



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Transport, Infrastructure and Communities

TRAN • NUMBER 029 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Tuesday, March 27, 2012

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Chair

Mr. Merv Tweed

Standing Committee on Transport, Infrastructure and Communities

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•(0850)

[English]

The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)): I call the meeting to order.

Good morning, everyone. Welcome to the Standing Committee on Transport, Infrastructure and Communities. It is meeting number 29.

The orders of the day are pursuant to Standing Order 81(4), main estimates for 2012-13. They include votes 55 and 60 under Foreign Affairs and International Trade and votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, and 60 under Transport. They were referred to the committee on Tuesday, February 28, 2012.

Joining us today are members of the Department of Transport. We will introduce them as we move through.

Right now I will introduce Minister Denis Lebel, the Minister of Transport, Infrastructure and Communities. We welcome you to the committee.

It's not your first time, as we know. You obviously understand the rules; you can present, and then we will go to committee members for questions.

Thank you for attending.

[Translation]

Hon. Denis Lebel (Minister of Transport, Infrastructure and Communities): Thank you very much, Mr. Chair.

Thank you for inviting me to meet with the Standing Committee on Transport, Infrastructure and Communities to provide an update on the transport, infrastructure and communities portfolio, and to address our main estimates.

[English]

I am joined today by my colleague, the Honourable Steven Fletcher. We are very proud and happy to have him back. He will speak to you about the crown corporations under the transport, infrastructure, and communities portfolio.

[Translation]

I am also accompanied by Ms. Yaprak Baltacioglu, the deputy minister, and by Ms. Anita Biguzs, Mr. André Morency, Mr. Taki Sarantakis and Ms. Su Dazé. My thanks to them for being here.

I also want to thank the committee for its many contributions to various transportation issues. I look forward to continuing to work

with you to build a transportation system that will serve Canada's current needs and help drive tomorrow's prosperity.

[English]

The funding that Transport Canada is seeking through these main estimates will help to achieve these goals.

[Translation]

Transportation has always been identified with opportunity in Canada: it connect workers with jobs, travellers with destinations, and products with markets.

However, the current global economic environment is volatile and uncertain, as you know.

[English]

Canada's future prosperity will depend to a significant degree on how effectively we're able to anticipate and respond to global pressures. Our government has long recognized this fact. We continue to modernize our systems and policies to support the transportation sector, a process that has benefited from the input from this committee.

[Translation]

A prime example of building Canada's transportation sector is the Asia-Pacific Gateway and Corridor initiative. Linking trade and transportation, the gateway approach has brought together public and private stakeholders to address issues of efficiency, reliability, performance, skills and system bottlenecks.

The Gateway and Corridor initiative is revolutionizing the way Canada trades with the Asia-Pacific region. It has opened up opportunities for trade, not only in western Canada but right across the country. We are applying the lessons learned with the Asia-Pacific Gateway and Corridor to other key gateway and corridor regions in Canada—particularly the importance of aligning systems and maximizing efficiencies.

[English]

One vital trade corridor we remain focused on is Windsor-Detroit. It's North America's largest border crossing and our busiest port of entry. We remain fully committed to developing the new Detroit River international crossing. We continue to work with the governments of Michigan and the United States to jointly develop a model for delivering this crossing. It is our intention to pursue a public-private partnership to design, build, finance, and operate the new bridge crossing. Governor Snyder of Michigan assured me that this project remains a top priority for his administration.

[Translation]

He too wants a seamless crossing to improve the connection between one of the premier manufacturing and consumer corridors in the world: the mid-west states, Ontario and Quebec.

I have received the same assurance from Secretary LaHood, the United States Secretary of Transportation, and from Ambassador Jacobson.

In keeping with this theme of gateways and corridors, I also want to talk about the new bridge for the St. Lawrence—another key trade artery and the most heavily travelled bridge in Canada.

[English]

Last fall I announced that our government will proceed with this bridge in Montreal. Work is progressing well on this major project. We have launched the federal environmental assessment and have issued two requests for proposals to hire environmental experts, financial advisers, traffic forecasters, and design engineers. Discussions with partners to determine the most efficient way to move this project forward are ongoing and will continue throughout the duration of the project.

[Translation]

In the meantime, the Champlain Bridge remains an important commuter route and trade corridor for the regional economy, handling nearly 60 million vehicles per year.

With an estimated \$20 billion in international trade crossing the bridge annually, it is critical to our national economy.

[English]

The safety and security of the people crossing the existing bridge each day remain a top priority for our government. That's why, since 2009, our government has announced significant investments totalling \$380 million to keep this important bridge safe for all who use it.

Another area where we have made significant strides is railway safety. As you know, I have introduced Bill S-4 to amend the Railway Safety Act of 2001. It is the latest in a series of actions we have taken to strengthen the performance of the rail sector.

My predecessor launched a full review of the Railway Safety Act in 2007 following several high-profile accidents during the two previous years. That was followed by an investment of \$72 million over five years, announced in budget 2009, to ensure that Canadians can count on a safe and reliable rail transportation system.

●(0855)

[Translation]

Bill S-4 is the next important step in advancing this goal. The legislation has been in development for more than three years and incorporates input from government, industry and labour. In fact, the legislation has been dissected clause-by-clause by standing committees on two separate occasions. It was approved by all parties both times.

The proposed amendments to the act reflect recommendations from the Railway Safety Act review, as well as the Standing Committee on Transport, Infrastructure and Communities' study.

[English]

This bill is about better oversight tools to ensure safety; enhanced safety management systems to build a stronger rail safety culture; and additional authority to help protect our environment. Recently, second reading for Bill S-4 commenced, and members from all parties again expressed their strong support for this important piece of legislation. After several years of analysis, consultation, and debate, I look forward to the timely passage of Bill S-4.

[Translation]

Freight transportation is another railway sector in which we have been active. We kept our promise by launching the facilitation process for the rail service review and by appointing Mr. Jim Dinning to head it. I am pleased that he has agreed to take on the challenge of holding the consultations that will lead to improvements in the quality of service provided by the rail companies.

This review of rail freight services was launched in order to ensure that Canada has the rail network it needs to support a robust economy. As always, our Conservative government will honour its commitments.

Mr. Chair, I would now like to turn my attention to Infrastructure Canada and the important work it does.

As a former municipal politician, I know how essential federal infrastructure investment is to municipalities, provinces and territories.

[English]

It means a stronger economy on both the local and the national level. It means more secure jobs for Canadians. It means that people have reliable public transit. It means cleaner water and air. It means more parks, trails, community centres, and other important things that make communities better places to live and work.

I'm proud of our government's unprecedented actions to make federal infrastructure investments a priority. We started with budget 2007 and the seven-year Building Canada plan, and we invested \$33 billion, the single largest federal infrastructure commitment in Canada's history.

[Translation]

Under this plan, we are funding thousands of infrastructure projects across Canada—projects that will have lasting economic and social benefits in communities for years to come.

[English]

Our government continued building on this foundation in budget 2009 with the economic action plan. Among many other measures, it introduced an additional \$5.5 billion in targeted and timely federal infrastructure funding for provinces, territories, and municipalities.

[Translation]

In October 2011, I had the pleasure of celebrating the successful completion of about 4,000 projects under the infrastructure stimulus fund. These are important projects that got the economy moving and created jobs.

Since we introduced the economic action plan to respond to the global recession, 610,000 more Canadians are working today, resulting in the strongest recent employment growth by far among G7 countries.

In an uncertain global economy, our government will stick with our low-tax plan for jobs and growth—a plan that is working and which serves Canadians well.

[English]

Our balanced approach will boost our efforts to achieve a sustainable and prosperous recovery and preserve our economic advantage now and in the future. Key to achieving this progress is our ongoing commitment to public infrastructure, which last year's budget made clear.

[Translation]

We continue to make great progress in implementing two important commitments for the Government of Canada.

The first is a permanent annual investment of \$2 billion in the gas tax fund. I am so pleased that we have passed this commitment into law, and now municipalities can count on stable, predictable funding for their local infrastructure projects, year after year after year.

• (0900)

[English]

Second, our government is working with our key partners—provinces, territories, and groups such as the Fédération canadienne des municipalités—on the development of long-term plans for public infrastructure to extend beyond the expiry of the Building Canada plan.

Your committee recently tabled a report on transit in Canada. The result of this work will help inform our long-term planning. Even though provinces and municipalities are responsible for transit, the information gathered through the committee's study will be valuable.

In November I announced with the Fédération canadienne des municipalités' board of directors how this engagement process would unfold. As a first step, we are currently taking stock of all that we have accomplished together with our partners and what the tangible benefits of our funding has been.

In phase two, we are continuing to work with our partners along with academics, technical experts, and practitioners to do some of the important analysis. Our goal here is to build the knowledge needed to make informed decisions.

[Translation]

This will set the stage for the final phase. Similar to when we launched the Building Canada plan, we will engage our partners on the broad principles and directions in a future infrastructure plan. The end result will be a long-term plan that meets the needs of Canadians.

As all of this is going on, our government will continue to deliver on its previous commitments, including managing the effective close-out of our programs under the economic action plan, and seeing our Building Canada plan commitments through to successful completion.

[English]

I'm proud to be part of a government that continues to lead the way in investing in public infrastructure and in building a better national transportation network that benefits all Canadians.

That concludes my remarks. I will now ask Minister Fletcher to speak to you. I would be happy to answer any questions that members of the committee have.

[Translation]

Thank you.

[English]

The Chair: Mr. Fletcher.

Welcome back.

Hon. Steven Fletcher (Minister of State (Transport)): Thank you, Mr. Chair.

Thank you, Minister Lebel.

Members of the committee, it is a pleasure to speak to you today about the funding requests in the main estimates for some of the crown corporations in our portfolio. I welcome the opportunity to explain why these funds are necessary so that we can continue to provide essential services to Canadians.

In the interest of time, I'll only talk about a few of our crowns to give you guys the maximum amount of time to ask questions.

I'll start with VIA Rail and I'll talk about Marine Atlantic and Canada Post, which are certainly all critical to our competitiveness and economy. But there are other crowns you can feel free to ask questions about.

With VIA Rail, rail service is not only part of our Canadian heritage, we are investing to enhance passenger rail service and experience in Canada. Since 2007 we've announced significant investments for improvements to VIA stations, equipment, and infrastructure to provide faster and more reliable passenger service across the country. Nearly half of this funding was stimulus funding under the economic action plan.

In November I helped mark the completion of a major track improvement to part of VIA's Montreal-Ottawa-Toronto line. These upgrades improved the Smiths Falls-Brockville line, as we first announced in March 2010. They also include projects from Brockville to Ottawa alongside VIA's Montreal line to Côteau, Quebec.

Due to the completion of these projects VIA was able to launch a new Ottawa-Toronto express train that connects the two cities in less than four hours—three hours and 57 minutes, to be exact.

Moving from rail to sea, let's talk about Marine Atlantic. The ferry service the federal government provides between Nova Scotia and the Island of Newfoundland is a constitutionally mandated service and our government understands how important this service is to Canadians. That's why we have made significant investments to improve it. Since 2007 we have provided significant investment in Marine Atlantic to make it possible for the crown corporation to renew its fleet by chartering the *MV Atlantic Vision* in 2009. We also were able to acquire several other assets to make the Marine Atlantic experience more enjoyable, more efficient, and so on.

Budget 2010 included even more investments for fleet renewal and improved service to Atlantic Canadians and their families. These included a new terminal building in North Sydney and an upgrade at Port aux Basques and Argentia terminals. In fact, if I may, I actually went on this trip this past summer. In North Sydney I took the ferry across to Argentia, drove across Newfoundland, and went back from Port aux Basques to North Sydney. It must be one of the great road trips in the world. I highly encourage anyone to utilize that service on a recreational basis if you have the opportunity.

These investments reinforce the idea that the economic growth of Atlantic Canada is a key priority for our government. We understand that building a strong transportation infrastructure is an important part of the region's future prosperity. I can assure the committee that these investments are making a difference.

In November I helped dedicate the latest addition to the ferry fleet, the *MV Highlanders*, which joins her sister ship, the *MV Blue Puttees*. These are very spectacular vessels.

• (0905)

The new vessels have substantially improved Marine Atlantic's ability to provide on-time, reliable service, and Marine Atlantic has introduced initiatives to increase efficiencies while ensuring customers continue to receive good value for their money. The introduction of new fleet in 2011 and the replacement of a significant amount of shore infrastructure and equipment will allow Marine Atlantic to manage its operations more efficiently. Savings will begin to be realized in 2013, once the organization gains more experience with these new vessels. The balanced approach will boost our efforts to achieve a sustainable, prosperous recovery and preserve the Canadian economy's advantages now and in the future.

Finally, I'll go to Canada Post. As Canadian communities—large, small, urban, rural—all across Canada will attest, Canada Post provides a vital service. And good service is what Canadians expect. Because all Canadians deserve reliable postal service, we specifically made postal service to rural communities an integral part of

Canada Post's universal service. We also maintain a moratorium on the closing of rural post offices.

In 2010 Canada Post began a \$2.1 billion modernization initiative, which will make major investments in equipment, technology, and processes. This will allow Canada Post to meet the challenges of the 21st century, and we will continue to support Canada Post's efforts to ensure that all Canadians have the postal service they need and deserve. I'll note that the chair of this committee has brought forward a private member's bill that will help us improve the service to Canadians as well.

Mr. Chairman, these three crown corporations provide central services to Canadians. Our government is committed to ensuring that they have the resources they need to carry out the mandates. Securing the funding outlined in the main estimates is key to making this happen.

I'll stop there.

Shoot away.

• (0910)

The Chair: Thank you, Mr. Fletcher.

Mr. Nicholls, seven minutes please.

Mr. Jamie Nicholls (Vaudreuil-Soulanges, NDP): Thank you, Mr. Chair.

[*Translation*]

First, I would like to thank the Aveos workers who are here in this room with us today.

Good morning, Minister Lebel. Thank you for joining us this morning.

The main estimates show a reduction of \$17 million in air safety, a cut of about 7%. We are also aware that the closing of Aveos means that the maintenance of Air Canada aircraft is being exported. It is unacceptable that this government is allowing the maintenance of our aircraft and our air safety to be exported to El Salvador. It is essential that Aveos continue to guarantee air safety in Canada and that our aircraft be maintained here, under Canadian safety standards.

What is the government going to do to solve this problem? How does it justify the cuts to safety and how will it respond in the event of an incident in the air?

Hon. Denis Lebel: My reply will deal with the decisions about the whole matter of Aveos. The deputy minister will set the record straight on the safety issue. Some of those things were actually not correct.

In this country, no government—certainly not ours—will allow safety in any area of transportation to be compromised. You are making statements that have not been confirmed. Yesterday we were taken to task for sending everything somewhere else in the country; now, you are saying that we are sending it overseas.

Since 1988, Air Canada has been a private company that makes its own business decisions. I do not always agree with Air Canada on those decisions, but that is how things are. It has been a private company since 1988 and, in 2004, it separated its operations and its other activities to create new companies. Since then, Aveos—the name was chosen in 2008, as you know—has also been an independent company, with independent union accreditations. Air Canada will have to accept the incorporating act, and we are going to make sure that it does.

As for the other comments about safety, stop scaring Canadians. Companies all over Canada provide very good services. No one has any doubt that Aveos employees provided a very good service. But their owners, the private individuals who own the company, have decided to suspend Aveos' operations. The government did not make that decision; business people made business decisions. So the employees working for those individuals have lost their jobs, and that is very unfortunate. Air Canada is a client of Aveos; it was not an Air Canada decision either. I am sure you will tell me that there are all kinds of issues involved with this, but those are the facts. In the government, as you know, we do not work with assumptions; we work with the legislation and with the facts.

I will ask the deputy minister to provide you with specific information on the matter you raised.

Mr. Jamie Nicholls: Mr. Minister, when you pass legislation to make its workers go back to work, I question the government's impartiality towards this private company.

On December 14, 2010, Air Canada's Director of Government Relations told the Standing Committee on Transport, Infrastructure and Communities that the company could not enforce the act because it does not enforce the statutes of Canada upon itself. Air Canada recognized that it is the government's responsibility to make sure that legislation is complied with.

How can the Conservative government not enforce its own Air Canada Public Participation Act itself?

Hon. Denis Lebel: We do enforce the act, Mr. Chair, and it starts with the work of this committee. That is also why I think that an emergency debate with nothing but political speeches would not have moved things forward, because it would not have allowed any of you to ask questions to the people involved.

I made the decision to invite representatives from Air Canada, from Aveos and from the union here. They have appeared before in the past, but the situation was not the one we have today, namely Aveos' decision to shut its doors and the fact that the workers have unfortunately lost their jobs. So next week, you can ask all the questions you like to the people who are in a position to answer them.

Mr. Jamie Nicholls: Mr. Minister—

Hon. Denis Lebel: That said, your interpretation—

Mr. Jamie Nicholls: Mr. Minister, air safety is a very serious issue—

[English]

The Chair: Please let him finish.

[Translation]

Hon. Denis Lebel: Thank you.

There are different ways of interpreting the nature of the incorporating act. You know very well that a decision was handed down last year, here in Ontario. Mr. Justice Newbould of the Ontario Superior Court ruled that Air Canada was in fact complying with its requirements under the act. You are saying something different. Personally, I prefer to put my faith in the legislation and on legal opinions.

In fact, in terms of the work that you are doing this week on this matter, we would be pleased to provide you with a legal opinion about the situation. We are just finishing it now. You can choose between your interpretation and that legal opinion. Certainly, everyone has their own opinion at the moment. For us, it is critical to ensure compliance with the act. That is what we are going to continue to do.

● (0915)

[English]

The Chair: Mr. Nicholls.

[Translation]

Mr. Jamie Nicholls: Air safety is a very serious matter, and I do not think that you are responding to the concerns Canadian have about it. The government of Canada must maintain control over the maintenance and the safety of our aircraft.

How can this government justify the fact that it is making cuts to air safety but is doing nothing to prevent jobs being lost and flown overseas?

Hon. Denis Lebel: First of all, sir, you are the one scaring Canadians with comments like that. I acknowledge that the Aveos people are excellent workers. I do not know if other companies—

Mr. Jamie Nicholls: I—

Hon. Denis Lebel: But you are saying that all other companies that maintain aircraft do bad work. That is what you are saying.

Mr. Jamie Nicholls: I have been speaking to the workers directly

Hon. Denis Lebel: You are saying that there are no other workers in the country who are competent enough to do this kind of work, except the ones from Aveos.

Mr. Jamie Nicholls: —and that is what they say.

[English]

The Chair: Order, please.

[Translation]

Hon. Denis Lebel: Last Thursday, Air Canada contacted companies across the country about providing maintenance services for its aircraft. These are competent companies, just as Aveos and its workers were.

In terms of air safety, our system is one of the safest, if not the safest, in the world. so I do not see why you would use that fact to scare Canadians.

At this point, I am going to ask the deputy minister to carry on.

[English]

Ms. Yaprak Baltacioglu (Deputy Minister, Department of Transport): Just let me comment on aviation safety.

Whatever company looks after the upkeep of Air Canada's or any planes—

Mr. Jamie Nicholls: Mr. Chair.

Ms. Yaprak Baltacioglu: —our regulatory function checks to make sure they adhere to the Canadian regulations.

The Chair: Monsieur Coderre.

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Mr. Minister, thank you for being here.

Do you know what I have here? It's the Air Canada Public Participation Act. I won't ask any questions that will require answers from deputy ministers. We'll talk to each other as a minister and former minister. We know how politics work.

In 1988, a minister had this to say about Bill C-129:

1. Maintenance and overhaul centres in Montreal, Winnipeg, and Toronto are fundamental to the success of Air Canada;
2. None of these centres will lose its importance;
3. The centres will continue to expand;
4. The company fleet maintenance will continue to be done at those locations.
5. The act would have to be amended if there were going to be any modification concerning the transfer of AIR CANADA's overhaul centres to another location.

I know that you are preparing an answer based on what the terrible Liberals did in the past.

In 2006, the Conservatives were still in power, and Deputy Minister Janet Smith said:

The things you are referring to, such as the operational centres, are not only enshrined in law but are required by statute. They cannot be changed unless the act is amended. You cannot get any more of a guarantee than that.

Mr. Minister, my goal is not to say that the others couldn't do the job. But, you are doing nothing. Fine, you asked a parliamentary committee to look into the matter. Your idea must have been a good one because it was what I suggested last week. So when a parliamentarian makes the suggestion, it's to exert pressure, but when a minister does, it's to save time.

I don't want to say that the other companies are bad. The fact is, you are bound by the act to comply with section 7, which states that the maintenance centres must remain in Montreal, Mississauga and Winnipeg. This isn't just changing the oil and topping up windshield fluid. I'm talking about complete overhauls, which must be done in those locations.

If you do nothing, it's because you are complicit in this. I know you too well, and I hope that you are not. Why did you not meet with the Air Canada representatives and tell them that legislation exists and that there is no reason to transfer their activities to Trois-Rivières or to their new hangar in Windsor that cost \$21 million and that the government invested \$4 million in? We must comply with the act. Your job is to enforce the act, unless you intend to change it.

Hon. Denis Lebel: Mr. Chair, actually, I did tell you that I would refer to what the Liberals said at the time confirming the issue of private enterprise.

On October 19, 2004, Jean Lapierre, the former Minister of Transport, said in response to Ms. St-Hilaire, of the Bloc Québécois:

Mr. Speaker, I imagine that the hon. member realizes that Air Canada is a private company. I have no intention of taking over the administration of the company and saying that *x* number of jobs, a minimum level of jobs, have to be guaranteed. No minimum level or increment was ever guaranteed.

... But we really have to trust the management of a private company.

Of course, the member for Bourassa knows, with respect to the decisions we made, that I did not need to meet with Air Canada to carry out the legal analyses in relation to the act or to ask for opinions. Having said that, in my prerogative as minister, I requested consultations. I don't have to say when that will happen or when it was done. I will do the work in that respect.

I am not here to defend Air Canada. Air Canada has obligations and its representatives must comply with the act. As the justice of the Superior Court of Ontario said so well in his ruling last year, the obligation of keeping the maintenance and overhaul centres as set out in the Air Canada Public Participation Act was vague, probably intentionally. A judge said that, not me.

● (0920)

Hon. Denis Coderre: I understand.

Hon. Denis Lebel: So you are quoting deputy ministers who were in the position at the time, but you are not considering the opinion of a judge of the Superior Court of Ontario who made a ruling last year.

Hon. Denis Coderre: Pierre Jeannot, the former president, said that same thing. Jacques Pigeon, an extraordinary lawyer, as the people from Transport Canada know, also said the same thing. Mr. Morency knows him well. I am not being partisan. I'm telling you, it's the legislation. The deputy minister said so, too. Your job is to ensure the act is enforced.

Hon. Denis Lebel: And this is what we are doing. We are pleased to be tabling the outcome of legal advice. We must work in terms of the act.

Hon. Denis Coderre: Mr. Minister, I don't want you to give legal advice; I want you to do your job.

Hon. Denis Lebel: That's what I'm doing.

Hon. Denis Coderre: Your job is to make sure that the people of Aveos who are here, and the people from Air Canada who are siphoning millions and billions of dollars from the company through holding companies and all that, will be able to have their overhaul centres in Montreal, Winnipeg and Mississauga. Because Aveos is Air Canada.

When Aveos was created and there was a transfer, the same people were involved. There is something I don't understand, and I would like an answer from you, because I know that you are an honourable person. In March 2011, Chuck Strahl said that these jobs were guaranteed. Don't tell me about Jean Lapierre, former Minister of Transport, who just this morning was saying on the radio what you should do. Chuck Strahl said that these centres were guaranteed until June 2013. So what happened?

When the time comes to bust unions and talk about removing the right to strike or to lock outs, you say that the economy is fragile and that you have to intervene. These people are happy that you are there when they want to have corridors. But when we are talking about protecting overhaul centres and enforcing the act, you aren't there.

Hon. Denis Lebel: That is totally false. We are there when it comes to what's available to us legally. You know that very well. You said so yourself a little earlier. As former minister, you shared that with us. I would have wanted to talk about my former role as mayor, but I will limit myself.

Hon. Denis Coderre: The former mayor would have protected jobs.

Hon. Denis Lebel: The former mayor always did what he had to do with respect to...

Hon. Denis Coderre: That's it...

Hon. Denis Lebel: ...just as I do my job now. I am currently the Minister of Transport, Infrastructure and Communities. The job of minister is to ensure that our air transportation system is healthy, that it helps the Canadian economy continue to flourish and that it enables Canadians to travel around the country.

When we adopted the legislation recently, a million Canadians were on holiday because of the school break. You know very well how fragile the air economy is around the world. For us, it was important to ensure that the airlines continue to operate. This makes it possible for everyone to continue working, which is what we want. We didn't make a decision in support of Air Canada or the union. We made a decision for Canadians...

Hon. Denis Coderre: To wrap up, Mr. Lebel, since my time is limited...

Hon. Denis Lebel: You asked me a question, so let me answer, Mr. Coderre.

Hon. Denis Coderre: My time is limited. You've answered, and it's the same old tune.

Hon. Denis Lebel: We made a decision for Canadians and that is the purpose of our work today.

I am very sorry for the people who are losing their jobs. It's very unfortunate, but it's a market and competition issue.

Hon. Denis Coderre: No, no. Wait a minute! It's not a market issue.

Hon. Denis Lebel: The company made business decisions, Mr. Coderre.

Hon. Denis Coderre: No, the managers of that company are savages, and we will speak to them in due course. The people from Air Canada are savages. They have enough money to give themselves bonuses, but they don't have enough money to respect their employees and customers.

My job and yours, as parliamentarians, is to enforce the act. Will you or will you not enforce section 7, or will you instead change the legislation?

Unless I'm mistaken, you are playing for time because you want to change the legislation. Is that really what you want to do, or do you instead want to enforce section 7 of the act? It's not complicated.

Hon. Denis Lebel: Mr. Chair, we will table the outcome of our analysis on Thursday. It will be a pleasure to table the results of our legal analysis on Thursday, during your meeting.

Hon. Denis Coderre: Are you prepared to come back then, Mr. Minister?

[*English*]

The Chair: I have Monsieur Toet, please.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Thank you, Mr. Chair.

Thank you to the minister.

Minister Fletcher, it's nice to have you also back with us again. It's great to see you here.

I know that today you've come to talk about the main estimates, and I do hope we can get back to those eventually. They are very important for us to be talking about. However, I want to take a bit of an opportunity here to speak about the Aveos situation.

I've been following the situation very closely. I am a member from Winnipeg, so this has an effect, obviously, on my community and on members of my community who have seen losses of jobs. It's been very much followed, very closely, in Winnipeg by the people there and by me. We do have some concerns with the Aveos situation, not only in Winnipeg but across Canada. It is a very important situation that we need to talk about.

The aerospace industry is important to not only Winnipeg and Manitoba but also to Canada. The maintenance of our aircraft is a highly important issue for all Canadians, for our safety. We're also talking about jobs that are very good-paying jobs. These are very technical jobs, and these are knowledgeable people who we want to continue to hold in Canada. We want to make sure they can continue to do this work in Canada.

In a situation such as this, one would assume that you are garnering legal advice as we go forward. You've indicated as much, that you are getting legal advice regarding the Air Canada Public Participation Act and the application of that. You have also stated that you're happy to table this with us.

I'm wondering if you could give us an indication as to the advice you've received to date and when we could expect to see this tabled, going forward, just to help this committee do the work that we need to do also in regard to Aveos. That would be greatly appreciated.

• (0925)

Hon. Denis Lebel: We expect to table that at your next meeting, on Thursday. For the moment, we're in the final writing of all that. The advice we've received now, following the judgment in Ontario, is that it's not really clear. It's a complex issue. I will wait for the final advice that I will receive before I give this on Thursday.

For the moment, the advice we have received, and the judgment in the Superior Court of Ontario, is that Air Canada respects the obligations they have, but we will wait until Thursday to have the final word on that.

Mr. Lawrence Toet: With regard to the act, at this point, as you say, you have to work through that before you can completely share that information with us on Thursday. We look forward to receiving that, because it will be very helpful to us also.

I'm just wondering if there's any indication in the material we've received in terms of Aveos's versus Air Canada's obligation under this act. My understanding is that this is an Air Canada obligation, not an Aveos obligation. I'm wondering if you can just expound on that a little bit for us and explain that situation as you see it today.

Hon. Denis Lebel: You're right. The obligations of the act are on Air Canada, not on Aveos, and that's a business deal between two companies, two private companies. Yes, I hear it's former employees of Air Canada, but now legally they're two different companies. The unions have two different sets of regulations to work with. They're really different. Air Canada is under the law, and we will work to be sure that Air Canada respects this law. That's a formal arrangement we have.

Mr. Lawrence Toet: So going forward, we can expect to be working closely with Air Canada. We want to see this situation dealt with in a way that sees these maintenance standards upheld in accordance with the act.

Hon. Denis Lebel: That's why we wanted to have Air Canada here in public, for you to ask them questions. I can meet them ten times in my office in private. That doesn't give you the chance to ask them questions about what they have done and what has been said this morning about Air Canada's obligations. You should have the chance to ask them any questions you want. We hope to have Aveos here too and the union, sharing with you what they have to say.

In the end, we will respect the law, just as Air Canada is obliged to respect the law.

Mr. Lawrence Toet: To go a little further on the obligations of both Aveos and Air Canada, have there been discussions with Air Canada encouraging them to continue to work with Aveos, or are discussions with Air Canada geared toward their obligation to make sure that these maintenance jobs are filled in Winnipeg and Mississauga and Montreal?

● (0930)

Hon. Denis Lebel: That's not the choice of Air Canada.

[*Translation*]

It's the choice of the owners of Aveos to seek the protection of the Companies' Creditors Arrangement Act; it's not the choice of Air Canada. The private owners of Aveos decided to seek the protection of the act, in Quebec. The next day, Air Canada offered them temporary support of \$15 million so they could continue their operations, but the owners of Aveos refused the offer of assistance and, instead, preferred to announce that the company was dismantling.

Obviously, we don't think this is an ideal solution. But it was a business decision by the owners of Aveos. The discussions between Air Canada and Aveos relate to the private agreement between the two companies. This matter does not involve the government. As with all the other private sectors where there are business obligations, it is up to the two owners to do business together. In

the case of Aveos, it was a business decision made by the owners of the company.

I understand very well that, since 1988, there has been a lot of water under the bridge, but the facts are still there. Aveos has a completely separate collective agreement for its workers, and it must be respected. Even after the discussions I had as minister with the owners of Aveos, they decided to seek the protection of the Companies' Creditors Arrangement Act. I cannot manage the company for them.

[*English*]

The Chair: Thank you.

Mr. Watson.

Mr. Jeff Watson (Essex, CPC): Thank you, Mr. Chair.

Minister and officials, thank you so much for being here.

I didn't expect to comment on Aveos, but since we're there, I think two things have emerged. First, this issue has nothing to do with declining safety in Canada. We have one of the safest air transportation systems in the world, and if Aveos is no longer in business, there are others who can ably perform maintenance and repair under the stringent regulatory framework of Transport Canada.

Second, I would say that the Aveos situation has everything to do with Air Canada's obligations under the law. Air Canada is the one that is going to have to find a way to comply if Aveos is no longer in their supply chain, and I think it's incumbent upon this committee to take up your challenge to hold hearings. I think Air Canada has to come and explain their plan to comply with the existing legislation.

With regard to the estimates, since this is important work here and we have some important expenditures to review, I want to talk about the DRIC, the Detroit River International Crossing. I notice that there are substantial expenditures related to the gateways and border crossings fund for the upcoming fiscal year. There is some additional spending planned for land acquisition related to the corridor. I'd like you to give the committee a general update on the status of the DRIC project.

Hon. Denis Lebel: As I've said before, we remain fully committed to building the new publicly owned crossing between Windsor and Detroit. Michigan Governor Rick Snyder has confirmed that this project remains a top priority for his administration.

We will continue to work with the governments of Michigan and the United States to examine options for delivering the new crossing. I met my counterpart, Secretary Lahood, and Secretary Napolitano, who confirmed that this was important for them too, and they are still involved.

The bridge proposal has received the necessary environmental clearance on both sides of the border. We have offered \$550 million for Michigan's project components and this remains on the table. We will continue to work to create all the facilities to go forward. We will continue working with the Michigan and United States governments on options to delivering the new crossing, and that's a real involvement.

Mr. Jeff Watson: Obviously, with respect to the internal situation in Michigan, the governor is balancing a lot of key priorities at the moment. Detroit's situation with respect to possible emergency management is obviously consuming a considerable amount of his time in the short term.

The remaining piece to completing this is the creation of a P3 entity with respect to the State of Michigan. This is a new concept for the State of Michigan. Obviously we in Canada have a lot of experience with respect to P3. As I understand it, that is a last remaining piece.

Can you verify if that's the next hurdle, at some point, for the State of Michigan to look at, as it gets beyond the urgent financial issues with respect to Detroit?

Hon. Denis Lebel: We were very pleased with the advances we had at the last meeting. The progress that our provincial partners have made with the construction of the parkway is also important to us. Our American partners are very involved. We know the challenges that they have in Michigan at the moment. Governor Snyder is still very involved, and we're finding solutions. That's not an easy issue. We're working with two countries, as you know, but are on the way. We made good advances at the last stage.

As I stated, in budget 2011 our government committed to fund up to 50% of eligible capital costs of the parkway, up to \$1 billion, and we will continue in that way. Things are going well for the moment. We still have work to do, we know.

• (0935)

Mr. Jeff Watson: It's actually transforming the landscape of the Windsor-Essex parkway. I've been up and down that corridor quite a bit over the last little while.

With respect to the federal aspects, the land for it, the plaza, and the launch point for the bridge, there has been some activity in the past on that. I noticed additional expenditures coming up on that. Can you or your officials give us an update on where we are at on land acquisition for the federal-only components?

Ms. Yaprak Baltacioglu: Mr. Chairman, we are staying behind after the first hour and our assistant deputy minister, Helena Borges, who has the details about the land acquisition, will be able to give more detail.

That being said, as you can see in the estimates, money has been brought forward and we are keeping money for the plaza. Of course some of this is still pretty preliminary. Once the project is going fully ahead, we'll make sure that the funding is provided for that.

Mr. Jeff Watson: Beyond the border crossing being a very important agreement with the United States to improve travel flows, I just want to put on the radar screen that we would be an ideal location, with respect to pre-clearance for cargo. There are projects coming up the way, but I think that should be on the radar screen for the government.

On the issue of provincial-based funding, officials were here before the committee. I understand that Ontario had a larger share that was as of yet unclaimed. Is there an update on provincial-based funding? Maybe this is for your officials to answer, Minister. How much is left? What's happening?

Ms. Yaprak Baltacioglu: There's money left in the provincial-territorial base for Ontario, but I can't give you any more of an update than that the money is there.

Mr. Jeff Watson: How much more time is there?

The Chair: You have 30 seconds.

Mr. Jeff Watson: I have 30 seconds. I'll defer that, then. I have no more questions.

The Chair: Thank you.

Monsieur Coderre, on a point of order.

[*Translation*]

Hon. Denis Coderre: Mr. Chair, the minister really wants meetings to be held. I, personally, tabled a motion that is in order on March 19 with respect to Aveos Fleet Performance Inc. As for the performance of managers, we'll go over it again. The motion reads as follows:

That following the March 19, 2012 closure of Aveos Fleet Performance Inc. the Committee invite the Minister of Transport, his officials, representatives from the International Association of Machinists and Aerospace Workers...

[*English*]

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Chair, this is not a point of order.

The Chair: Order, please.

Mr. Pierre Poilievre: This is not a point of order that Mr. Coderre is raising.

[*Translation*]

Hon. Denis Coderre: I believe I have the floor.

[*English*]

The Chair: He's raised the point of order. I was listening, but I didn't... Was he moving his motion?

[*Translation*]

Hon. Denis Coderre: Mr. Chair, I would like...

[*English*]

Mr. Pierre Poilievre: Yes, he's moving a motion.

[*Translation*]

Hon. Denis Coderre: ...that we may, at this point, given that the...

[*English*]

Mr. Pierre Poilievre: No, no.

[*Translation*]

Hon. Denis Coderre: Are you the chair, Mr. Poilievre?

[*English*]

Mr. Pierre Poilievre: No, you can't break the rules.

Hon. Denis Coderre: Are you the chair now?

[*Translation*]

Mr. Chair, given that the minister agrees to us holding a committee meeting on this matter, I would like him to come back, and I would like us to move this motion and have everyone support it unanimously.

[English]

The Chair: If I may, regrettably, you can't move a motion on a point of order. We do have it on the agenda to discuss at the end of this meeting, so I'll move to Ms. Chow.

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Minister, my colleagues Jamie Nicholls, Isabelle Morin, and other New Democrats met with the Aveos workers. They saw the anger and the desperation in their eyes directly, face to face last week. Why are these workers angry? They're angry because since 1988 successive Conservative and Liberal governments have promised them that these Air Canada workers will have their jobs maintained. Until last year these were Air Canada workers. That's why they're angry. They feel cheated. They feel there was a promise made to them in 1988 and it was broken by the governments.

Why are they desperate? They know they are not going to be able to get their jobs back. That's why they're desperate. That's why they're going to probably come here to the Hill. They will continue to push.

I just have one simple question. Are you going to change the law so that Air Canada can legally ship their jobs to the U.S. or El Salvador? Right now they can't legally do it. Are you planning to change the law, the Air Canada Public Participation Act?

• (0940)

[Translation]

Hon. Denis Lebel: Mr. Chair, I fully disagree with my colleague's preamble to her question. Last Thursday, I called the company representative twice. I invited him, myself, on Thursday evening to come and meet me in Ottawa. He said that he should force his way through my door to come and meet with me.

In my riding, Mr. Chair, 3,000 people lost their job during the forestry crisis. I know what it means when people lose their job, and I sympathize greatly with the people who lost their job in the Aveos affair and who are currently without a job. It was a decision by the company, a business decision.

My colleague has to understand, as do I, that Air Canada is a private company that does business with various companies, including Aveos, and that the agreement with Aveos is between Air Canada and Aveos. It isn't the government that manages these companies, Mr. Chair, neither Aveos, nor Air Canada, but the managers of the companies.

[English]

Ms. Olivia Chow: Why don't I change the topic?

[Translation]

Hon. Denis Lebel: So, Mr. Chair, we will continue to do the analyses necessary. It's very unfortunate for the people who lost their job following these business decisions made by Aveos. Air Canada is calling on other companies across the country to continue to maintain its aircraft. What will happen to the former company Aveos? We'll see.

[English]

Ms. Olivia Chow: Mr. Chairman, may I change the topic and come to the estimates?

Hon. Denis Lebel: Sorry.

Ms. Olivia Chow: The estimates, the infrastructure funds.... I'm sure you want me to change the topic.

Voices: Oh, oh!

Ms. Olivia Chow: Right now in Canada, there are 37 red boil water advisories in place. There are 1,058 yellow boil water advisories in place.

What does a "boil water advisory" mean? It means that the water is toxic. It means that it's not safe for human consumption.

Whether it's Montreal's West Island or Prince Albert, there are cities and towns across the country that are desperate because they don't have the money to clean the water. The Federation of Canadian Municipalities estimates that the pent-up investment for water and sewage systems across Canada amounts to more than \$31 billion.

Knowing the desperate situation of our water system in Canada, how could it be that in these main estimates the entire green infrastructure fund of \$348 million has been eliminated, has been taken? These are the main estimates. In supplementary estimates (B) and (C), the previous ones, we weren't able to ask you that question, but we noticed that \$48 million of the last green infrastructure fund was also cut. So in total, these green infrastructure funds, which were supposed to be used for clean water, are completely eliminated. There is no more funding for this program.

Then, on top of that, the communities component of the Building Canada fund, which targets projects in communities with populations under 100,000, is fully committed. So if I'm in a small town outside Quebec—because Quebec still has \$32 million left in their part of it—if my water system is broken this year and will be next year until there's a new program in place, which you're consulting about, what am I to do? There's no money left.

There is a little money left in the Building Canada fund in the major infrastructure component, but that's for strategic projects of national and regional significance, like the Champlain Bridge, for example. It wouldn't be for small communities that are facing boil water advisories right now. The rainfall is going to come and they're going to be in trouble. Sure enough, there are over 1,000 yellow boil water advisories, which means that the kids cannot drink the water and the seniors will get sick and they'll have to go to the hospital.

How could it be that there is this cut of \$348 million to the green infrastructure fund? There's hardly any money left. There's a tiny little bit for big infrastructure, but nothing for small municipalities.

• (0945)

[Translation]

Hon. Denis Lebel: Mr. Chair, a lot of things in that question are very disparate.

In another life, I was a mayor, a member of the Union des municipalités du Québec, in the group of mayors that put pressure on the previous government. One measure was put in place by our government so that the municipalities had permanent funding. It became the gasoline excise tax refund, which we set in legislation. It's now permanent funding. However, certain parties voted against all that funding.

All the small municipalities in Canada now have predictable funding. So they can do long-term planning and use that money to meet all their needs. It isn't up to the federal government to decide how they use that money. To my knowledge, the municipality can still today, in 2012, decide to invest the funding where it wants to.

[English]

Ms. Olivia Chow: It's not enough—

[Translation]

Hon. Denis Lebel: If there is no drinkable water in certain municipalities, it isn't the fault of the federal government; it's the responsibility of municipalities to maintain the water supply system. It would be too easy to say that.

The Green Infrastructure Fund was used in a large number of cases. We completed over 4,000 projects with funding from Canada's Economic Action Plan. The Building Canada Plan had a budget of \$33 billion, which has never been seen in the history of the country, but the opposition parties still voted against it.

[English]

The Chair: Thank you.

With that, the time has expired for the ministers. The department is staying longer.

I'll recognize Mr. Coderre after I thank our guests. I'll invite other members of the staff to move forward.

Thank you, Ministers.

I'll refer to Mr. Coderre while our tables are clearing.

[Translation]

Hon. Denis Coderre: Thank you, Mr. Chair. Given that you have given me the floor, I would ask that we proceed immediately to the vote on my motion, since it is clear that the government will agree. I would like us to vote on my motion immediately, and I can do it at any time.

[English]

The Chair: Thank you.

Go ahead, Mr. Poilievre.

Mr. Pierre Poilievre: The motion I have in front of me just requires a small housekeeping change to remove the invitation for the minister. Of course, the minister has already been here on this subject.

Other than that, we should be able to proceed. I think that would probably just be a friendly amendment.

The Chair: Go ahead, Monsieur Coderre.

[Translation]

Hon. Denis Coderre: Mr. Chair, our meeting with the minister today was on the estimates. Because of what is happening with the corridor and security, questions came up. I don't see why we would make a change. The minister could give testimony after the members of the committee have heard from the other witnesses. I feel that it is appropriate for him to be here. If the members of the government party don't want that, we will have to vote against their motion.

[English]

The Chair: I have Mr. Holder, and then Ms. Morin.

Mr. Ed Holder (London West, CPC): Thank you, Chair.

It's interesting that although my colleague talks about this meeting being on the estimates, there was not one question that he asked on the estimates. All he did was ask the minister, as is his right, about the very serious situation as it relates to Aveos. I think it's been fairly clear that he's done that.

If he had wanted to spend this time on the main estimates, as I think we should have done, then that was his opportunity to do so. He asked not one question. I think it's very clear that the minister has been forthright and candid about it, and we've been assured that there is more information coming to our next meeting this Thursday.

Pierre Poilievre, my colleague, has made a suggestion of a friendly amendment. If it's not going to be friendly, then I would like to make an amendment to that motion through you, Chair, if it's appropriate, because I think it's been fairly clear that the minister has been forthright. I'm quite prepared to support the motion with the exclusion of the reference to the Minister of Transport being invited to attend, because he's been here and I think has provided very full disclosure.

The Chair: There is a motion on the floor, with an amendment coming from Mr. Holder. I'll read it first to make sure we're clear in our understanding. It reads:

That following the March 19, 2012 closure of Aveos Fleet Performance Inc., the committee invite...

There you would eliminate “the Minister of Transport”—

Mr. Ed Holder: It would read:

...Ministry of Transport officials, representatives from the International Association of Machinists and Aerospace Workers, Aveos representatives and Air Canada representatives to discuss Air Canada and its legal obligations under the Air Canada Public Participation Act, in particular section 6(d).

The Chair: The crux of the amendment is that the committee invite the minister's officials—

Mr. Ed Holder: That's correct.

The Chair: —and representatives from the International...

We have an amendment to the motion. Is there any comment?

Go ahead, Ms. Chow.

●(0950)

Ms. Olivia Chow: Whether the amendment passes or not, I have a second amendment. Do you want to deal with this one first, and then do you want to hear mine also? You can deal with it separately, but I have a separate amendment.

The Chair: I think we can hear it, sure.

Ms. Olivia Chow: Okay. It would be that a report from such study be concluded by the end of the April 3, 2012, meeting and that such report be tabled in the House of Commons.

The Chair: Go ahead, Monsieur Coderre.

Hon. Denis Coderre: I would take it as a friendly amendment and make it part of it.

The Chair: Mr. Poilievre, did you have a comment?

Mr. Pierre Poilievre: Could you read that—

The Chair: It would basically request the committee to report the results from such study, to be concluded by the end of April 3, and report it to the House.

I'm not sure we could report it that day, but we'd have to formulate a small report from the committee.

Mr. Pierre Poilievre: Is it that you just want to have the study completed by April 3? Is that the essence of...?

Ms. Olivia Chow: There are two parts. My amendment is so that we wouldn't take a long time; we would have two or three meetings. I would imagine if the meetings are this coming Thursday and next Tuesday, we would have a report ready, and that report would be forwarded to the House of Commons.

Right now this motion does not.... There will be a discussion on this motion. I want whatever discussion we come up with to go to the House. I'm sure there will be a report, and that report, if the committee chooses to, at the latest should be finished by April 5, and then it should be tabled in the House of Commons.

I think the wording "that it be reported to the House of Commons" is standard wording in a lot of motions that you have seen from me in the past.

The Chair: Do you have any comments, Mr. Poilievre?

I think by putting a deadline of April 3 on it we might not be able to hear from everybody we need to hear from.

Ms. Olivia Chow: Well, it could be concluded by April 5.

The Chair: At the conclusion of the study we can make a report?

Ms. Olivia Chow: The reason I put a deadline on it is because as time keeps going on, the workers are feeling even more desperate and angry. If we have all the representatives here this coming Thursday, surely with two hours we can hear from all of them. We can hear about the history, what happened with Air Canada, etc., which I think we mostly know already. But we can hear from them.

Next Tuesday there will be different motions. I'm sure there'll be a report. I don't think it will be a big stretch for us to be able to finish a report. It sounds like the minister has some information that he will give to us on Thursday. Maybe the department will have already provided us with some information. Surely by next Tuesday we should be able to have something in front of us, and we can make a decision one way or another. I can't see why we need more than two meetings to conclude it. It should then be reported to the House of Commons, which is why I put the deadline in.

The Chair: Mr. Coderre.

[*Translation*]

Hon. Denis Coderre: Mr. Chair, let me repeat that she doesn't need to propose an amendment. I will consider it as a friendly amendment and it will be part of the motion.

I would like to tell my colleagues on the government side that, if we see there is not enough time, we can always make adjustments. We need to act quickly. As we speak, people are taking the vending machines from the hangars.

I think we also have to help our colleagues. We don't need to vote on a motion. Let's include it in this motion and we can proceed with the motion moved by the government, which proposes that we do not invite the minister, but his officials.

[*English*]

Mr. Ed Holder: I want to be clear on that point. Ms. Chow has the unique circumstance of being able to have a friendly amendment on either the motion or the amendment to the motion. I would certainly support it as well. I just want to be clear that if the intention is to append it to my motion, I'm prepared to accept it as a friendly amendment.

• (0955)

The Chair: Even though it is a friendly amendment and has been agreed upon, because it's a subamendment we will have a vote on it.

I will call a vote on the first amendment by Mr. Holder to invite the minister—

Mr. Pierre Poilievre: We should have the subamendment first.

The Chair: I apologize.

Ms. Chow's amendment is that we conclude and finalize the report on April 3.

Mr. Holder.

Mr. Ed Holder: I have a point of clarification, Chair.

Is that a subamendment to mine or to the main motion?

The Chair: It could be either, but it will impact the main motion.

Mr. Ed Holder: As a separate point of order, if we support the subamendment to the main motion, are we in effect supporting the main motion?

The Chair: No. There's going to be a subamendment, an amendment, and then a vote on the motion as amended.

To work with Ms. Chow's motion, we'll have the subamendment first to your amendment.

Mr. Ed Holder: Thank you.

The Chair: Then we'll deal with your amendment, and then with the motion as amended.

Mr. Pierre Poilievre: Wait a second, Mr. Chair. You said that her amendment is to the main motion and not to the subamendment.

The Chair: The actual wording Ms. Chow presented was a subamendment to Mr. Holder's, so that's how we will look at it.

Ms. Chow.

Ms. Olivia Chow: It is meant to be for the main motion. The wording would say "in particular" and then "and that a report from such study be concluded by the end of April 3."

I've actually written it.

The Chair: That's fine.

I'm going to deal with Mr. Holder's amendment first, and then we'll deal with Ms. Chow's, just to make sure it's clear.

Mr. Pierre Poilievre: I will need some clarification on Ms. Chow's after we've done Mr. Holder's.

The Chair: Mr. Holder has proposed an amendment that would eliminate the invitation to the Minister of Transport, but would invite his officials and representatives from the International Association of Machinists and Aerospace Workers.

Mr. Mike Sullivan (York South—Weston, NDP): There is more discussion, Mr. Chair.

The Chair: More discussion? Okay. Go ahead, Ms. Morin.

[Translation]

Ms. Isabelle Morin (Notre-Dame-de-Grâce—Lachine, NDP): People on the government side said that we did not ask the minister questions about the estimates. The minister was here for an hour. You yourself, Mr. Chair, said that that wasn't enough time. The minister talked for more than 10 minutes. Then Mr. Fletcher spoke as well. Only two members from our party had time to ask questions. I would have liked to ask him some questions.

When we are faced with an emergency situation like that, it is important for the minister to be able to come back. The Clerk would be able to confirm this; we had at most 35 minutes for questions. I don't think that's enough. If we want to get to the bottom of this issue, the minister has to be here that day.

[English]

The Chair: Is there further comment?

We're going to deal with Mr. Holder's amendment, then, which would remove the minister and include his officials.

Hon. Denis Coderre: I would like a recorded vote.

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

The Chair: We'll now move to Ms. Chow's motion, which would....

Mr. Poilievre.

Mr. Pierre Poilievre: Can you read out the precise wording?

The Chair: I'm going to ask Ms. Chow to do that.

Mr. Pierre Poilievre: Okay.

Ms. Olivia Chow: The amendment reads:

That a report from such study be concluded by the end of the April 3 meeting and be tabled in the House of Commons immediately thereafter.

Mr. Ed Holder: As appropriate.

The Chair: Go ahead, Mr. Poilievre.

Mr. Pierre Poilievre: Thank you.

I would have a subamendment to that. That subamendment is that it would terminate after the date. And it would eliminate the tabling in the House of Commons portion.

The Chair: Do you want to make that subamendment to this?

Mr. Pierre Poilievre: Yes.

The Chair: Okay.

For the record, will you read it exactly how you want it entered?

Ms. Olivia Chow: Delete the last line.

Mr. Pierre Poilievre: Delete the reference that the report would be tabled in the House.

The Chair: There's been a subamendment to Ms. Chow's motion that would basically eliminate the portion that states that it shall be reported to the House.

• (1000)

Mr. Pierre Poilievre: Yes.

The Chair: Ms. Chow.

Ms. Olivia Chow: If this committee is to be relevant, then what we do here really should have an impact on the whole matter. If not, this is just an exercise in delay and in giving the workers a chance to vent, but it would go absolutely nowhere.

Any study or any motions of any substance should be reported to the House of Commons. If it's not reported to the House of Commons, why have a standing committee for transport? Why have a wet sponge to take all the energy from the workers and what we learn from Air Canada representatives and also the report I heard the minister is going to draft? We should take all of that information and present it to the House of Commons. There's nothing to be ashamed of.

Once it's reported to the House of Commons, other members of Parliament may want to comment on it. There might be a concurrence motion so that at the end of the day there would be a three-hour debate. It would be clear where the House of Commons stood, and other members of Parliament would have the opportunity to comment on this matter, which is of huge significance. It's the lives of thousands of workers, and it has an impact on Winnipeg, Montreal, and Mississauga.

I hope that what we do would be tabled in the House of Commons.

The Chair: Monsieur Coderre.

[Translation]

Hon. Denis Coderre: Mr. Chair, in light of the amendments proposed by the government members, it is clear that they are trying to protect the minister. They probably don't want him to come because he is afraid to come.

In addition, the fact that there is no mention of a timeframe means that they are just trying to buy time. The Aveos workers and the Air Canada people need to know that this government simply wants to buy time and sweep things under the rug.

I ask for a vote and I am going to vote against those amendments.

[English]

The Chair: I have Mr. Sullivan and then Mr. Watson.

Mr. Mike Sullivan: Thank you, Mr. Chair.

The minister himself stated yesterday that he was referring the matter to this committee. So for this committee not to report it back to the House of Commons kind of means that the minister himself was not truthful when he said to the House yesterday that this matter was being referred to this committee. It apparently is here, but it's not here. That it's not going to be reported back to the House makes no sense to me.

The Chair: Mr. Watson.

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

First, there was no referral from the House to this committee to study the issue. But more to the point, let me follow what's going on here.

Mr. Mike Sullivan: Yes, there was.

Mr. Jeff Watson: No. He's asked the committee if they would look at it, but there's no referral from the House. It's a procedural difference. It's a huge one, as a matter of fact.

Let me understand this. The opposition, first of all, says we shouldn't have hearings, that the minister just needs to do something about it. They didn't even want the hearings in the first place. Now that hearings, or the discussion of possible hearings, on this issue are on the table, I find it an odd position that they don't think they're necessary.

But now we're talking about hearings. I can tell you the House isn't waiting on the results of possible hearings, judging by the opposition in question period yesterday. They don't need a report from a committee. Presumably they felt earlier they didn't even need hearings. They're pursuing the debate there.

This really is an effort by the opposition to delay debate on the budget that is coming down. They want to tie up the House in other issues that way.

I think we can do exactly what we need to do, which is schedule hearings, hear from the important witnesses. To comply with the legislation at hand, Air Canada has to give a public account in terms of its plan of action. That's the main purpose of potential hearings.

I don't think that necessarily requires a report back to the House of Commons. We need to get them on the public record. The parties are going to continue to debate this issue in the broader House, whether or not there's a report from the committee.

The Chair: Mr. Poilievre.

Mr. Pierre Poilievre: All the information that comes out of the hearings will be public. The minister can take direct note from the contents of those hearings.

The step of going through the House of Commons, which would inevitably delay the final transmission of the committee's findings to the minister, does not add anything to the process.

This is a way to get an efficient, quick result from our hearings directly to the minister and also to do what is most important, and that is to find out from Air Canada, which has the obligation under the act, what it plans to do to meet its obligations.

● (1005)

The Chair: Mr. Sullivan, and then Mr. Holder.

Mr. Mike Sullivan: I have to agree with Mr. Watson. Of course we want the minister to act and to enforce the law. Maybe the law and order agenda of the Conservatives only applies in certain circumstances, and there's no mandatory minimum for the executives of Air Canada who apparently are violating the law.

But yesterday the minister very clearly said outside the House and in the House that this matter was now going to be before this committee. This committee needs to be able to report back to the House of Commons. To take that role away makes this a complete mockery of what the minister said was going to happen.

Yes, we would rather the minister had just acted, as the Minister of Labour did when Air Canada, a private corporation, had a situation whereby there might have been a lockout. We have immediate and rapid action with private corporations when it suits the government, but when it doesn't suit the government it's referred to a committee.

Now the government side of this committee is trying to tell us that when it suits them this committee will not be able to report back to the House. And that is.... Yes, perhaps procedurally there wasn't a motion from the House referring it to this committee, because the House wanted the minister to act. The minister made it very clear that he was not going to act until he had a report from this committee. If he's not going to get a report from this committee into the House of Commons, that will render this committee's deliberations completely useless, in my opinion.

The Chair: Mr. Holder, and then Mr. Nicholls.

Mr. Ed Holder: Thank you, Mr. Chair.

I'm not going to belabour the aspect of this motion, but I want to come back to you. I feel as if this meeting has been hijacked. And I want to say it in clear terms. My friend Mr. Coderre knew very clearly that the whole issue of committee business where we were going to entertain this motion was the 15 minutes toward the end.

We have significant officials here, senior officials, and we wanted to hear from them about the estimates, but instead we get mired in not an unimportant issue but one that was scheduled here. We've allowed this meeting to be hijacked, when we were here to hear officials talk about the estimates.

I'm quite disappointed this was the action taken for the purpose of what I can only feel is politics, when it was scheduled in this. And do you know what? At some point we have to take control of our own world this way, folks. It's really critical that we do that. Frankly, I hope we can spend the few minutes remaining talking to these officials and hearing what they have to say.

The Chair: Before I recognize Mr. Coderre on a point of order, I think it's important for all committee members to know that once a motion has been tabled, it can be brought forward to committee at any time during that committee or any committee into the future.

Mr. Coderre.

Hon. Denis Coderre: That not only was my point of order, but if everybody feels that we should do something about it, instead of taking the floor three times, Mr. Holder, we should have just voted and it would have been okay.

Let's all save the time, and let's all vote—

Mr. Ed Holder: Is that procedure, Mr. Coderre?

The Chair: Now I'm going to go to Mr. Nicholls, and that's the last person I have on the agenda, unless there is more comment.

[*Translation*]

Mr. Jamie Nicholls: I would just like to add something quickly.

We want the report to be submitted to the House because it does not only involve the Minister of Transport, Infrastructure and Communities, but also the Minister of Labour, the Minister of Industry and the Minister of Human Resources and Skills Development. So it is not just the Minister of Transport, Infrastructure and Communities and the Minister of Finance; it involves several ministers and they have to be aware of what we have been working on here, at the Standing Committee on Transport, Infrastructure and Communities.

[*English*]

The Chair: Seeing no further comments, Ms. Chow has requested a recorded vote, and it will be on Mr. Poilievre's subamendment, which would basically eliminate the request that it be reported to the House. It's a recorded vote.

(Amendment agreed to: yeas 6; nays 5)

The Chair: The subamendment by Mr. Poilievre has been accepted, and we can now vote on Ms. Chow's amended subamendment.

Ms. Chow, do you want a recorded vote as well?

•(1010)

Ms. Olivia Chow: Sure, why not? They tend to make it faster.

The Chair: A recorded vote, please.

Ms. Olivia Chow: We'll just get on with life.

(Amendment agreed to: yeas 12 ; nays 0)

The Chair: Everybody has agreed, so now we will move to the motion by Mr. Coderre as amended by the committee.

Mr. Holder.

Mr. Ed Holder: Thank you, Mr. Chair. That was my point of clarification, that the motion we're voting on from Mr. Coderre includes my amendment.

Ms. Olivia Chow: Yes, it does.

Hon. Denis Coderre: I'd like a recorded vote.

The Chair: Mr. Coderre has requested a recorded vote.

(Motion as amended agreed to: yeas 11; nays 1 [See *Minutes of Proceedings*])

The Chair: Now, without further ado, we have our guests here. I know that they have lots of information to share with us.

I am going to start with Ms. Chow or Mr. Nicholls to open the questioning, or someone else, perhaps Ms. Morin?

Ms. Olivia Chow: Are they going to do a presentation?

The Chair: Let me ask the deputy minister.

Do you have a comment?

[*Translation*]

Ms. Yaprak Baltacioglu: Thank you very much, Mr. Chair. It is such a great honour for me to be here.

Mr. Lebel has already introduced our team, but I wanted to introduce Natasha Rascenin, the new Assistant Deputy Minister for the Program Operations Branch at Infrastructure Canada, and Mr. McDonald, Ms. Burr and Helena Borges, assistant deputy ministers at the Department of Transport.

Thank you very much. We are now ready to answer your questions.

[*English*]

The Chair: Ms. Chow, five minutes.

Ms. Olivia Chow: Thank you.

I see there are substantial cuts in aviation safety, marine safety. It's \$17 million on aviation safety and marine safety is \$10 million. Road safety is \$639,000. Rail safety is \$550,000. That's a total 7% cut, at \$29 million.

I know on the rail side they need some funding to put into voice recorders, or eventually the positive train control system. I believe Amtrak, in the United States, is installing those positive force controls.

In terms of safety, do we not want to see more money on safety, rather than less?

That's the first part of my question, and the second one is VIA Rail. I know they had some funding to start the capital projects. I believe it's \$152 million that is being decreased from overall funding. That's 33%. That's a substantial amount of money taken out of VIA Rail. They have finished some of their projects, but there are many more that they could do.

I took VIA Rail recently, and it's a beautiful ride, but looking at that train, it could use some work. We want more people taking VIA Rail, not less.

So on those areas, both VIA Rail, with a cut of 33%, and the safety cuts of 7% from the entire overall program, can you give us some justification on that, please?

•(1015)

Ms. Yaprak Baltacioglu: Sure. Thank you very much for the question.

Let me go through them one at a time. In terms of minor cuts to road safety and to rail, there is a new organization that was created in the federal government: Shared Services Canada. Basically all of our IT, our computer activities, went to that organization. As part of the creation of the organization, every department that had IT resources within their staff had to transfer—

Ms. Olivia Chow: Oh, so this is a lateral transfer? It's not a cut?

Ms. Yaprak Baltacioglu: Parts of it. I'll give you the numbers. Every group in the department that has IT activities we sent to Shared Services Canada. It got transferred.

So with road safety, for example, this is the majority of the amount. Regarding rail, there was some economic action plan money there. That ended, so that came off the numbers. That's the drop you're seeing.

Regarding aviation safety, it's \$16.8 million. You rounded it up to \$17 million.

Ms. Olivia Chow: Rounded up. Yes.

Ms. Yaprak Baltacioglu: On operating, it's an \$8 million reduction. Close to \$2 million went to Shared Services Canada with the IT resources, and \$4.1 million was as a result of administrative system streamlining. Basically we're trying to do our jobs better by organizing that.

In terms of capital, they have an increase for King Air. The \$12 million decrease in the Gs and Cs is because we have this program called the airport capital assistance program. We couldn't get the approval for that on time; we were late, so this one is being deferred to future years.

On Marine, \$3.1 million is transferred within the department. Marine does assessments in terms of navigable waters. We moved that money to the programs area because we were trying to put everybody who works on similar projects on one team so we would get efficiencies. Again, they had close to \$1 million go to Shared Services Canada. Some programs sunsetted in the Marine area, so that was tapering down.

That would be the explanation.

I gave you the details because you asked what was in the numbers, but in terms of our priority in the department, safety and security is the critical key function of our department. Any time there's any flexibility, we put the money into safety, because it's a critical function. I wouldn't say these are cuts to the programs.

Ms. Olivia Chow: How about VIA Rail?

The Chair: I have to stop there; we're at our time limit.

Do you have a brief answer?

Ms. Anita Biguzs (Associate Deputy Minister, Department of Transport): On the VIA Rail issue, the reduction in the main estimates reflects the fact that many of VIA's large capital projects are winding down. In the budgets of 2007 and 2009, about \$923 million was allocated to VIA for a whole bunch of major capital projects. They've accomplished much of what they set out to do; a lot was completed in 2011. They still have over \$140 million for further work. It reflects where they are in the process—in the completion of capital projects.

The Chair: Mr. Richards.

Mr. Blake Richards (Wild Rose, CPC): Thank you, Mr. Chair.

My thanks to all of you for being here.

Over the last few years there has been an unprecedented level of federal investment in infrastructure. We are working with our partners in provincial governments and municipal governments and elsewhere. There are all kinds of programs under the economic action plan that invested in infrastructure. In last year's budget we made the gas tax fund a permanent fund so that the municipalities could plan over the long term and rely on sustainable and predictable

funding. There is also the Building Canada fund, which is a seven-year fund.

I can think of a number of projects in my riding alone. In Airdrie, in my community where I live, there was some upgrading done to Veterans Boulevard. It was a contribution from our government of just under \$2.7 million. In Cochrane, another community in my riding, there was a \$3-million federal contribution and some work on Centre Avenue. In Sundre, also in my riding, there was a contribution of \$3 million to the east side wastewater and water servicing. I could go on and on; there are several other examples from my riding alone.

All across the country we saw unprecedented levels of investment in infrastructure. I know that the minister has been looking at how to proceed when the Building Canada fund finishes, looking at how we can continue to work with our partners and ensure that there is future involvement in infrastructure investment. Can you give us an update on the status of that long-term planning of public infrastructure?

• (1020)

Ms. Yaprak Baltacioglu: In last year's budget the government announced that we will be doing a consultation process and a long-term planned development process for the future of infrastructure. This was three years ahead of the sunset of all the programs in 2014. This gives us the opportunity to work with all our partners to determine the future needs of the country and what can be done to meet them.

The consultation is in three stages. Phase one looks at what have we done—"we" means the municipalities, the provinces, and the federal government. It's what has been achieved. Phase two asks where we go from here: what the future will look like. Phase three is detailed programming directed at how to do the things that need to be done, and how to pay for these things. One of the honourable members was talking about the infrastructure needs of the country, which is great. Planning and having discussions on what the priorities should be and where to put the money is the subject matter.

Minister Lebel will be dedicating quite a lot of his time in the summer to talking to our stakeholders on this issue, and our officials are working very hard. If you talk to any of our stakeholders, municipalities, they will say that this partnership is effective in trying to figure out where we go from here.

Mr. Blake Richards: Excellent. It sounds as if it's well in hand, and it sounds as if we're continuing to work with our partners in the other levels of government. That's great news.

In respect of the rail service review in my province, Jim Dinning has been appointed arbiter. He's working with the stakeholders and with the rail companies. Could give us an update on that process?

Ms. Yaprak Baltacioglu: Following the reporting of the rail service review panel, the minister asked Mr. Dinning to facilitate this process. He has been meeting with the shippers as well as the railways. This is an area where there are usually different.... It's a relatively contentious area. I would say Mr. Dinning is doing very well bringing parties to the table. We're looking forward to his report to the minister, I think later in the spring. After that the government is on record that we will be introducing legislation on this subject.

The Chair: Thank you.

Mr. Sullivan.

Mr. Mike Sullivan: Thank you, Mr. Chair.

Ms. Chow asked about aviation safety, and you broke it down for us and said that \$8 million of the budget was an operations cut. Is that inspectors? It's about 80 jobs. How are we going to continue to inspect the airline fleets and the rest if \$8 million is gone from the operations side of Transport Canada's aviation safety?

• (1025)

Ms. Yaprak Baltacioglu: Thank you, sir, for the question.

I also clarified that \$1.9 million of the \$8 million went to Shared Services Canada, the IT resources—

Mr. Mike Sullivan: Okay, that wasn't clear.

Ms. Yaprak Baltacioglu: —and \$4.1 million went to streamlining administrative functions. My notes say that \$1.1 million is in miscellaneous changes.

Maybe the assistant deputy minister responsible can elaborate further, if you wish.

Mr. Gerard McDonald (Assistant Deputy Minister, Safety and Security, Department of Transport): Yes, it's largely related to the administrative efficiencies. In Transport Canada we centralize our accounts payable system. What came from the aviation safety area has now gone into the finance area of the organization, as well as some internal administrative changes that account for the rest of those savings. So none of the reduction in the operating budget that's shown in the main estimates affects our civil aviation oversight program, and we have not decreased in any way our oversight of the civil aviation area.

Mr. Mike Sullivan: Okay. With the collapse of Aveos, how will the department now be able to continue its oversight when it's no longer Winnipeg and Montreal where the overhauls are going to take place, they're going to take place someplace else? Do you have inspectors who are on the ground in El Salvador or in Memphis, Tennessee, and wherever else? How is that going to happen, now that we can no longer do it in Canada? How are we going to impose our laws and safety standards in other countries?

Mr. Gerard McDonald: When we investigate or oversee an aviation operator, they have to demonstrate to us that whatever maintenance schedule they have for their aircraft respects Canadian laws and we assure ourselves that they do so. So they will submit to us a plan for the maintenance, both the line maintenance and the heavy maintenance for their aircraft. That's something we will review in detail and ensure that it's entirely safe before approving it.

Mr. Mike Sullivan: But there have been a number of aircraft incidents in the past where merely accepting an airline's statement

that this is what they were going to do resulted in a crash. There was a lack of inspectors, in fact, in a number of incidents in the past that caused.... For example, the Alaska Airlines 261 crash was blamed on the fact that the Federal Aviation Administration in the U.S. had budget cuts and didn't have as many inspectors as they should have had. They trusted the airlines when the airlines said they were doing things. It turns out they weren't.

Canadians are concerned that when the maintenance of a fleet as big as Air Canada disappears to some other shore, we won't be as safe, we will not be in a position to ensure ourselves or to trust that this is going to be maintained to the same wonderful standard that was maintained first by Air Canada, which has a tremendous record, and then by Aveos for the last year or so that Aveos has been in charge. Now it's gone offshore, and Canadians are worried.

Mr. Gerard McDonald: I guess all I can say to that is that no matter who is providing the maintenance on whichever aircraft company, our level of oversight does not diminish in any way. Our oversight of the aviation service providers will continue in the same manner it always has, and we will insist upon the strictest adherence to our regulatory framework.

Mr. Mike Sullivan: On the rail side, the minister himself said that they were strengthening Canada's rail transport system to meet Canada's needs. But we've not yet got an answer about the rail system in the Gaspé or on Vancouver Island. The fact is that both those rail systems have now collapsed as far as passenger rail goes, and whatever freight might have gone on those lines.

Can somebody on the minister's staff tell us what the plan is for those?

Ms. Yaprak Baltacioglu: You have the departmental officials, so we'll be happy to answer.

In terms of Gaspé as well as Vancouver, VIA has shut down the service because of safety concerns and the state of the track. We have received requests for funding from Vancouver, but we haven't from Gaspé. The province asked for a study to be done in Vancouver, and I think that's in progress right now. So that's the status of those particular projects.

At the same time, I mentioned the issue around the long-term infrastructure plan. I appreciate that it is further down the line in 2014 that new programs will come into place. But that being said, we have to make choices as to where to invest the money. Things like this in terms of the rail infrastructure will come up as part of the consultations and as part of the long-term plan development.

• (1030)

The Chair: Thank you.

You have the floor, Mr. Poilievre.

Mr. Pierre Poilievre: Thank you.

Only in a parliamentary committee would any organization be criticized for not being expensive enough, but that's what you've been hearing from our opposition colleagues today. You've demonstrated how you're able to provide the same services with the same quality but do it at a lower price, and the opposition is saying they want you to be more expensive. I would very much like to be the restaurant owner who hosts Mr. Sullivan as a guest, because when the bill comes he would certainly say he wanted the bill to be higher for exactly the same thing.

On this side we congratulate this department. It is one of the leanest and most effective departments—

Mr. Mike Sullivan: Point of order, Mr. Chairman.

The Chair: Mr. Sullivan on a point of order.

Mr. Mike Sullivan: I did not say that I wanted it to be higher. I did not. I asked for an explanation of how the money was to be saved. That's what I got. I did not ever say that we wanted the department to spend more money on administration.

The Chair: That's not a point of order, but a point made.

Go ahead, Mr. Poilievre.

Mr. Pierre Poilievre: I guess we have agreement now that we're all happy that you're able to save costs.

This is one of the leanest and best-run departments in the government. You continue to make improvements in the operations, and to provide the same high-quality service to the Canadian taxpayer at a lower price, and we congratulate you for that.

Ms. Chow was asking about the municipality's ability to finance water treatment. I have in front of me some statistics about federal funding for provincial, territorial, and municipal infrastructure. It shows that 15 years ago the federal government provided almost no funding whatsoever for municipal, provincial, and territorial infrastructure. The federal dollar contribution has now risen to \$9 billion in the year 2010. It was an absolutely massive increase in transfers for provincial, municipal, and territorial infrastructure.

Can the members of the panel today comment on whether municipalities can use any of that money for water treatment?

Ms. Yaprak Baltacioglu: First of all, you are correct that the infrastructure spending, especially in the last five or six years, has grown. It was after a long period of not that much expenditure in the infrastructure, so this, as well as things like the economic action plan, gave a big bump in terms of the structured spending.

The municipalities have a number of tools available to them. One of them is the gas tax. If they choose to, they can spend it on waste water, fresh drinking water, or whatever priorities they have for that municipality.

I don't have the exact numbers, but I will be happy to provide them to you. A lot of activities and a lot of projects in the water area have been a priority for most of our municipalities, either be it on the waste water or the drinking water side.

As Ms. Chow has pointed out, drinking water and waste water is a real challenge across the country, but there are pots of funds available, and the gas tax fund is one that is continuing, so they can

use that in order to rectify some of the issues they are having with water, or any other infrastructure issues they have.

Mr. Pierre Poilievre: One of the measurements for the renewal of our infrastructure in this country is its average age. In 2001 the average age of a piece of infrastructure in Canada was 17 years. In 2010, which I believe is the latest year for which we have accurate statistics, it was 14.5, which means that we've reduced the average age...or I should say that the average piece of infrastructure is two and a half years newer than it was a decade ago.

Do you agree that this is a concrete measurement of the renewal of our infrastructure?

• (1035)

Ms. Yaprak Baltacioglu: Yes, it's very concrete.

Voices: Oh, oh!

Mr. Pierre Poilievre: Literally.

Thank you.

The Chair: We'll stop it there and go to Mr. Holder.

Mr. Ed Holder: Thank you very much, Chair.

I'd like to thank our guests for attending today, with apologies that we did not spend as much time as I know we would have liked to with all of you, but thank you for your participation.

As a broad comment, I feel compelled to say that Canadians have an expectation of their governments. Probably just in the way that individuals run their households, they're asking government, which has a unique role to play, to be more efficient, to be effective, to do things that don't compromise public safety, and to do things that will provide key service levels.

To try to get a sense of expectations from them, I've asked my constituents in London West about this through the questions that I provide weekly to them in surveys, and I think the idea of doing things efficiently, with safety and key service components in mind, is very much in some of the feedback I receive. So I'd like to ask you a couple of questions.

I don't know if it's a direct yes or no, but in terms of VIA Rail, do you feel that the estimates you're providing will compromise safety either for the employees or for the passengers involved at VIA Rail? Can I ask that as a yes or no...?

Ms. Yaprak Baltacioglu: No.

Mr. Ed Holder: Is that a simple yes or no?

Ms. Anita Biguzs: Well, VIA basically ensures that... I mean, everything it does in terms of safety is not compromising safety. I think that for any of the measures the organization has taken—and it has taken measures in terms of the lean initiative, which is to reduce management structures—they have not compromised their ability to make sure they're actually providing services that are safe to Canadians in terms of rail service in Canada.

Of course, they also actually have to be... We do actually as a department ensure as well that there are regulations railways have to follow to ensure safety and integrity. In that sense, any efficiency measures are not affecting or impacting safety on the line.

Mr. Ed Holder: I will take that as a yes.

The question with that, then, is from an efficiency standpoint, staying with VIA Rail and expectations. Through the model of financial support the federal government is providing VIA Rail through the information you've given us in regard to the estimates, do you think they are being efficient?

Ms. Anita Biguzs: Yes.

Mr. Ed Holder: Thank you. I appreciate that.

Next, do you believe they're still providing key service levels to their customers?

Ms. Anita Biguzs: I think VIA basically has said itself that in the markets it operates in it tries to ensure that it has predictable and reliable service, and it's trying to actually increase the customer experience. It has service standards that it sets, and that's a key priority that they've identified in terms of their strategic planning. As I say, I think they're very committed in terms of trying to provide the best service they can for Canadians with the resources they have.

Mr. Ed Holder: I'll take that as a yes.

Ms. Anita Biguzs: Yes.

Mr. Ed Holder: Thank you.

I'd like to switch over to Marine Atlantic. I have some interest in this because of my Cape Breton roots, with most of my family being born in the east. What's going on there truly matters to me.

Again, I was looking at the main estimates. I know there were increases in some areas and decreases in others to come up with a budget that's fairly comfortable in regard to where it was this past year.

I'd like to ask this question as it relates to Marine Atlantic. On the support we're providing, which you've indicated through the main estimates, is there any issue you have through what you're proposing here that they are compromising the safety of their passengers?

Ms. Yaprak Baltacioglu: No.

Ms. Anita Biguzs: No.

Mr. Ed Holder: Thank you.

Do you think they are still maintaining key service levels?

Ms. Anita Biguzs: Yes. In fact, the service levels are improving.

Mr. Ed Holder: Okay. I'll take that as a yes plus, then.

From an efficiency standpoint, is it fair, then, to say, based on the estimates we've seen here, that in fact it's the case as well that they're more efficient?

Ms. Anita Biguzs: I'd say yes plus.

Mr. Ed Holder: Now we're getting it. That's good.

A voice: That's a keeper.

Mr. Ed Holder: I appreciate the points you're making, because in fact I think what is important is the expectation that Canadians have of us—to try to define the roles we're going to play in their lives using their taxpayer money; to be more efficient; not compromise safety and not compromise areas of key service where it's our obligation as a government to support Canadians in need and

particularly in those areas where there is a need. So I appreciate that as well.

Final question, if I've got....

• (1040)

The Chair: You've got 20 seconds.

Mr. Ed Holder: Well, then, I'd like to thank you all for being here today. There's not much more I can do with that. But it is important, and I'm glad we could make some reference to the estimates today.

Thank you, Chair.

The Chair: Thank you.

With that, because of the time, we do have to pass the main estimates, and I have to go through the list of them.

So I will thank our guests for being here today. We appreciate your comments and sincerity. Thank you.

Ms. Yaprak Baltacioglu: Thank you very much, Mr. Chairman. It's always a pleasure.

The Chair: I have Ms. Chow on a point of order.

Ms. Olivia Chow: We have till May to ask the questions. There are many other things we could ask.

Do we have to do it now? Do we have any time left between now and May? I had questions dating back to the supplementaries, never mind about the main ones. I didn't get a chance to ask some of the detailed things.

Even if we don't get the minister back, can we get the department back, if nothing else so that we can understand a fairly big, complex budget even more, in April maybe, or May? We don't have to finish it until the end of May, right?

The Clerk of the Committee (Mr. Alexandre Roger): May 31.

Ms. Olivia Chow: May 31. So we don't really have to vote on it until then. We'll finish the report on the emerging technologies, hopefully, by then. There might be some time to invite the department back for more discussions, if it's the will of the committee.

Can we just leave it?

The Chair: Actually, it is the will of the committee to decide whether we want to deal with the mains today or leave them open and be dealt with at a later date, but before May 31.

Mr. Pierre Poilievre: I move today.

The Chair: With that, I will move to the main estimates now.

Ms. Olivia Chow: Oh, well, okay; I'll protest, but—

The Chair: I will, if I may, ask the committee's indulgence to lump them together so we can pass them, or we can do line by line.

Some hon. members: Agreed.

The Chair: Okay.

Ms. Olivia Chow: Can I protest? I do want to spend more time.

Okay, never mind. I know I'm going to lose the vote, but that's okay.

The Chair: Thank you.

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

National Capital Commission

Vote 55—Payments to the National Capital Commission for operating expenditures.....\$92,331,000

Vote 60—Payments to the National Capital Commission for capital expenditures.....\$32,540,000

(Votes 55 and 60 agreed to)

The Chair: Shall I report votes 55 and 60, under Foreign Affairs and International Trade, to the House?

Some hon. members: Agreed.

TRANSPORT

Transport

Vote 1—Operating expenditures.....\$552,555,000

Vote 5—Capital expenditures.....\$114,242,000

Vote 10—Grants and contributions.....\$1,184,718,000

Canada Post Corporation

Vote 15—Payments to the Canada Post Corporation for special purposes.....\$22,210,000

Canadian Air Transport Security Authority

Vote 20—Payments to the Canadian Air Transport Security Authority for operating and capital expenditures.....\$576,398,000

Canadian Transportation Agency

Vote 25—Program expenditures.....\$23,795,000

The Federal Bridge Corporation Limited

Vote 30—Payments to The Federal Bridge Corporation Limited.....\$14,983,000

Marine Atlantic Inc.

Vote 35—Payments to Marine Atlantic Inc.....\$185,376,000

Office of Infrastructure of Canada

Vote 40—Operating expenditures.....\$55,006,000

Vote 45—Contributions.....\$5,045,585,000

The Jacques Cartier and Champlain Bridges Inc.

Vote 50—Payments to the Jacques Cartier and Champlain Bridges Inc.....\$150,363,000

Transportation Appeal Tribunal of Canada

Vote 55—Program expenditures.....\$1,285,000

VIA Rail Canada Inc.

Vote 60—Payments to VIA Rail Canada Inc.....\$306,490,000

(Votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55 and 60 agreed to)

The Chair: Shall I report votes 1, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55 and 60, under Transport, to the House?

Some hon. members: Agreed.

The Chair: With that, I will advise the committee of the following. Hoping or suspecting that Monsieur Coderre's motion would pass, even with amendments, I have taken the liberty to invite guests to attend on Thursday. We have had confirmation from Air Canada executives, and we've had some confirmation of government officials. But I would ask the committee, because of the gentleman who's coming in from Air Canada, if we could start at 8:30, on Thursday, as opposed to 8:45.

Monsieur Coderre.

Hon. Denis Coderre: He's taking the "red eye" or what?

Mr. Ed Holder: WestJet.

Hon. Denis Coderre: He's on WestJet, like your Minister of Industry.

Mr. Chair, I believe that when we're talking about the leadership of Air Canada, I'm expecting that you will also ask some of the members of the board of the directors. I would like to see Monsieur Pierre Marc Johnson, who has been there since 2006, to also come. It's not just about the executive. I want to see what the board of directors knows about the way things are working in Air Canada, and their great relationship with Aveos and their workers.

The Chair: If you are asking for specific names, we would probably have to have that presented as a motion. We could offer the invitation to the president and board members, but if you're looking for someone specific—

• (1045)

Hon. Denis Coderre: Do I need a motion?

The Chair: And that would be subject to the committee's debate.

Mr. Coderre, do you have a comment?

Hon. Denis Coderre: I'm moving the motion that members of the board of directors from Air Canada should be invited. They are accountable. I believe they have to be there.

[*Translation*]

I move that certain people, like Pierre Marc Johnson, be here. I could move a motion for the board members and give you a list of potential witnesses. Meanwhile, I am not only interested in finding out how the presidents or former presidents have behaved, as relevant as that might be. I also want to find out whether, in the past, the board of directors was aware of or witnessed anything that happened during the process.

I could simply say that the Air Canada board members should also be summoned, and I could provide you with a list of people at the appropriate time. At the very least, we should specify that, when we are talking about people from Air Canada, that includes the Air Canada board members.

[*English*]

The Chair: I would advise the committee that we are out of time, if we want to have further debate or vote on this motion, because it does impact the guests who we invite on Thursday.

Ms. Olivia Chow: Would it make sense if the minister has a report or something for us to look at before?

The Chair: The minister has said that he would provide us with legal opinion on the Aveos situation by Thursday.

Ms. Olivia Chow: Yes.

The Chair: I will ask the department if we can get it to the members before the meeting.

Ms. Olivia Chow: Because it would shade what we say to the Air Canada.... It would actually make a difference.

The Chair: Okay. I'm going to call the vote on Monsieur Coderre's motion that would invite Air Canada executive and specific members, and we have made a list.

(Motion negated)

Hon. Denis Coderre: Oh, they're protecting them too.

The Chair: With that, I will confirm with the members. Watch your mail. I just want to advise about one last piece of business. Check your calendars. On Thursday, the meeting will take place at 1 Wellington, Room C-160, at 8:30.

Thank you.

The meeting is adjourned.

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