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## **Standing Committee on Transport, Infrastructure and Communities**

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**EVIDENCE**

**Tuesday, March 8, 2011**

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**Chair**

**Mr. Merv Tweed**



## Standing Committee on Transport, Infrastructure and Communities

Tuesday, March 8, 2011

• (1530)

[English]

**The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)):** Good afternoon, everyone. Welcome to the Standing Committee on Transport, Infrastructure and Communities, meeting number 54.

Pursuant to Standing Order 81(5), we are considering supplementary estimates (C) 2010-11. We will be voting, if the committee so desires, on 40c and 55c, under Transport, referred to the committee on Tuesday, February 8, 2011.

Joining us for the first hour are the Honourable Chuck Strahl, Minister of Transport, Infrastructure and Communities, and the Honourable Rob Merrifield, Minister of State for Transport.

Welcome. I know that you have other people with you. I'll let you do the introductions.

As you've attended many times, I'm sure you know the process.

Please proceed.

**Hon. Chuck Strahl (Minister of Transport, Infrastructure and Communities):** Thank you, Mr. Chairman. Thank you for the invitation to meet with you and the committee.

I'm pleased to be here with my colleague, Minister Rob Merrifield, to provide you with an update on the transport, infrastructure, and communities portfolio.

I'd also like to extend my thanks for the hard work you've done recently on Bill C-33, the Safer Railways Act; Bill C-42, the Strengthening Aviation Security Act; and Bill C-511, the Proactive Enforcement and Defect Accountability Legislation (PEDAL) Act.

With us today are Yaprak Baltacioglu, Deputy Minister of Transport, Infrastructure and Communities; John Forster, associate deputy minister of infrastructure; and André Morency, assistant deputy minister of corporate management and crown corporations governance at Transport Canada.

Committee members, at our previous appearance, in December, we provided you with an update on the portfolio. I spoke about the funds under my portfolio and how our infrastructure investments are benefiting communities across Canada, as well as our successful and productive partnerships with provinces, territories, and municipalities. I also spoke about aviation security and our borders and gateways.

Minister Merrifield spoke about Marine Atlantic Incorporated.

Today I'd like to update you on our accomplishments to date under the transport and infrastructure portfolio, as well as speak to you about what the future may bring.

In my December appearance, I spoke to you about the four funds that Infrastructure Canada manages under the economic action plan: the \$4 billion infrastructure stimulus fund; the \$1 billion green infrastructure fund; the \$500 million top-up to the communities component of the Building Canada fund; and the \$25 million for the National Trails Coalition.

As part of the economic action plan, the Government of Canada accelerated and streamlined existing funds under the \$33 billion Building Canada plan announced in Budget 2007. We did this so that our partners could benefit from these funds earlier than originally scheduled.

Across all of its programs since January 2009, Infrastructure Canada has now committed over \$10.75 billion toward more than 6,300 infrastructure projects as part of Canada's economic action plan. When combined with the contributions of our funding partners, this means that approximately \$31 billion is being committed to infrastructure projects across the country.

Shortly before my last appearance before this committee, the Prime Minister announced an extension to four of the funds under the economic action plan and extending the deadline to October 31, 2011. This extension includes two of Infrastructure Canada's funds—the infrastructure stimulus fund and the top-up to the Building Canada fund's communities component.

We've also been encouraged to see that most projects are still on target to be completed by March 31 of this year. A recent example of a project that will be fully completed by the end of this month are the new sails at Canada Place, which the Prime Minister visited on February 21. It's great to see that project, one of many that will be completed on time and on budget.

Across the country work is progressing extremely well. I know that some proponents who would have completed their projects by the deadline are taking advantage of the extra time for construction, which in some cases is resulting in savings on project costs. This sustained stimulus to the economy is allowing Canada to maintain its strength as we emerge from the recession, while respecting the fragility of the global recovery and without increasing costs for the taxpayers. It's a good win-win-win.

As we move forward in our exit strategy for the economic action plan, it's important to note that infrastructure funding will continue to flow to municipalities across the country. Infrastructure Canada is continuing to play a significant role in delivering long-term funding under the \$33 billion Building Canada plan, including the gas tax fund. The gas tax fund was doubled to \$2 billion per year in 2009, and the government has announced this funding is permanent so that communities can continue to rely on stable, reliable funding for their important infrastructure projects.

I will turn to transport. We continue our efforts to provide a safe and secure, efficient, and environmentally responsible transportation system. We're proud of this system because it's among the best in the world, and with the input of Canadians, all orders of government, and private stakeholders, we're making it even better.

• (1535)

[Translation]

I am a firm believer that progress can only be made through partnership.

[English]

I guess all of us in government realize that these world-class transportation systems aren't built from the top down. They really require those partnerships to be serious. It requires that we listen to those partners, and it really requires all of us, whether we're in the private or public sector, to work together. It's why I've been travelling across the country, speaking with everyday Canadians and with industry groups, getting a sense of their transportation vision. These groups include, amongst many others, the Chamber of Marine Commerce, the Railway Association of Canada, and WESTAC—I had a meeting a week or so ago in B.C.—to name just a few. We've heard great ideas and will continue to dialogue with them as we move forward through the new year.

Today is also about moving forward. I know in the supplementary estimates we're seeking \$23.9 million to take action on initiatives that were not fully developed or known when the main estimates were prepared, initiatives such as \$14 million in annual funding to support the regional and remote passenger rail services class contribution program. That program ensures safe and reliable access to passenger rail service and ensures that it's provided to certain regional and remote areas of the country by contributing to operating and capital requirements for these important rail services.

The estimates also include \$7.4 million for operating requirements related to the ferry services contribution program. This program supports regional and remote ferry services in Atlantic Canada and eastern Quebec. These services not only provide safe transportation to communities, but they support eastern Canada's regional economy and the transportation network.

[Translation]

This program supports regional and remote ferry services in Atlantic Canada and eastern Quebec. These services not only provide safe transportation to communities, they support eastern Canada's regional economy and the transportation network.

[English]

Existing agreements for these various services are set to expire on March 31, but on November 30, 2010, the Government of Canada announced an investment of up to \$44.7 million to support ferry operations and to maintain the ferry assets.

In previous appearances before this committee, I have discussed the importance of the government's gateways and corridors strategy, which positions Canada as an integrated, efficient, and reliable transportation route. I know there's interest in the committee about the gateways. We continue to make progress on the 47 infrastructure projects that are part of the Asia-Pacific gateway and corridor initiative. We're moving forward with great interest and quite a bit of pride in how that has been rolled out. The next phase of the gateway will focus more on issues such as modernizing policy, regulatory issues, and legislative frameworks. This will improve efficiency and reliability through that partnership, which has been enhanced through this whole initiative, while boosting innovation.

I'm convinced it will also lever the benefits that both the private and public sectors gain from the Asia-Pacific initiative, and that's becoming more clear as we move through the process into phase two.

The line item noting the reprofiling of \$17.1 million in funding for the Asia-Pacific gateway will help this process continue, and lessons that were learned on the Asia-Pacific gateway, which was first out of the gate, if I can use that phrase, will be applied to the Atlantic gateway and the Ontario-Quebec continental gateway.

You'll notice also, and this I think I should highlight, that within the estimates we're seeking to access \$1 million from previously frozen allotments due to the reprofiling of funds for the acquisition of real property for the Detroit River international crossing, which is a key part of the continental gateway. We remain committed to the building of that new crossing. We continue to work closely with the State of Michigan and the United States government to make it a reality. We are monitoring the Michigan legislative process and continue to urge the Michigan legislature to authorize this project, which will benefit workers and industry on both sides of the border.

Now I will turn the microphone over to Minister Merrifield to speak on a specific line item.

• (1540)

[Translation]

Thank you.

[English]

**Hon. Rob Merrifield (Minister of State (Transport)):** Thank you, Minister Strahl, and my thanks to the committee for the opportunity to speak on some of these estimates. I want to encourage the committee to continue with Bill C-33. I follow your work closely and encourage you to have that clear very soon so that we can get it into law as quickly as possible, and I know that's the intent of the committee. So I encourage you to do that.

I want to talk a little bit about Marine Atlantic. Marine Atlantic is a line issue that is \$4.4 million to the corporation. These funds are covered because of the changes in the specific vessel and the shore-based capital projects included in the 2010-11 budget right up to 2014-15. That's in the corporate plan.

MAI ferry service is a tremendously vital link to Newfoundland and Labrador, the Atlantic region, and Canada as a whole, both for the businesses that work there and for the economic growth of the region. Marine Atlantic serves thousands of travellers each year and it carries over 50% of the goods entering Newfoundland and Labrador. The ferry service also supports the tourism industry in that area and will be able to do so in a much better way as we move forward.

The government has invested almost a billion dollars since 2007 in Marine Atlantic, revitalizing not only its vessels but also its onshore facilities. It will be flowed out over the next couple of years. We have had the opportunity to bring into service *MV Blue Puttees*, a brand new vessel, and the first of two. This is a tremendous vessel. I had the opportunity to visit and inspect it, and to talk to the individuals who work on the vessel. They're very proud of it, and rightfully so. It's two football fields in length. It's a massive vessel that will have over 40% more capacity than the *MV Joseph and Clara Smallwood* and the *MV Caribou*, the vessels it is replacing. We also have the *MV Highlanders*, which is expected to be in operation on April 1 as well. I can tell you *MV Blue Puttees* is in operation for the first week this last week and is serving that area very well.

In fact, the most significant change in these supplementary estimates occurred because these vessels actually came in a little bit earlier, and that's why the money had to be advanced. Both are important and needed investments. It's important for Marine Atlantic to have the ability to supply the services to Newfoundland and Labrador. We're working closely with the Newfoundland and Labrador department of tourism, not only because of the increase in demand for capacity for vessels and passengers, but also for tourism in the area. With these new vessels, the opportunity for tourism in that area will greatly increase as we go into the summer.

So with that, we'd love to take any questions you might have on these estimates.

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

Mr. McCallum

**Hon. John McCallum (Markham—Unionville, Lib.):** Thank you, Mr. Chair.

And thank you all for being here.

My first question is to Minister Strahl. This morning we heard from representatives of the Air Canada maintenance workers. There are 4,500 jobs, approximately, and we're very concerned that those jobs might be lost from Canada to a jurisdiction where the labour costs are a fraction of the level.

My understanding is that you've received assurances from Air Canada, but I think the main issue is with Aveos, the company that will have the bulk of those employees. My understanding is that the jobs in Canada are safe until the contract ends in 2013. The concern is what will happen then.

My question is, can you give assurances to those people who are all very concerned that their jobs will be secure post-2013? If necessary, would you entertain a legislative change to ensure that is the case?

**Hon. Chuck Strahl:** Thank you. I think you've accurately described the situation. I know there are some people out there who are worried about job prospects and so on, and I did ask who has been laid off. No one has been laid off. People should be assured of that. My understanding is that no one has been laid off. In fact, Air Canada points out they've actually hired 500 people this year.

All I can talk about is the press release from Aveos. They point out that things are going very well. They've actually hired more people as well. Aveos has obviously been doing a good business, and they are pleased with it as well.

With regard to some of the questions, you may have to get Aveos and Air Canada in. As you know, it's not a government corporation; it's a private publicly traded corporation. They make decisions based on the interests of their shareholders and in compliance with government legislation. That's what you may want to do, because I can't really comment on a private company's plans.

• (1545)

**Hon. John McCallum:** I think Air Canada is a special case because of the legislation. In the legislation, government required that these maintenance jobs be in three locations in Canada. Now, because the owner is Aveos and Air Canada is only a minority owner, the letter of the legislation may not apply anymore. But I think the spirit of the legislation is that Air Canada's maintenance facilities should be in Canada, not South America.

I don't think you really answered my question. In order to guarantee that these jobs remain in Canada, would you entertain some legislative amendment to the act that would ensure that?

As I understand it, some of these workers are planning to stay on with Air Canada rather than going with Aveos, even though they may not have a job. But they will at least have their pensions. Whereas if they go to Aveos, they are concerned their jobs will disappear after two years.

Even though it's two years from now, it's having a real impact on people's lives as we speak. My question is, would you consider a legislative fix to guarantee that Air Canada maintenance jobs don't leave the country in two years' time?

**Hon. Chuck Strahl:** I'm not sure what legislative fix you would have the Government of Canada apply to a private publicly traded corporation. I'm not exactly sure what you have in mind. I'd be interested, if you have a proposal. I don't have a proposal to do any such thing at this time.

I just hope the committee, if it wants to look at this...I understand you had a union representative here this morning. Again, it's a private company doing a private thing, so I'm not sure what role we should play in this. My understanding is that in the restructuring of Air Canada, the unions, as part of that restructuring, voted in favour of the restructured process, including the use of Aveos as a partner in this. The restructuring, as I understand it, was approved by the creditors, including the union, at that time.

I'm not sure what they see in this now that's worrisome, and I'm not quite sure what proposals you would have us entertain for a private company.

**Hon. John McCallum:** I think I heard you say you might entertain our proposals, if we were to come up with something.

**Hon. Chuck Strahl:** I'd be interested to hear what they are.

**Hon. John McCallum:** I have a little bit of time left, but I'd like to share it with my colleague, Sukh Dhaliwal.

**Mr. Sukh Dhaliwal (Newton—North Delta, Lib.):** Thank you.

Thank you, Minister, for coming out.

Minister, you mentioned the Asia-Pacific gateway. It's a really good initiative from the Liberals, which you took over. The next big step and success story is Ridley Terminals and the railroad and the utility corridor. What are your plans to put that in perspective, so they have the support from the government and Prince Rupert gets its share to develop?

**Hon. Rob Merrifield:** That's another great success story that actually I don't think you as the Liberal Party can take any credit for, because I think you wanted to sell the Ridley Terminals. One of the first acts of our government was to stop that sale.

The great thing about Ridley Terminals is that it normally did around 3 million to 4 million tonnes per year; last year, a record year, it did 8.3 million tonnes. This year, coming forward, it will be up to capacity or a little bit beyond; Ridley Terminals is actually becoming a little innovative about how it can increase capacity. The agenda is actually to move to even more capacity, because the demand is so strong on metallurgical and even some thermal coal.

So it is a great news story, and in terms of the infrastructure build that needs to take place—I think that's gets to your question whether it's going to be there—we're working as hard as we can, together with Ridley and the machinery of government, to make certain that it meets the capacity needs of the industry.

• (1550)

**Mr. Sukh Dhaliwal:** But when are you going to make the announcement to give that money so that Ridley Island is developed? That's what it is all about. Ridley Terminals is already

clogged, and we cannot make any further progress in that area unless they get the necessary financing from the government.

**Hon. Rob Merrifield:** You have to understand that in regard to Ridley Terminals, and with what has happened in the coal industry over the last year and a half, it could hardly meet payroll a year and a half ago; it moved from there to record capacity within a year and a half, and beyond record capacity. This year it will go up to full capacity and actually a little beyond that, because of the innovative things that need to be done.

There's a dumper that has to be retrofitted. There's a new dumper that they want to order in order to help out. CN is actually helping on this, to make certain that steel vessels or steel containers, instead of aluminum containers, are fitted better for the dumper that is there, and that it accelerates the kind of flow that needs to take place this year. So everyone is actually working together, right from the shippers, to CN Rail, to Ridley Terminals, to make sure that capacity is there. We're working very hard to make certain that extra capacity, even beyond the maximum capacity, which is 12 million to 13 million tonnes, gets grown into the future over the next five years. We'll be making announcements in due course with regard to that.

**The Chair:** Thank you.

Monsieur Guimond.

[*Translation*]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Thank you, Mr. Chair.

Minister Strahl, in answer to a question that my colleague Mr. McCallum asked you earlier, you said that this involved a private company, and you wondered what could be done. Which private company are you referring to? Is it Air Canada?

[*English*]

**Hon. Chuck Strahl:** I think both companies that were mentioned are private. Both Air Canada and Aveos are private companies. Air Canada, of course, has to be in compliance with the Air Canada Public Participation Act, which they must do, and which they will do. When I meet with them, they give assurances that they will be in compliance with the act, and that's what we would expect. But they are public companies. They were devolved from crown corporations and are public companies, and they have been for quite a number of years.

[Translation]

**Mr. Michel Guimond:** Yes, but, Mr. Minister, the government and the minister of the day put conditions on the privatization, back in 1988. It was the Progressive Conservative government of Brian Mulroney. When Air Canada was privatized, Don Mazankowski was the Minister of Finance and responsible for the legislation. It would have been too easy to say, 15 or 20 years later, that Air Canada had been sold to a Chilean airline and that its headquarters would be in San Diego from now on. The government at that time put provisions in place to protect jobs. You know, Minister, we are talking about 4,500 jobs in Montreal, Mississauga, Winnipeg, Calgary and Vancouver at an average salary of \$60,000, I am sure of it. We are not talking about minimum wage jobs. When that legislation was passed, there was a requirement to keep the headquarters in the Montreal Urban Community, to comply with the Official Languages Act, and to keep the three service and maintenance centres.

I can tell you that the testimony we heard from the Air Canada people was not at all reassuring. Ms. Sénécal, who is the Assistant General Counsel with the Law Branch at Air Canada, told us that things would continue just because she said they would. She was not able to guarantee it until 2098.

Would you be prepared to consider a legislative amendment with some teeth? It would prevent Air Canada from doing indirectly what they cannot do directly. It is funny to see a sovereigntist like myself defending well-paying jobs across Canada. We should pass a legislative amendment to ensure that, even if a unit were sold, the original obligations in the 1988 legislation would remain in effect. Would you be prepared to consider that?

[English]

**Hon. Chuck Strahl:** My understanding, and again these questions are best put I think to Air Canada and to Aveos, is that during the restructuring that occurred in the last decade with Air Canada, it went into bankruptcy protection and came out of that—I think we're all fairly proud of the fact—and now I think it's the 13th largest airline in the world, with 23,000 employees. It's a Canadian success story. As I mentioned earlier, I looked at one of their press releases recently, and they've hired another 500 people. It's a good story. We're happy for Air Canada, and we want it to continue to be a success.

But in the restructuring of Air Canada, what everyone agreed to on the creditors' side, including the unions, who voted in favour of it and participated in the restructuring, was that the maintenance would be spun off to Aveos and done by Aveos, and it has been done by them since. It's been done, as I understand it, very successfully. Both Aveos and Air Canada have hired additional personnel. It's been a successful relationship. And Air Canada says it will continue to comply with the legislation.

People are always concerned about jobs. We're all concerned about jobs, but we also have to understand there's a limit to how much a government can say about a publicly traded private company that competes with companies around the world and in Canada. The idea that we're going to pull one company out of a list and demand an additional new layer of requirements for this company, it seems to me, is going to be very difficult to sell in the public square.

● (1555)

[Translation]

**Mr. Michel Guimond:** So I am asking you why your party's predecessor, the Progressive Conservative Party, included provisions like that in the act. It became a private company; it might just have been left to the free market.

Imagine that we are in 2013 today and that Aveos decides to move the jobs to El Salvador. Would you feel that Air Canada is still complying with the provisions of its own act of incorporation?

[English]

**Hon. Chuck Strahl:** I think the question is a good one. Why did the government of the day put these things in place? The reason the government of the day put these things in place—this is 23 or 24 years ago—was because it was transferring it from a crown corporation, with all of the benefits that came with that, to the private sector. At the time, they said it was going to be privatized. With that came a whole raft of government investment. It was long ago, but at the time, it made sense that you'd say that when you transfer to the private sector, here are some things you have to do, because the Government of Canada had a huge investment in the company at that time.

This is a quarter of a century later. I would ask you to consider whether it is in the best interest of the air industry to select one company out of a list of many and say that what we're going to do with one company, but not with the rest, is have a legislative restriction, and all that goes with it, on the activities of what's now a completely private company. I just urge you to think about the impact of that. I don't think it's wise.

Right now we have two companies, both healthy, both adding employers and employees, and both talking about the bright future together. If you start to say that you're going to run that company right from this committee table, I think you're going to have more difficulties rather than fewer.

[Translation]

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

Mr. Bevington.

[English]

**Mr. Dennis Bevington (Western Arctic, NDP):** Thank you, Mr. Minister, for joining us here with your staff. I'm glad to have you here.

On this particular issue—and I don't want to belabour it too much here today because there are other things to go on to—quite clearly, if unions agreed to changes in management, it was with the understanding that their jobs would remain here in Canada. They would remain as part of the agreed-upon act of Parliament that made this happen. I don't see it being a particularly important point that the unions went along with the merger, because they were under the understanding that these laws would remain in place and that these operational centres would remain.

Basically what they're looking for is that the Canada Industrial Relations Board's decision concerning the transition of Air Canada employees to a subcontractor be set aside until the government takes a position on this act. Do you support the act? With that, this relationship will remain. Two years is not a long contract when you're talking about highly skilled professional workers who are in the field right now in the numbers they are. Where is the assurance these people can have, moving forward, on their benefits and their relationships?

This is something that has great importance in the Canadian economy as well.

•(1600)

**Hon. Chuck Strahl:** Absolutely it does. That's why everyone wants to have a healthy airline industry and a healthy maintenance industry as well. I think both are in good shape, and we should ensure that they stay that way.

When it comes to a collective bargaining agreement between a private sector company and a union, which is two years away, and there's a perfectly good and well-managed and working arrangement between a union and a company, I think we should let them run their business.

What I find a little unusual is that committee members would suggest, when there's a perfectly good agreement between a company and the labour union and it's going very well, that we should intervene and do something to screw that up. I just think that's unwise.

What we should be doing is asking what we can do to make sure the airline industry remains profitable and continues to grow in Canada. You do that by reducing taxes, by reducing red tape, and by lowering tariffs on manufactured imports, as we're doing, to help Air Canada remain competitive worldwide. The unions, of course, will benefit, because a profitable and sustainable industry means that the workers, in turn, get profitable and sustainable jobs.

**Mr. Dennis Bevington:** Well, I'd say that one thing industry and unions want is consistency from the government. If this is the law, then the spirit and intent of the law are going to be upheld.

You mentioned the need to improve the economics of our airline industries. I see that in the main estimates you have a \$334 million increase for aviation security. How much of that is going to be taken up with the new charges that are going in place?

**Hon. Rob Merrifield:** No, they're actually not new charges. But your question is what is the difference, and it's a legitimate question: what's the difference between the A-base funding of last year and the A-base funding this year? If you add last year's A-base and supplemental estimates dollars together and compare them with those of this year, you'll actually find that there is \$20 million less money in airport security this year. Most of that money is actually for the millimetre wave scanners we bought last year. So really, they're virtually the same. It's just that they didn't show in the main estimates as A-base and supplemental together.

**Mr. Dennis Bevington:** What's your plan to reduce the cost of aviation security? Whether it's from two years ago or from this year, what's your plan to reduce these costs so that we're competitive with many of the other countries in the world?

**Hon. Rob Merrifield:** When it comes to security, we're not going to compromise safety. That is for sure.

**Mr. Dennis Bevington:** If it's security, then wouldn't it be in the hands of the government rather than in the hands of the passenger? If it's simply a question of security, then should that not be part of the expense of all of us rather than the expense of the travelling public?

**Hon. Rob Merrifield:** Your question was how are we going to make it sustainable, how are we going to make sure we get the best bang for the dollar. Whether it's the travelling public or the general public paying for it, we want to make sure those dollars will be spent in an efficient way and not compromise safety in the process. So we're going to target real risk issues, and we're going to be much smarter about how we do that.

Actually, Minister Strahl and I made an announcement just recently with regard to how we're going to do that, rolling that out over this next year. We're going to increase productivity on security lines by 30%, which is no small task, by doing a number of things in a much better way than we have in the past.

We went through a review, which was actually announced in the 2010 budget, over this last year. It was a very thorough review. We had all of the interest groups in, we took their advice, and we revamped how we're doing security, in a much better way. So I think that's going to lead us to a place where we're going to be competitive internationally and nationally, and there's going to be less hassle at the airport. I know you go through the airport a lot, and so do most people in this room. They can look forward to appreciating that kind of increase in productivity.

•(1605)

**Mr. Dennis Bevington:** On the green infrastructure fund, you see a \$70 million reduction. What's the process there? Has there been consultation with the provinces and territories, your partners, in this to see that reduction?

**Hon. Chuck Strahl:** Maybe John Forster could answer.

**Mr. John Forster (Associate Deputy Minister, Infrastructure of Canada, Department of Transport):** The item in the supplementary estimates (C) in terms of the reduction in the green infrastructure fund is just a re-profiling from this fiscal year to future fiscal years, to match the rate of construction and the rate at which the provinces are building the projects.

**Mr. Dennis Bevington:** So this is money that wasn't taken up this year.

**Mr. John Forster:** Right. Exactly.

**Mr. Dennis Bevington:** Why is that? Why in this day and age should we not be getting the green infrastructure fund?

**Hon. Chuck Strahl:** John can answer the technical....



The green infrastructure fund, unlike the stimulus funding, doesn't end on March 31. This is a multi-year plan—so the fund is there, spent over many years. The money hasn't all been allocated out of that fund, nor has it all been used. So it doesn't wind up on March 31 of this year. It will spread out. There'll be more announcements and more projects allocated as time goes forward.

**The Chair:** I'll have to stop it there.

Before I recognize Mr. Watson, at the beginning of this meeting I was asked and I allowed a community television group to come in and take some pictures and some video. I've since been advised that the rules of the House state that when the gavel comes down, they are to quit filming. But they continued for a few minutes longer, so I want to apologize to our committee members and to the parliamentary press gallery for any problems I may have created with that mistake.

Mr. Watson.

**Mr. Jeff Watson (Essex, CPC):** I'll just have to dock your pay, Mr. Chair. No, I'm kidding. You're doing a fine job.

Ministers, thank you for appearing—officials as well.

Minister Strahl, you made some mention, of course, of work on the Ontario-Quebec gateway initiative. I can think of no singular infrastructure project more critical in that gateway than the Detroit River international crossing project. For the benefit of the committee, and as well for Canadians who are looking in, can you explain some of the measures being undertaken to maintain the government's momentum behind that project, any update with respect to our engagement with our American partners?

**Hon. Chuck Strahl:** Thank you.

Of course, the Detroit River international crossing, or the DRIC—and we have to find a better name for that, so we can start to talk about it with some excitement, and I have some suggestions—has seen some good progress in the last few months. We've had an election down in the States. The new governor of Michigan has thrown his weight behind it as one of his priorities. It was in his equivalent of the Speech from the Throne, the State of the State Address, as they started their new session down there with the new governor and many new members of the Congress.

So that's a great story, because not only does it have the support of the governor, but it has made it in as a priority for the government at large itself. That's a good news story. We haven't had that before.

You came with me to meet with the governor and his team during the transition period. I think we had some effect in convincing him that this was a great story on both sides of the border. Since then, I've met with American officials, the American ambassador, Secretary LaHood, Secretary Napolitano, and others to talk about the importance of DRIC, in my opinion, not only for commerce but even for security reasons. It's going to be a great addition to the border given the number of both passengers and trucks that use it. This is a very unique project in that I think every political party at every level is supportive of it on the Canadian side, at both the provincial and I hope federal levels.

When I was in Montreal talking about the continental gateway, they reminded me that the majority of their truck traffic that goes to

the United States uses that crossing, so another crossing is going to be a great news story for the whole continental gateway initiative.

Since that time, we've been working closely with the legislators in Michigan to answer any questions they might have. We have information packets that we've given to legislators, committee chairmen, and others. I've spoken to the chair of the transportation committee, the Speaker of the House, and to anybody who will take my phone calls down there.

The response has been very encouraging. Now what's particularly encouraging is what I see as very broad and widespread support from unions, farm groups, and others down stateside who have caught the idea that this is not going to benefit just Detroit but the whole state. We're talking about tens of thousands of jobs during the construction period and the long-term prospects of a continuing and growing trade that's going to be able to count on using both the Ambassador Bridge and the new DRIC crossing.

● (1610)

**Mr. Jeff Watson:** In fact, Governor Snyder would characterize it as more than a priority. I think the State of the State Address put this piece of infrastructure at the centre of an entire economic strategy. So that is a major step forward.

In terms of suggestions about renaming it, there are a number of thoughts from our community. One, which I might support, is some consideration around whether this new bridge reflects some sort of honour with respect to veterans who have served in both countries. We'll submit that for consideration on behalf of something that seems to be growing in the region.

As we are progressing through the stimulus period, obviously the economic action plan and the infrastructure investments have been significant. They've had enormous impact either in improving quality of life in communities or in repositioning local and regional economies for economic recovery. I know, for example, that investments in the Windsor port facility have not only positioned that facility to be competitive as a Great Lakes port but have prepared us well for the increasing demands from aggregate and other things like that, to support not only current infrastructure but the DRIC as it moves to the construction phase at some point in the future. Having said that, I know there have been additional port investments. I understand the Port of Sept-Iles has had some important benefits. Can you describe the economic impact of the ISF investment, for example, in the Port of Sept-Iles?

**Hon. Chuck Strahl:** Thank you.

I think you're right; the announcement we made in Windsor, which I was able to attend, was very well received. It's interesting how sometimes what people think is a niche or a smaller port becomes an essential part of an overall strategy. That was evident in Windsor. The ability to continue in that aggregate business, with all of the things that relate to that—paving, concrete, and all the things that come from it—is no small thing. I know they were very excited to think they had now moved to that next level with that investment.

It's the same sort of thing at Sept-Îles. I wasn't there for the announcement. The Prime Minister was there. I think the port officials said at the time that not only were they very grateful for the investment; they pointed out that it was the leverage they got from the private sector that got them excited. It's a smaller investment from the.... I mean, it's not insignificant, but investment from the federal government is one thing; it also sends a message to the private sector that we're in for the long haul.

So they were able to announce, within short order, the size of.... I forget the exact number—I don't want to give the wrong number here—but considerable private sector investment followed right on the heels of that.

As port officials said at the time, they don't remember—ever, probably—a prime minister coming to their port. The fact that he was there and made the announcement sends a message that I think we want to send in all of our ports. The investment is a sign that.... You know, we are a trading nation and we're heavily dependent on transportation, and these investments in the long run are going to pay off.

The private sector picks up on that right away: if you're in for a penny, then we're in for a pound. And that's nice to see.

That's what's happened in all the gateway initiatives. We make the initial investment. We say we'll be there as a partner. Then the private sector says, well, if you're there, and we know that we have the ear of all levels of government, then we're in for the long haul.

That's been very encouraging.

•(1615)

**The Chair:** Thank you.

Mr. Byrne.

**Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.):** Thanks, Mr. Chair.

Thank you to the ministers and the officials.

In order for the main estimates documents to be of value to Parliament and parliamentarians, they need to say what they mean and mean what they say. There's the inclusion here of a particular line, under vote 40c, that I've never seen before, in any main estimates documents, pertaining to Marine Atlantic.

It says the following:

(b) payments made by the Company of the costs incurred for the provision of early retirement benefits, severance and other benefits where such costs result from employee cutbacks or the discontinuance or reduction of a service....

Again, main estimates documents must say what they mean and mean what they say. That says, to me, that there are going to be layoffs and that there are going to be terminations at Marine Atlantic.

Now, notwithstanding the fact that, I could agree, there might be some new hires, 32 engineers and electricians have filed notice that they've been identified by the company, Marine Atlantic, for reduction, elimination.

Are there going to be any layoffs at Marine Atlantic? I want to put this question very precisely. Are there going to be job or labour force reductions for any of the staffing personnel at Marine Atlantic?

I'm not talking about new hires of stewards and so on.

**Hon. Rob Merrifield:** Let me try to give you as accurate an answer as I possibly can, because you particularly have followed Marine Atlantic from a bit of a distance.

You were in charge of it at one time, left it on life support. We picked you up by the boots and fixed Marine Atlantic from the ground up.

**Hon. Gerry Byrne:** Minister, could you answer the question for me?

**Hon. Rob Merrifield:** I'm going to answer some of the questions, because you're wrong on everything you've speculated about Marine Atlantic in the last year. You're wrong on the vessels we brought in. You're wrong on the naming of those vessels. You're wrong on last summer's service. You're probably going to be wrong on this one too, so let me help you out on what is happening.

We're bringing two new vessels in. Those new vessels are going to need fewer staff.

When it comes to the engineers who run and operate these ferries going across the bay, there will be no job loss.

In fact, what is happening right now is that the engineers they have...they're at a shortage. There is a tremendous amount of overtime, actually; we're overworking these individuals with the previous two vessels.

So there will be less of them needed, but none of them will lose their jobs. There will be no job loss.

I hope that's as accurate and as clear as I can make it so that there will be no speculation on your part or anyone's part around the table.

**Hon. Gerry Byrne:** Okay. So there will be no labour force adjustment whatsoever at Marine Atlantic. I appreciate that.

**Hon. Rob Merrifield:** There will be no engineer loss.

**Hon. Gerry Byrne:** Well, let's talk about what happened at Marine Atlantic, then. Is it true that Fleetway and Ocean Engineering Consultants were hired to figure out a strategic model for the fleet configuration?

You talk about life support. I want to ask you a question. Why was the Transport Canada and Marine Atlantic decision to actually build four new vessels in Canada overturned? I'm going to refer to specifics.

On May 24, 2006, the president's report to the meeting of the board of directors of Marine Atlantic reads, and I'm quoting:

Representatives of the Canadian Shipyards were in North Sydney on March 14th to attend briefings with John Lochhead and Alan Leonarduzzi. These representatives of approximately five shipyards in Canada have expressed interest in bidding on our new fleet.

On April 17, 2006, in the minutes of the meeting of the board of directors of Marine Atlantic, Mr. Flood, who was then president, suggested that the board make a recommendation to Transport Canada that Marine Atlantic require four vessels and that these four vessels be identical, 175 metres in length, not two football fields. There was a resolution that reads:

BE IT RESOLVED THAT the Board of Directors recommends to the Department of Transport that Marine Atlantic Inc.'s fleet replacement consist of four new vessels [made in Canada].

MOTION: Moved by Don Warr and seconded by Robert Sampson. Motion carried.

On August 3, 2006, sir, this is from the minutes of the board of directors again. It reads:

There was then a general discussion about Transport Canada's expressed wish that the refits and the new construction be completed within Canada, probably at significantly greater cost to the Corporation than if performed in Europe. Four shipyards within Canada had been identified as possible sites for this work to be undertaken. It was agreed that this was a public policy decision that the stakeholder was entitled to make and that the Board [of Directors] would be guided by instructions....

These vessels are not the first choice of Marine Atlantic or Transport Canada. They're the second choice, Mr. Minister. How do you explain that?

• (1620)

**Hon. Rob Merrifield:** Let me help you out with that, because you left Marine Atlantic on life support—

**Hon. Gerry Byrne:** I quoted the minutes of the board of directors to help me out with that—

**The Chair:** Order, order.

Thank you.

**Hon. Rob Merrifield:** It's unfortunate, because of what happened there, the time to build a new vessel.... Can you imagine what would have happened? Do you realize that when we first got Marine Atlantic their on-time performance was about 10%. That's how ridiculous it was.

We brought in the *Atlantic Vision*, which, thank goodness, we were able to do within two years after we took office. If we hadn't had that, Marine Atlantic would not have been able to supply the service at all for the people of Atlantic Canada.

And then we're bringing in two new vessels this year, which actually revitalized their entire fleet, as well as the *Leif Ericson*, which is actually an \$18 million retrofit this year.

So if you had gone with the Liberal decision—

**Hon. Gerry Byrne:** Our original decision—

**Hon. Rob Merrifield:** —it would have been a disaster, and worse than what it already was. And thank goodness for the people of Atlantic Canada, we didn't follow that.

**The Chair:** All right. Thank you.

**Hon. Rob Merrifield:** We followed something that dealt with the problems there immediately.

**The Chair:** I have to advise members to please address your comments through the chair. I would ask that you please respect the chair when he asks for order.

Monsieur Gaudet.

[Translation]

**Mr. Roger Gaudet (Montcalm, BQ):** Thank you, Mr. Chair.

Minister, do you believe that Air Canada is one of the safest airlines in the world?

[English]

**Hon. Chuck Strahl:** It has a very good record and it is one of the best companies in the world when it comes to safety. I think they have a very proud record. And of course we work closely with them, as we do with all airlines in Canada, to make sure they maintain that.

[Translation]

**Mr. Roger Gaudet:** Earlier, you said there was a wonderful shared future for Aveos and Air Canada. If both are privatized, on what basis will the country demand that the new Air Canada/Aveos consortium—or Aveos/Air Canada, it makes no difference—comply with the Official Languages Act and keep the jobs we have in Montreal, Mississauga and Winnipeg? What power would the government hold in that situation?

[English]

**Hon. Chuck Strahl:** Do you mean when it comes to respecting the official languages policy? On what part of it are you...?

[Translation]

**Mr. Roger Gaudet:** I am talking about all of the repercussions of a merger of the two companies. I repeat what you said earlier. You said that Aveos and Air Canada have a rosy future together, that the two companies go together well.

I am thinking of what will happen two years down the road, in 2013, when the contract ends. What will happen to the 4,500 employees, the Air Canada machinists? What will happen to the indirect jobs? You have to remember that, in Canada, if you add the indirect jobs to the 4,500 people who work for Air Canada, that adds up to 50,000 or 60,000 people. If the company moves to another country, what will happen to our jobs?

You have been telling me for some time now that they have been privatized. I want you to explain to me what power we have in this context. If memory serves, we invested a great deal of money in Air Canada, when the company resorted to bankruptcy protection. I would like to know what we will get back from all that.

[English]

**Hon. Chuck Strahl:** It has not been a government entity for decades. Air Canada, although “Air Canada” is a crown-corporation-sounding name, is not a crown corporation. It's a private company, publicly traded, that has to adhere to all the rules just like anybody else does in Canada, any other airline in Canada, with the additional requirements that come under the Air Canada Public Participation Act. They know that. They respect that. When I speak to them about it, they have every intention of respecting the act. They want to adhere to it and understand the historical reasons behind it.

But you know, I have every faith. I don't buy into this story that Canadian workers can't compete. I've heard this in many industries, and I just don't think it's true. Time and again the Canadian workers have shown, whether they're unionized or not unionized, that they can go toe to toe with anybody.

Just down the road from my riding at Abbotsford Airport, for example, Conair has put in a maintenance facility. That maintenance facility services 737s from around the world—around the world. They come in there. They do everything from complete rebuilds to whatever work might be necessary. That shop is busy. It's so busy that the local university has put on a full stream to help train technicians to work at that shop. They say the only thing that's holding them back is...they build more and new facilities. The workers compete. They are getting great jobs. As you mentioned, they are great, well-paying jobs, and they woo business. They attract business from around the world to come to Canada to get their 737s...they're very good at 737s, and that's what they do.

I don't buy this argument that we should all run around like Chicken Little saying the sky is falling. We have a proven contractor in Aveos. You might want to bring them in; I don't know. I can't really speak to them and their business plan. It's a private company. But they've been very successful in Canada. They talked in their most recent web posting and press release about the fact that they've actually hired more people. They're not offloading; they're hiring more.

I think the future is very bright. I would be very surprised if Aveos says it's a doomsday scenario.

• (1625)

[Translation]

**Mr. Roger Gaudet:** Mr. Minister...

[English]

**The Chair:** I have to stop it there. I'm sorry. We're over the time.

[Translation]

**Mr. Roger Gaudet:** Mr. Minister, I do not want you to...

[English]

**The Chair:** Mr. Trost.

[Translation]

**Mr. Roger Gaudet:** ...speak for Canadians.

[English]

**The Chair:** I'm sorry.

Mr. Trost, five minutes, please.

**Mr. Brad Trost (Saskatoon—Humboldt, CPC):** Thank you, Mr. Chair.

Just a quick follow-up to Minister Merrifield. Did I understand that exchange between you and Mr. Byrne? What you were saying is if we'd gone with the boats that he'd been suggesting we want to go with, we still really wouldn't have any service. We'd probably be waiting for those boats, and service would continue to have been inadequate. Did I summarize what you were saying fairly well?

**Hon. Rob Merrifield:** Marine Atlantic was a disaster when we got it, when we formed government. It would have been a worse disaster today under that plan.

We dealt with the plan. We put almost \$1 billion not only into new vessels but also into onshore facilities in the time period that we've been a government.

The people of Atlantic Canada deserve better than what they were getting, and we delivered it.

**Mr. Brad Trost:** So that has caused service to improve, and it helps the general economy because it's a core infrastructure sort of issue and helps to facilitate trade and movement of personnel for the region.

**Hon. Rob Merrifield:** I went out and talked to the users of Marine Atlantic. They identified two fundamental problems: lack of on-time service because of older vessels that are at the end of their lifetimes, and as well, no extra capacity to be able to catch up when one of these vessels went down.

We've addressed both of those, with over 50% more capacity this summer for the first time. Last summer they did the best they could, and actually truck traffic was up 7%, and it was a record last year as far as moving vessels or moving vehicles. But this year they'll have the two new vessels and a tremendous amount more capacity.

**Mr. Brad Trost:** Could you explain that for me when you were saying before that it was only 10% on time? What is it now, and what does that mean to someone who...?

Mr. Minister, I'm from Saskatchewan, so take this one slow.

**Hon. Rob Merrifield:** That means when you say you're going to be there...there were only 10% that showed up. It got a little bit better as we've improved service. We brought on the *Atlantic Vision* and it went up to 42%. This last summer it was closer to 60% plus. This summer coming up will be the first time we've actually had two new vessels, plus the *Atlantic Vision*, so we'll actually have the extra capacity. And not only the extra capacity, but these are state-of-the-art vessels. They're beautiful vessels. When I talked to the staff of these vessels here a couple of weeks ago, when we brought in the *Blue Puttees*, they said they're walking two inches taller they're so excited about and so proud of this new vessel. It is really something to go see in action.

I encourage all Canadians to take a trip on Marine Atlantic this summer. It'll be a trip where instead of "Oh, it's another hour to get off", they'll say "Oh darn, I have to get off in an hour", and that'll be the difference in the experience of crossing the gulf.

**Mr. Brad Trost:** It's a beautiful part of the country, and I hope to take you up on that invitation sometime.

On the Mirabel Airport reserve land, my understanding is that the sales program is going ahead. My understanding is also that it's been accelerated. Again, not from my constituency, but I remember when we dealt with this in a supply day when we were in opposition and nothing had been done for a long time.

Could Minister Strahl elaborate on where that's going and how that's proceeding?

[Translation]

**Hon. Chuck Strahl:** Certainly.

It is true that that was our party's position while we were in opposition. Now, I think that it is good news. Former Minister Baird had promised...

• (1630)

[English]

I'm going to have to switch to English, I'm sorry.

Regular updates would be provided to members from the area so we could assure the farmers and members of Parliament that acreage would continue to be transferred.

My understanding is that to date some 39 out of the 97 proposals that were submitted by September 2011 have been approved. Some of the lands continue to need—before you can dispose of lands, sometimes it needs to go through an environmental assessment and so on, but we've added additional staff and additional resources to make sure it goes through as quickly as possible.

I think the farmers in the area are very happy, and I think we've been able to keep—if it's otherwise, I would like to hear about it, but I think the regular updates as promised have been given to members of Parliament.

**Mr. Brad Trost:** Mr. Chair, I've kept track of my time and I have seven seconds left. It's all yours.

**The Chair:** Thank you. Before I thank our officials and invite other government officials, I have one question.

I've certainly seen the benefits of the gateways we've been developing around Canada. We do have a gateway in northern Manitoba, the Port of Churchill, which over the last few years has seen growth. It's been a challenge, but do you as a minister have an opinion or something that you might want to suggest or offer to the people of northern Manitoba as far as an opportunity as a gateway?

**Hon. Chuck Strahl:** I do think the investments we've made have borne fruit. The investment we made in partnership with the provincial government and the private railroad that heads up there has considerably improved the on-time performance of that railway. I think it's doubled the speed on that chunk of rail line, so that money was well invested. It's a multi-year program to replace ties and to do some work there. That work will never end, because that's a tough piece of territory, with the muskeg and so on.

As well, when I was up there with the Prime Minister we announced funding last year from Transport Canada to resurface the runway. That initiative was not an ISF project but a long-term Transport Canada investment in resurfacing the runway, and, of course, again, in that harsh climate it's also necessary. There have been investments in the port as well.

I think Churchill is a long way out there, but what we've been able to do on rail, the airlines, and the port services—all of them have had investments and all of it has helped.

Also, even in the way we've beefed up the board of directors and so on, on the port up there...I think they're an outward-looking group that's looking to get business to come in there. Their sales pitch is exactly as you described. This is another way to get into Canada that doesn't have some of the congestion problems we might encounter in other ways. You come right into the centre of Canada. If you're doing business in a big part of Canada, that's not a bad alternative to look at.

I think those investments will bear fruit, and already should have in the short term, but in the long term they will as well.

**The Chair:** Thank you. I know you provided some services in icebreaking last year that allowed them to extend their season three more weeks, which obviously gives them a bigger opportunity.

**Hon. Chuck Strahl:** That's right.

**The Chair:** Thank you very much, Ministers, for being here.

**Hon. Chuck Strahl:** Thank you.

**Hon. Rob Merrifield:** Thank you.

**The Chair:** We will take a five-minute recess and invite the department officials to join us at the table.

• (1630)

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

• (1635)

**The Chair:** Thank you, and welcome back.

Ms. Baltacioglu, I'll have you introduce our guests at the table. Then we'll move to Mr. McCallum with further questions, if that's okay.

• (1640)

**Ms. Yaprak Baltacioglu (Deputy Minister, Department of Transport):** Thank you, Mr. Chairman.

It's a pleasure to appear in front of the committee on the supplementary estimates of both of our departments and our portfolio.

Monsieur André Morency is the corporate assistant deputy minister. He's also doing the CFO function for the Department of Transport. Mr. David Miller is our corporate ADM, as well as our CFO. You have already been introduced to my colleague, John Forster. Kristine Burr is our assistant deputy minister of policy.

It's my pleasure to introduce you to Laureen Kinney, our newly minted associate assistant deputy minister of safety and security. She has taken on some new responsibilities in our department.

**The Chair:** Thank you.

We've already had the opening comments, so I'll go to Mr. McCallum.

**Hon. John McCallum:** Thank you very much, Mr. Chair.

I wonder if the committee would agree to end at about 5:15 so we have time to do the motions.

**Mr. Sukh Dhaliwal:** At 5:15 the bells will ring—so 5 o'clock.

**The Chair:** We can sit through the bells.

**Mr. Brian Jean (Fort McMurray—Athabasca, CPC):** I guess we had to start a little later, but I have questions for this witness. If Mr. McCallum wants to re-attend afterwards, I'm more than happy to come back after committee is done and all the questions have been answered. But I do have questions for these witnesses.

**Hon. John McCallum:** I'm not suggesting we have no questions for the witnesses.

**Mr. Brian Jean:** If we deal with motions, it's 4:40 now, and I just heard your colleague Mr. Dhaliwal say you want to end by 5. So you'll get the first seven minutes, the Bloc will get the next seven minutes—

**Hon. John McCallum:** The vote is at 5:45.

**Mr. Brian Jean:** I'm going by what Mr. Dhaliwal said. But by the time it comes to the Conservatives, we won't have an opportunity to ask questions. So I'm not agreeable to that at all.

**Hon. John McCallum:** Are you saying we have to stop at 5:15 when the bells start?

**Mr. Chad Mariage (Procedural Clerk):** We do, according to the Standing Orders.

**Hon. John McCallum:** Would it be possible to have one round each, and then deal with the motion?

**The Chair:** Sure.

Go ahead, Mr. Jean.

**Mr. Brian Jean:** I don't know if we'll be done our questions within that period of time. But what if we do one round, see how the line of questioning goes, and go from there?

Is that all right with you, Mr. McCallum?

**Hon. John McCallum:** Okay.

I only have one question, and then if one of my colleagues has one, I'll defer to them.

Has your department ever been directed, requested, or encouraged to use the term “Harper government”, rather than “Government of Canada”?

**Ms. Yaprak Baltacioglu:** I have personally not been directed to use that particular terminology. If you look at the press releases out of our department, out of infrastructure Canada, I think most of our wording is “Government of Canada”. A few press releases or media reports might have that particular wording. I cannot really tell you exactly how that got added on. As you would appreciate, the communication products go through many layers of approvals, including at the political levels, PCO, and PMO.

**Hon. John McCallum:** Thank you.

**The Chair:** Thank you.

**Hon. Gerry Byrne:** Thank you to our witnesses.

The Minister of State for Transport indicated that the plan developed by Captain Sid Hynes and approved by the board of directors and Transport Canada—according to my records of minutes of the meetings of the board of directors of Marine Atlantic—was a disaster. The Fleetway—and that's exactly how the minister categorized the fleet renewal plan—would have been a disaster.

The plan was approved by Marine Atlantic. The draft of it was prepared by Captain Sid Hynes and became a template. Then it was developed by Marine Atlantic and Transport Canada. Do you categorize it as a disaster, dating back to 2004, 2005, and 2006?

**Ms. Yaprak Baltacioglu:** I'm hoping I'll be in the hands of the chair, but I don't think that is a particularly fair question to ask government officials right after the minister has made a comment.

**Hon. Gerry Byrne:** Thank you, Madam Deputy Minister.

There was a study conducted by Fleetway consultants and Oceanex consultants. It was commissioned by either Transport Canada or Marine Atlantic. It gave specific technical requirements—best options for the fleet renewal. Other logistical issues were dealt with, and it provided specific recommendations.

Can you tell this committee if the conclusions of Fleetway and Oceanex consultants indicated that the best fleet configuration was three European-built, second-hand vessels that were 201 metres in length, or four made-in-Canada, 175-metre-long vessels? I'm considering the circumstances of Port aux Basques, the crossings in the gulf, and those technical issues.

• (1645)

**Ms. Yaprak Baltacioglu:** First of all, we want to make sure that Marine Atlantic provides good, safe service to Canadians. I'm going to ask my colleague Ms. Burr to comment, because I was not around in 2006 when this report was done. I was at Agriculture.

**Ms. Kristine Burr (Assistant Deputy Minister, Policy, Policy Group, Department of Transport):** These are technical matters, and I think what we'll have to do is commit to provide a response after we've gone back and checked the report and verified the information.

**Hon. Gerry Byrne:** As deputy minister, would you be aware that Transport Canada directed Marine Atlantic to seek out four Canadian-built vessels in 2004, 2005, and 2006? I have copies of the minutes of the board of directors of Marine Atlantic. Mr. Flood, who was the president at the time, suggests that the board make a recommendation to Transport Canada that Marine Atlantic acquire four vessels, that three vessels be identical, 175 metres in length, and that these vessels be requested immediately for on-time delivery.

That motion was approved. The minutes go on to elaborate that Transport Canada instructed Marine Atlantic to have the vessels built in Canada. They convened meetings of all the shipyard owners in Halifax on March 14, 2006. This was a fairly in-depth advanced plan. This is not something written on the back of an envelope.

Will you provide us with specific commentary about what happened to that plan in 2004 and tell us why a Canadian-built response to Marine Atlantic's fleet renewal strategy would be such a disaster? Why were Canadian shipyards not able to deliver on time, as the minister stated in this committee? The minister stated the best result for Marine Atlantic and for the people of Atlantic Canada would be to get European vessels seven years after the fact. This, to my mind, is completely ridiculous.

I'd like to know what's going on here. Why is it that Canadian shipyards, in the point of view of the Minister of Transport, are so incapable of delivering on-time performance for purpose-built ships for the Canadian transportation industry, and why does our own Minister of Transportation feel the best option to produce ships for Canada would be a made-in-Europe solution?

**Ms. Yaprak Baltacioglu:** I believe that the honourable member might have asked for a quite elaborate list of documentation from the department. I remember reading that request a couple of days ago. We are in the process of compiling this documentation, which is quite extensive. I believe that some of the questions about the study you asked for are in one of the papers that has been requested. We are working to the best of our ability to compile this documentation for the committee.

That's the long answer. The short answer is no. I can't tell you those things, because I'm not briefed on that report or those minutes of Marine Atlantic.

**Hon. Gerry Byrne:** The minister said there will be no job action. There will be no labour force adjustment whatsoever at Marine Atlantic. There will only be new hires. There will be no early retirements, no severances. They will not be required. The president of Marine Atlantic, Wayne Follett, said exactly the same thing to everybody in Newfoundland and Labrador through the public airways.

Are you confirming to this committee, while we study supplementary estimates (C), that a provision allowing Marine Atlantic to engage in severance, early retirements, and other measures, costed measures, which reduce the quality of service and the number of personnel at Marine Atlantic, was an unnecessary inclusion in the main estimates of Transport Canada? Are you saying that, because it's not even being contemplated, that particular inclusion under vote 40c is really unnecessary?

• (1650)

**Ms. Yaprak Baltacioglu:** While I am a portfolio deputy minister who ensures that all these pieces work together, I'm not responsible for the operations of Marine Atlantic and I cannot comment on their staffing plans. As Minister Merrifield mentioned, there will be no job losses for engineers. That's what I heard. I cannot give you a more detailed answer. If you would like, I can get the person who's accountable for the operations to answer your questions.

**Hon. Gerry Byrne:** That would be good.

**The Chair:** And if they could, they can send it through me to the clerk.

**Ms. Yaprak Baltacioglu:** Yes.

**The Chair:** Monsieur Gaudet.

[Translation]

**Mr. Roger Gaudet:** Thank you, Mr. Chair.

As you know, ministers come and go but the officials and the deputy ministers stay.

I want to go back to the question I asked you earlier. Can you tell me what the chances are that the Air Canada employees in Montreal, Winnipeg and Mississauga will still be working after 2013?

[English]

**Ms. Yaprak Baltacioglu:** Well, as the minister has said, Air Canada is subject to the Air Canada Public Participation Act, so I can only repeat what he has said and what we have to do from the government's perspective to ensure that the Canadian aviation sector remains competitive. We support the sector with appropriate regulations, trying to reduce the burden on them in terms of the regulatory burden and trying to make sure that good, competitive companies survive in Canada. And that's what the minister's answer was.

[Translation]

**Mr. Roger Gaudet:** I am repeating myself. Others may wish to answer.

As I was saying to you, ministers come and go. First, it was Mr. Baird and now it is Mr. Strahl; later on, it might be someone else.

This situation really frightens me. From what the minister was saying earlier, we can see that the company has no ties to us. I agree that, now the companies have been privatized, they may make money. Do you believe that we will be safer? I don't think so. Do you think prices will be lower? Again, I don't think so. How many companies have moved to Mexico, to Asia or elsewhere? Have you paid any less for their products? I for one have not found any cheaper products yet. I am not sure that Quebeckers and Canadians will come out winners. They may well be losers, with the 60,000 direct and indirect jobs at stake.

Personally, that is what I fear the most. I respect the minister and I understand his point of view. However, if we do not think of the future, we will be the ones to pay the price.

[English]

**Ms. Kristine Burr:** Mr. Chair, if I may respond to the first question, I believe the question was whether we could guarantee that the jobs located in the three operation and maintenance centres in Montreal, Mississauga, and Winnipeg will be protected.

I would like to confirm that the Air Canada Public Participation Act specifically requires Air Canada, through its articles of continuance, to actually uphold its maintenance facilities in these three cities. So I think we're confident, based on Air Canada's assurances, that they will indeed do what the member has asked.

[Translation]

**Mr. Roger Gaudet:** I have more confidence in the government than in Air Canada. I am being candid. I myself am part of the government, so I include myself in that statement. Air Canada and Aveos shareholders are only thinking of one thing.

Quite honestly, I am not really satisfied with your answer. In my opinion, Air Canada and Aveos are in no way accountable to us. Though the minister has said it is an issue of privatization and that they may come to an arrangement in two years' time, we will be the ones on our own in two years' time.

[English]

**Ms. Kristine Burr:** Mr. Chair, if I may respond, one of the obligations of the air policy team at Transport Canada is to assess the competitiveness of the air sector, and Canada actually has a very good track record in these professions, in these areas. As the minister said earlier, we're confident that there is a competitive advantage to the excellent skills that are found in the repair and maintenance fields in the aviation sector in Canada, and we are hopeful that this will continue to be the case.

•(1655)

[Translation]

**Mr. Roger Gaudet:** I agree with you when you say that we should show some trust. But my dog showed a lot of trust and he died anyway. I am not sure about the principle of trust when business is involved.

In Parliament, we have laws that we respect. However, I am not sure that these companies have made as much progress. We have a lot of problems with Air Canada over the official languages issue. I agree with you that there are laws, but I am not sure whether the company is complying with them, and I wonder if this is not simply their way of telling us to take a hike.

[English]

**Ms. Kristine Burr:** Our understanding is that the airline is complying with all necessary laws.

The Commissioner of Official Languages is conducting an evaluation right now to satisfy himself that this is indeed the case, and of course we will be watching carefully to see what his findings are. But we are assured by the airline that they are doing everything they can to meet all the necessary requirements.

[Translation]

**Mr. Roger Gaudet:** Thank you, Mr. Chair.

[English]

**The Chair:** Mr. Bevington.

**Mr. Dennis Bevington:** Thanks. I have a question in that same vein.

Does your department have a definition for what you would consider to be an operational facility, a maintenance facility, under the Air Canada Public Participation Act? Do you have a firm definition of what that is, so we can compare it to see whether Air Canada is meeting your expectations for a maintenance centre?

**Ms. Kristine Burr:** Not specifically.

**Mr. Dennis Bevington:** You have no definition of what a maintenance centre is. How do we then determine whether Air Canada is providing a maintenance centre in those locations?

**Ms. Kristine Burr:** Mr. Chair, we understand they have maintained services in a number of specific areas: upkeep and maintenance of airlines. Other work is conducted by Aveos at the moment. We are confident there is a going concern activity in all three locations that are identified in the Air Canada Public Participation Act.

**Mr. Dennis Bevington:** Thank you.

I have a question on aviation safety inspectors. How are we doing with the hiring of new inspectors for our aviation safety program?

**Ms. Yaprak Baltacioglu:** We're working on that. As we talked about last year when we appeared in front of you, there are a number of things we are doing. One is the implementation of safety management systems.

We're working closely with the inspectors, and I have created an inspectorate advisory committee, where inspectors give us their view about what their needs are.

I don't have the exact number of the hires, but I'm sure Madame Kinney can give you the numbers. This is an ongoing challenge. We have had some staffing and classification issues recently that have affected all our staffing capacity.

I don't want to take up your time. If you wish, we can send you our hires and the numbers. We do have some challenges.

**Mr. Dennis Bevington:** So you don't really have a number; you can give that number to the committee later.

**Ms. Yaprak Baltacioglu:** Yes, we might be able to find it soon.

**Mr. Dennis Bevington:** Okay.

I have a question on the north. We've had a proposal in for the Northlands sewer reconstruction project in Yellowknife for about nine months. We're getting to a point where 250 homes may have to be shut down because of the catastrophic nature of the sewer and water system there this winter.

We've been waiting for a response on this particular project so the City of Yellowknife can do its planning to get this fixed up within the next operational year. We've been waiting on this. We've been writing letters. We want to have an answer.

Can we expect an answer very soon?



•(1700)

**Mr. John Forster:** To be honest, I'm not familiar with the specifics. As you know, in the north our Building Canada money flows through an agreement with the territories whereby they propose projects to us. But I'm happy to—

**Mr. Dennis Bevington:** We're waiting for you to say whether this project is acceptable.

**Ms. Yaprak Baltacioglu:** Yes.

**Mr. John Forster:** I'm happy to look into it and get back to you. I'm not familiar with it.

**Mr. Dennis Bevington:** Okay. Thank you very much.

With regard to rail service, when do we expect to see the rail service review released?

**Ms. Yaprak Baltacioglu:** We have received the report and the ministers are considering it. Once appropriate cabinet discussions happen around that, it will be released.

**Mr. Dennis Bevington:** Okay.

With regard to the council of Canadian ministers who are looking at the electronic driving controls for the trucking industry, what's the status of that review? It has been under way for some time, I believe.

**Ms. Yaprak Baltacioglu:** We're working at the ministers' level as well as the officials' level. We have been working with our provincial counterparts, definitely. Electronic onboard recorders are a good means to safety. I think the issue is how do we implement it? How can they be implemented? Where are the costs? The work is ongoing.

**Mr. Dennis Bevington:** So that review is going to be complete very shortly?

**Ms. Yaprak Baltacioglu:** I'm not exactly sure when it's due to be finished. It shouldn't be—

**Ms. Laureen Kinney (Associate Assistant Deputy Minister, Safety and Security Group, Department of Transport):** I don't think there was a set date.

**Ms. Yaprak Baltacioglu:** We'll get you an update.

**Mr. Dennis Bevington:** Good enough. Okay.

**Ms. Yaprak Baltacioglu:** But it's under active consideration and discussion.

**Mr. Dennis Bevington:** There are two other items, if I have some time. On the electric car regulations, I've seen that the electric car manufacturers are concerned that there's been very slow progress in getting these regulations in place. We're falling behind the rest of the world in terms of moving on this. What's the status, from your perspective, with the department?

**Ms. Yaprak Baltacioglu:** Some of the programs that we had in place, like eco-technology, actually looked at exactly the connection between testing these vehicles and the connection to the regulatory rule making. Actually, while I understand that everybody feels that we have not been that fast in terms of tackling this particular technology, the department has been doing a lot of work around this, but we're not at the gazetting stage yet, so I wouldn't say this year.

**Mr. Dennis Bevington:** Not this year?

**Ms. Yaprak Baltacioglu:** I don't think they're scheduled for this year.

**Mr. Dennis Bevington:** We're getting a lot of complaints about the new commercial regulations that go down to canoes. Is there any sense that this regulation can be brought for review? Is there any hope that we could see some modifications to this particular regulation?

**Ms. Yaprak Baltacioglu:** Mr. Chairman, what the honourable member is asking about is exactly what our minister has requested us to do. One was first to clarify the application of these regulations. Transport Canada's mandate, and the federal government jurisdiction over waters, requires that we do make sure that companies that are actively engaged in commercial activity in renting canoes or kayaks, etc., do provide the public with the necessary safety issues. But of course this ended up being generalized to things like girl scouts and boy scouts, and that definitely is not the objective of the legislation. So we clarified that.

The minister also asked us to do a very in-depth look at this issue, including if regulatory changes or legislative changes are necessary. He asked us to look at it. We are working on it very hard and that shall be done.

**The Chair:** Thank you.

Mr. Jean.

**Mr. Brian Jean:** Thank you, Mr. Chair, and thank you, witnesses, for appearing today. My question is very simple, and then I'm going to pass the floor to Mr. Watson.

My question has to do with exactly what was brought forward by Mr. Byrne, and that is we have in front of us a motion. In fact, Mr. Byrne had a question on the Order Paper and Notice Paper for March 2 as well in relation to the same.... It has 20 bullet points on this particular notice of motion that Mr. Byrne wants to move. I'll just give an example of one of those. He's asking for:

All reports, minutes of meetings or record of meetings held either between the President, the CEO or the Board of Directors or any Committee of the Board of Directors with either the Minister of State (Transport), and/or the Minister of Transportation, Infrastructure and Communities held between January 1, 2004 and March 1, 2011;

It goes on with quite a list of other documents that they're requesting.

My question is very simple. I would ask for a written response from the department as to how long it would take to get documents like this in the future. In his motion he's asking that you reply within seven days. From my perspective, as a lawyer for 10 years, to get that much paperwork in seven days, you might as well take all 8,000 employees and do nothing but look for that paperwork.

My question to you is—and I want it in writing, please, if you don't mind—how long would it normally take for a response of this type? I know it has to go through a lawyer for privacy. It has to go through the department. I would say 10 or 15 people have to go through each and every one of these documents. How long would it normally take to be reasonable for you and your staff? Quite frankly, I don't think it's reasonable to expect that kind of mountain of paperwork in seven days.

I don't need the response now because I know Mr. Watson has quite a few questions, but I would like, if we could, to have just the process it goes through, and then what would be normal for a one-page document that's fairly simple, to something like this, which in my mind would take two or three years. But if I could have that as a response to the clerk, I'd really appreciate it, because we do have several motions that are coming in front of us that are of a similar nature. I would like to make sure, and I'm sure all parties would like to make sure, that we don't put your staff under undue hardship and late hours.

Saying that, I will pass the floor over to Mr. Watson.

• (1705)

**Ms. Yaprak Baltacioglu:** Will do, Mr. Chairman.

**Mr. Jeff Watson:** Thank you, Mr. Chair.

While I have the floor, if you don't mind, I'd like to raise a point of order.

**The Chair:** Mr. Watson has a point of order.

**Mr. Jeff Watson:** Yes, it relates to the orders of the day at hand. I know Mr. McCallum has made a request for time. I note that it's not on the orders of the day. Would that require unanimous consent of the committee to change the orders of the day?

**The Chair:** It's not a point of order. And no, it does not have to be on the paper.

**Mr. Jeff Watson:** Okay. I just wanted to be clear about the process for that, Mr. Chair. Thank you very much.

Thank you, of course, to our witnesses for appearing today.

In the minister's opening comments he referenced the estimates and the Detroit River international crossing as a line item in the estimates. He used the terminology that this was frozen spending or that it was unlocking some frozen spending. Could you clarify that for me? What does the expenditure relate to, and why was it frozen in the first place? What is it being applied to?

**Mr. André Morency (Assistant Deputy Minister, Corporate Management and Crown Corporation Governance, Corporate Services, Department of Transport):** Traditionally, when the appropriations are given to the department, there are certain funds that are what they call frozen, in a frozen allotment, to the extent that they are only to be used for those purposes and to the extent that we haven't been able to use that, because, as you know, the DRIC project has not advanced to the extent that it could. We were able to access those frozen funds to be able to do that one-line expenditure of \$1 million.

**Mr. Jeff Watson:** Okay. Thank you for the explanation.

With respect to the DRIC, is there any indication of when Michigan intends to bring forth any legislation? Has there been any discussion about that legislation to create the entity, if you will, that would participate in the public-private partnership? Is there any update on that?

**Ms. Yaprak Baltacioglu:** Well, given that this is a top priority item for our country, and given the amount of support that has been given to the project already, we're waiting for the legislation to be tabled. I can't really tell you exactly when the Michigan legislature is going to consider that. Hopefully that vote is successful. I would say

we would move to the next step, the public-private partnership arrangements around that.

**Mr. Jeff Watson:** I presume as well, as in past practice, that Transport officials would be prepared to testify, if necessary, in front of legislative representatives in Michigan.

**Ms. Yaprak Baltacioglu:** We're prepared to do almost anything.

**Mr. Jeff Watson:** Thank you.

I will move on to rail safety. There's been discussion around the recommendation to have a non-punitive reporting system within the safety management system. We have had witnesses who have appeared and who have suggested there should be a direct line to Transport Canada instead. I think there was some discussion about Securitas. I'm not sure if it can be both a direct line to Transport Canada and a non-punitive reporting system within an SMS. That's just my personal suspicion. Workers would be inclined to use one versus the other.

I'd like your thoughts on that, first of all. Secondly, with respect to Securitas, could you explain briefly—and I know the public are also watching—whether Securitas is adaptable to a non-punitive reporting system, in your opinion? What can you tell us about that?

• (1710)

**Ms. Yaprak Baltacioglu:** First of all, in terms of non-punitive reporting, this is a major building block or a major foundational element of safety management systems. A company needs to have the right culture so that people can say there is a problem and that it needs to be fixed, rather than hiding safety issues so that it's not an issue.

We're looking into this direct line to Transport Canada and Securitas and the Transportation Safety Board relationship. I can't really tell you if Securitas is adaptable because we have to look into that, but my information says that the line to Transport Canada already exists. We have been reading the testimony the committee has been getting, and part of the list of things we're looking at is to answer exactly that question.

**Mr. Jeff Watson:** For the record, what purposes or uses is Securitas for? For somebody who's calling in, for what purposes would those calls be fielded? Would it include issues of safety with respect to workplace?

**Ms. Lauren Kinney:** We'd have to get more details for you.

**Mr. Jeff Watson:** Okay, that's fine.

**Ms. Yaprak Baltacioglu:** I'm not sure.

**Mr. Jeff Watson:** If we could have an answer at some point....

**Ms. Yaprak Baltacioglu:** I actually haven't been on that particular—

**Mr. Jeff Watson:** Okay. I'd appreciate, Mr. Chair, if there could be a response on that issue. Obviously, the committee is seized with that issue, and any information we could have would help us deliberate on how to handle that particular recommendation.

**The Chair:** I have to stop you there. Your time is up.

**Mr. Jeff Watson:** Oh, I'm having fun, Mr. Chair.

Thank you.

**The Chair:** Mr. McCallum.

**Hon. John McCallum:** Thank you, Mr. Chair.

I know this is a little bit unusual, but I'd like—now that I have the floor—to take this opportunity to present my motion. The reason why I'm saying that is we only have a few minutes before the 30-minute bell starts, and if we get unanimous consent we can go on until 5:30. I think we'd more likely get unanimous consent to hear the witnesses than to hear my motion.

**The Chair:** If we are going to discuss your motion, I'll thank our witnesses for being here.

Mr. Jean, on a point of order.

**Mr. Brian Jean:** I have more questions for this witness. This is not part of the orders of the day. The normal process is to listen to the witnesses, ask questions, and have different rounds. He's now interjecting, and if he wants to put these motions on the floor at a different time.... We've had lots of meetings and he has lots of time to do so, and he can put it on the floor for any particular meeting he wants to. Now he's interrupting our ability to ask questions to witnesses. Mr. Chair, I don't think if it were reciprocated he would appreciate it very much.

**The Chair:** When a person has the floor, he does have the right to present his motion. It's within the 48-hour rule. It's up to the committee to determine if they want to debate it, but he does have that right.

**Mr. Brian Jean:** I understand that, but you know, Mr. Chair, reciprocation is a wonderful thing in Parliament, and it doesn't work very well when people start doing things like that. I don't appreciate it at all.

**The Chair:** I'll thank our guests. We appreciate your time.

Mr. Jean.

**Mr. Brian Jean:** I'd like to point out for the record as a point of order that both motions I have in front of me are in relation to partisan requests. He's asking for the department to finalize and get information in relation to partisan issues and to spend taxpayers' money on partisan issues, rather than dealing with what we have today, which is to ask questions of the department.

**Mr. Sukh Dhaliwal:** Let him present the motion first.

**Mr. Brian Jean:** They've come all this way; the deputy minister has come all this way to have us ask questions, and I don't think it's in order at all.

**Hon. John McCallum:** Mr. Chair, may I say one little thing?

**The Chair:** On the same point of order?

**Hon. John McCallum:** Yes. I thought—and maybe this part is not in order—that the motion, which is a simple request for information, could be dealt with very quickly, and then if people wanted to hear the witnesses further, we could agree to extend the sitting until 5:30 or something of that nature. Is that not reasonable?

• (1715)

**Mr. Sukh Dhaliwal:** Sure.

**The Chair:** I'm prepared to thank our guests and ask them to be excused, and we'll continue on with Mr. McCallum's motion.

**Mr. Brian Jean:** I think Mr. Guimond had his hand up.

**The Chair:** Monsieur Guimond, a comment?

[*Translation*]

**Mr. Michel Guimond:** I had some important questions for the witnesses. However, I would like to second Mr. McCallum's motions.

Besides, the witnesses I had the questions for are no longer here.

[*English*]

**Hon. John McCallum:** If you want to call them back, it's clear I won't get my motion through. It's clear we won't get unanimous consent.

**The Chair:** I have let them go now, so I'm not calling them back. We have a vote bell ringing in about two minutes so, if you want to present your motion, you can do that.

**Mr. Sukh Dhaliwal:** Present the motion.

**Hon. John McCallum:** Okay. I think my motion is very simple. It's to request from the government a list of economic action plan events since January 1, 2011, where no new funding was announced. It lists a number of items relevant to each event that we are asking information on.

**The Chair:** So the motion has been presented. Comment?

Mr. Jean.

**Mr. Brian Jean:** I'd like to know the purpose. I see this motion in front of me, and I'd like to know the purpose of the motion.

**The Chair:** Mr. McCallum.

**Hon. John McCallum:** The purpose of the motion is to obtain this information. Our experience is that this government doesn't willingly give information. So the only way in which we can get it is to ask questions of this kind.

**Mr. Brian Jean:** In five business days, Mr. McCallum?

**Hon. John McCallum:** Yes. If they can't do that, then they can respond accordingly and tell us how many business days it would take.

**The Chair:** I have Mr. Trost, Mr. Watson, and Mr. Dhaliwal.

**Mr. Brad Trost:** Thank you, Mr. Chair.

I suspect I'm going to have more than one round of comments on this motion.

The first comment I would have to make, looking through this list of issues and requests, is that I rather suspect even.... I mean, let's be blunt here: there's no way in five business days, even if they put all the king's horses and all the king's men.... This is just not doable.

The other element of this is that I'm pretty sure the government and whoever they're requesting for this doesn't have all this information. They're asking for "All members of the Conservative Caucus present". I'm not sure why they're not asking for any opposition members present, but—

**Mr. Sukh Dhaliwal:** You didn't invite them—

**Mr. Brad Trost:** —maybe that's a friendly amendment we could put into it.

“Method of travel for each caucus member”? Mr. Chair, I have been to economic action plan events, and I don't know whether or not there was no new funding or new funding. I've been to these events. I've driven with my own truck. In fact, I think I've driven with my own truck to every single economic action plan event that I've announced, because they're in my constituency, or essentially bordering on my constituency; maybe a few blocks over I did a joint event with another member. What the honourable member is asking is that he be allowed to basically go into my office and start pulling mileage logs, receipts, and stuff like that on how I drove to an event. I just find that sort of silly.

If he is interested in basically finding out how the government communicated its economic action plan, if he did this, I think he should look again at his motion here and figure out how to make it more manageable, shrink off a few items, and bring it to a point where the request could be done.

I personally think the communication has been very well handled. It is important that there's accountability to constituents on issues. That's one of the strengths that the economic action plan has had: we've communicated directly to people the things that we've done. We've been clear that there has been a strategic plan that has been well thought out.

I think of a time when we had the Western Economic Diversification witnesses here, when we were discussing how things were on time, and they noted that the rollout for the infrastructure spending for the government's economic action plan was smoother and better than anything they'd ever seen. It was more on time, costs were more accurate, and projects were getting done. It was just amazing. Frankly, a lot of it appeared to be, from what they told us as a committee—it's in the transcripts—by doing less bureaucracy, which is to be commended.

I'll turn the mike over to other members for comments, but again, as a suggestion to my honourable friend, maybe he should trim down his requests—because five days is just impossible for people to do—and focus on information and ideas that he could actually get from the department or that would be easier to get there. And frankly, he shouldn't ask if each member has taken their truck to events. I find that sort of silly. I mean, I have to report to this committee about how I use my pickup truck...? It will take days to just figure out these events, and there are going to be questions about what qualifies and what doesn't.

That's some friendly advice to my colleague to revise his motion and maybe bring it back at another meeting where it could be worked into a more reasonable and workable form. Then we could have the elements of communication that he's so interested in.

• (1720)

**The Chair:** Mr. Watson.

**Mr. Jeff Watson:** Thank you, Mr. Chair.

I'm not even sure where I want to start on this.

I think the request that this be done in five days completely undercuts the credibility of the motion. In other words, I'm not sure that the honourable member opposite is actually as concerned with having the information as he is with making a point about asking for the information.

Five business days is not reasonable. There are other means for requesting the same information, which all members of Parliament have at their disposal. They could compel the government to produce documents and papers. The typical government response for something weighty or lengthy is 45 days. It is probably reasonable to expect that civil servants and the resources we put to the function of government aren't unduly diverted, if you will, to meet a request of this nature with only five business days given to compile this kind of information. Clearly, the member doesn't want to wait 45 days. I'm not sure why, other than to make a point.

I'm not sure, Mr. Chair, whether this same information has been requested through the other means, which is to give the government 45 days for a response, and he wants to use an opportunity to force it at committee, when we're in the middle of estimates, with the TV cameras on, to try to make a point about this. If that's the case, that type of posturing is a significant departure for this committee.

I've been on this committee, Mr. Chair, for about four or five years. I can say that the composition of the committee before was extremely collegial. There was the desire of members to work in consensus fashion. We were highly productive with respect not only to studies but to getting legislation through, both government and opposition. That is deteriorating under the new configuration, specifically of official opposition members. I am hoping that it is not going to become the trend that the committee will be used to make a point rather than to solicit information in a responsible manner.

I'm opposed to the motion. It is not responsible to ask the government to commit significant resources to gathering information.

Of course, this is not in isolation, Mr. Chair. This motion, if approved, goes along with a lot of others, and others that are intended to be brought forward and presumably passed, that would compel officials to compile a whole myriad of things within very small and tight timelines. I'm not sure that it is responsible. I don't think this motion should be considered outside of that context. If the member really wants the information to be gathered, waiting 40 extra days isn't going to kill anybody.

I'm opposed to the motion on those grounds.

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

**Mr. Sukh Dhaliwal:** Thank you, Mr. Chair.

I would love to see if Mr. Trost wants to put Liberals in. I have seen that there was not a single Liberal invited to these events to be a party to the events. Maybe that is why Mr. McCallum is asking for this.

Recently we've seen the developments in what the Conservatives are doing. They are using taxpayers' money for propaganda and for running their election campaigns. Maybe all these things will tell us how much taxpayers' money was wasted by Conservatives to promote their own members in this particular thing.

I would love to support my friend Mr. McCallum's motion—

• (1725)

**Mr. Brian Jean:** I'd like to hear more.

**Mr. Sukh Dhaliwal:** Let's be open and transparent. Mr. Chair, why aren't the Conservatives ready to vote? They are open. They are transparent. They should not shy away from giving this information out.

**The Chair:** Thank you.

We'll go to Ms. Gallant.

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):** Thank you, Mr. Chairman.

I can't help thinking that a lot of this research has already been done. I seem to recall the opposition—

**The Chair:** Mr. Jean, on a point of order.

**Mr. Brian Jean:** Excuse me, Ms. Gallant.

I just want to confirm that all of this information is in the public domain, and if the Liberal research group would actually do their research and their job, they could find this by going on the website.

**The Chair:** That is not a point of order.

**Mrs. Cheryl Gallant:** They are being kind of lazy, because they have done a great deal of this work already, Mr. Chairman. About a year ago, they took great exception to some of the cheque-signing photo opportunities our mayors were so eager to participate in. Quite a list of Conservatives appeared in each of the photographs. From my standpoint, I think every one of those events I held in my riding would be on my website.

Take, for example, Barry's Bay. In that infrastructure project, they were working on the—

**The Chair:** Mr. McCallum, on a point of order.

**Hon. John McCallum:** Thank you, Mr. Chair.

When Ms. Gallant says this information was available a year ago, that is clearly not the case, because we're only asking for events taking place on January 1, 2011, and later. Obviously, that information was not there a year ago.

**The Chair:** That is not a point of order.

Go ahead, Ms. Gallant.

**Mrs. Cheryl Gallant:** In Barry's Bay, for example, we announced \$1,338,333. That project could not have gone ahead. It was to improve the sewage system of the valley, the Madawaska Valley, especially around the park where children play. It was state-of-the-art infrastructure that they never would have otherwise, and given that the province was participating, they were getting the project done for two-thirds off.

Further down in the Bonnechere Valley township, their water purification project was finally under way. They'd been waiting some time for that. We contributed \$300,000 at the federal level, and that was matched by \$300,000 at the provincial level.

I'd also like to mention that for all these projects, the province of Ontario required that a sign be erected right next to the Building Canada sign and the Canada's economic action plan sign. They felt that it was important for people to know that the government was helping out, especially in this time of economic downturn.

In South Algonquin, they received \$186,000 for one project, but they also received half a million for their community centre from the federal government and another half a million from the provincial government. This community centre used to be in a sort of decrepit building. Although it was very homey, it was necessary to bring it up to snuff because the heating bills were costing so much. They hold their community dinners and fundraising there, as well as their church functions because the churches weren't equipped. It is a gathering place, and they use it right now for many community events.

In the County of Renfrew, where there are some very dangerous areas on the roads, they built some new roads, using new technologies—

**The Chair:** I'll have to interrupt you there, with the ringing of the bells.

**Mrs. Cheryl Gallant:** Oh, I had so many more to put on the record, Mr. Chairman.

• (1730)

**Mr. Michel Guimond:** More! We want more!

**The Chair:** I will advise the committee that this will be moved to the agenda of our next meeting.

Thank you. The meeting stands adjourned.





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