumped that day was that several of the McKinsey contracts broke Treasury Board guidelines. They didn't follow the rules.

As far as you know, did any of the contracts that were awarded by the Canada Infrastructure Bank break Treasury Board guidelines, as was revealed by the PMO when President Biden was here?

(1255)

Hon. Dominic LeBlanc: I'm informed by my deputy that all of these contracting rules were appropriately followed. The bank, as an independent Crown corporation, sets its own contracting practices.

Again, my understanding is that those rules were followed as would be appropriate, but the CEO, Ehren Cory, would be the best person to review those particular contracting issues as well.

I know that the CIB has provided the Chair with written documentation on these matters to the House of Commons. I think on March 29, at a different committee, a senior partner from McKinsey also appeared.

I will endeavour to ensure that the bank provides all of this information, because I share, Mr. Strahl, your understandable concern with respect to these practices.

Mr. Mark Strahl: Well, with respect, Minister, the CEO is not the person who is responsible to Parliament for the Canada Infrastructure Bank. That is your job, and that's why we believe you should be a part of the hearings on that. We don't hold that CEO accountable; we hold you accountable as the minister responsible for that.

I think it is interesting to note that this committee has unanimously recommended that the Canada Infrastructure Bank, for numerous reasons, including value for money, be disbanded. I hear Liberal MPs today, who perhaps weren't a part of that study...and perhaps that's why those members are no longer on this committee. I would certainly suggest, however, that to put it as a Conservative recommendation that the Bank be abolished is incorrect. It was this committee, unanimously, including Liberal members, that recommended that for the reasons you've heard today—value for money and bonuses to staff for producing press releases instead of projects.

We hope you will come back, that you will reconsider this and be here to talk about the role that McKinsey had in the Infrastructure Bank and the political decisions that were made to make that happen.

Hon. Dominic LeBlanc: Well, Mr. Chair, obviously-

The Chair: Unfortunately, Minister, there's actually no time left for a response.

Hon. Dominic LeBlanc: I had such a good answer.

The Chair: I'm sure you did, Minister.

Hon. Dominic LeBlanc: Maybe Mr. Strahl shouldn't talk about information dumps if he ran the clock on the question and then didn't allow me to answer. That would be very inconsistent with his concern about the Biden visit.

The Chair: I just want to ensure that I'm going to respect the time of Mr. Rogers, who now has the floor, and will bring us home.

Mr. Rogers, the floor is yours.

Mr. Churence Rogers: Thank you, Chair.

Welcome, Minister.

Now, as my memory is failing me, I don't recall that being unanimous, Mr. Strahl.

Minister, my riding of Bonavista—Burin—Trinity has 256 communities, some of them very small, down and along the coastline, and many peninsulas and so on. Since 2015 we've been fortunate to have had 221 project approvals through Infrastructure Canada, as it's really helpful for these rural communities like mine to have access to infrastructure programming. Otherwise, things wouldn't get done.

Minister, can you, tell us more about how the federal government is helping small and rural communities access funding across the country?

Hon. Dominic LeBlanc: Thank you, Mr. Chair.

Thank you, Mr. Rogers.

You correctly identified a concern that I share, and I've shared this with the deputy and our senior officials as well. The infrastructure department, understandably, is often preoccupied with multibillion dollar mega projects in the transit sector and greening electricity grids. These are very important for the economy of the country, for people who live in large urban centres and for a bunch of reasons in terms of fighting climate change, but we also need to be conscious that a small investment.... There's a water project, for example, in your riding. Two projects have been approved that haven't yet started construction—a water treatment plant and a water storage tank. The work will begin this spring and in the fall of 2023. The watermain projects were started in May of 2022.

A number of these smaller community projects.... I asked for examples of the kinds of projects in small rural communities you would represent in Newfoundland and Labrador, Mr. Rogers. Some of these investments can be as small as \$365,000 from the Government of Canada, but combined with the money that the municipality and the province of Newfoundland and Labrador put in, they allow these small communities to do projects they would otherwise not be able to do.

Your riding is not dissimilar to mine in this respect. There's a small town in Kent County, New Brunswick called Rexton, in the northern part of my riding. If they had to upgrade their water system to maintain its health and safety, if they had to put that on ratepayers in their municipalities or the tax base of their small rural village, it would simply not support these investments, which people understandably expect governments to work on collaboratively.

Your province has been a great partner for us, Mr. Rogers, in the last number of months. When I was here last, the Province of Newfoundland and Labrador had one of the largest balances of unallocated money, including for projects in smaller communities like the ones you represent. Premier Furey and his government have been extremely effective in working with us.

The good news is that we got that amount of unallocated funding down to zero, which means that many of those very projects that you're concerned about and have talked to me about for communities in your constituency are going to be funded.

I'm hoping that you'll have a very busy spring and summer announcing a lot of this good news in your riding, Mr. Chair, and we

would welcome, obviously, you, yourself, announcing projects too, Mr. Chair. I don't want to pretend that it was only Mr. Rogers who could have this opportunity.

● (1300)

The Chair: Well, thank you very much, Mr. Rogers.

On behalf of all committee members, once again, Minister, I want to say thank you for appearing before us today and for answering all of our questions.

With that, this meeting is adjourned.

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