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

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**EVIDENCE**

**Tuesday, May 14, 2019**

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**Chair**

**The Honourable Judy A. Sgro**



## Standing Committee on Transport, Infrastructure and Communities

Tuesday, May 14, 2019

● (1100)

[English]

**The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)):** I am calling to order the meeting of the Standing Committee on Transport, Infrastructure and Communities. Pursuant to Standing Order 108(2), we are doing a study of the Canadian transportation and logistics strategy.

Welcome to our witnesses and to the committee members.

Ms. Block.

**Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC):** Madam Chair, just before we hear from our witnesses, I want to thank you for the agenda that was circulated. I note that we have a half hour for in camera, and I appreciate that there was some confusion last week about our in camera session. I'm wondering if we will be doing any recommendations to the BIA in camera, or if we will do that in public and then move in camera for the rest of our committee business.

**The Chair:** It's whatever the wish of the committee is, Ms. Block. If the committee would like to do any recommendations to FINA in public sessions, that's totally fine. It's the decision of the committee.

**Mrs. Kelly Block:** I think we have typically dealt in public with clause-by-clause or any recommendations that we might want to make and so, at the time you call us to go in camera, is it fine if we raise it?

**The Chair:** I can ask right now.

When we go to discuss the recommendations for FINA, is there anybody who has a problem with our staying in open session? I don't see that it is an issue for us, so we will stay in open session for that.

**Mrs. Kelly Block:** Thank you.

**The Chair:** You're welcome.

Let's go to our witnesses. From the Atlantic Chamber of Commerce, by video conference, we have Glenn Davis, Vice-President of Policy. Here in the room with us, from the Canadian Chamber of Commerce we have Ryan Greer, Senior Director of Transportation and Infrastructure Policy. From the Municipality of Gros-Mécatina we have Randy Jones, the Mayor, by teleconference. From the Town of Anchor Point we have Gerry Gros, Mayor, by teleconference from Anchor Point, Newfoundland and Labrador. From the Town of Channel-Port aux Basques we have Mayor John Spencer and Councillor Jim Lane.

Welcome to all of you.

We will start with Mr. Davis, by video conference.

**Mr. Glenn Davis (Vice-President, Policy, Atlantic Chamber of Commerce):** Good morning. Thank you very much for inviting the Atlantic Chamber of Commerce, on behalf of its 93 member chambers of commerce across the region, to participate in these consultations on the development of a Canadian transportation strategy.

As an introduction, the Atlantic chamber is the oldest and largest accredited business organization in Atlantic Canada and strives to influence the local environment to create economic growth and prosperity for its citizens, including the more than 16,000 businesses and professionals who are members of chambers in communities across the region.

Our mission, experiences and extended network have provided the Atlantic chamber with a broad perspective on issues affecting our economy. In the vein of transportation, in fact, the Atlantic chamber has proposed three resolutions on transportation policy to the Canadian chamber policy debates over the last four years.

Our understanding is that in this limited time we would try to provide the committee with an overview of infrastructure and regulatory challenges that face Atlantic Canada and that if addressed would contribute to increased safety and efficiency and minimize the harm to the environment. Specifically, I'd like to raise issues in a couple of areas.

Number one is how we could improve infrastructure. In terms of infrastructure investments that would have a measurable positive influence on the movement of goods and people from Atlantic Canada to central Canada, the twinning of Route 185 between Rivière-du-Loup and Saint-Louis-du-Ha! Ha! is one of the most pressing. Accelerating the phased approach to the construction of this highway, which began in 2005 and is not slated to be finished until 2025, is critical in providing the ability to operate more efficient long combination vehicles. The impacts of this current bottleneck are increased costs, increased carbon emissions, driver shortages and accidents.

Atlantic Canada also suffers from a lack of pipeline access to domestic supplies of oil and gas. The public demise of energy east due to regulatory challenges makes it clear that Canada needs to resolve the impasse in building pipeline transportation. Our region is currently forced to access energy supplies via foreign purchases or the less safe and less environmentally safe polluting option of rail transportation. A national transportation strategy should include a vision of the necessary infrastructure to move domestic resources to Canadian and international markets.

Atlantic Canada's port facilities are also an enormous asset for communities both large and small. Situated on international trade routes, our ports have the potential to shorten transatlantic marine routes by a whole day, but this potential is dependent on the availability of adequate capacity and efficient intermodal services. Investments to increase handling capacity and efficient access to port facilities will enhance the attractiveness of our ports to international carriers. Equally, small harbour port facilities warrant attention in this strategy, as they provide support to multi-million dollar fisheries that contribute to the region and individual communities.

While much of the discussion regarding transportation strategy tends to focus on infrastructure that's missing, it can't be over-emphasized that the federal and provincial governments need to urgently address the growing maintenance deficit of existing infrastructure. This applies equally to secondary roads, as well as primary; our secondary roads are often unable to handle movement of agricultural and resource products to market.

We're also very concerned about the effects of climate change in Atlantic Canada. As a region with more than 33,000 kilometres of coastline, Atlantic Canada will be heavily impacted by the effects of more frequent extreme weather events, rising sea levels and flooding.

Nowhere is this critical infrastructure more at risk than on the Isthmus of Chignecto, the land bridge between New Brunswick and Nova Scotia. The Trans-Canada Highway, which transports an estimated \$50 million in goods per day, is protected by a combination of centuries-old dikes and, by default, the class I railbed that is inspected and maintained by the private sector. All of this infrastructure is vulnerable to overtopping in the event of a combination of extreme tides and weather, a scenario where Nova Scotia and Newfoundland would effectively be cut off from the rest of Canada.

• (1105)

There were also stretches of the Trans-Canada Highway near Jemseg, New Brunswick, that were closed during the spring thaws of this year and last. These closures forced the diversion of truck traffic through Saint John, adding 100 kilometres to the distance to traverse New Brunswick.

**The Chair:** Mr. Davis, I'm sorry to interrupt. Could we just have your closing comments, please, so that we have plenty of opportunity for members to get their questions out?

**Mr. Glenn Davis:** Certainly.

I'll very quickly note that in the area of regulation, we feel that the committee should consider the unique circumstances of Newfoundland and Labrador to address the costs of ferry services and human

resources. A comprehensive trucking strategy should be part of the transportation strategy in terms of labour requirements. It's also essential that the committee consider the issues of regulating the national airport system and the effect of rents on large and small airports, including the effect of security services providing funds to government that aren't reinvested.

Finally, the committee should also consider the concept of harmonizing regulations between provinces to create a true national highway system, one in which trucks can move freely across provinces.

In closing, I'd like to thank you for this opportunity to speak about determining future priorities for the official transportation system that will reduce greenhouse gas emissions and also provide a basis for economic growth and prosperity for all Canadians.

**The Chair:** Thank you very much, Mr. Davis.

We will go to Mr. Greer, from the Canadian Chamber of Commerce, for five minutes, please.

**Mr. Ryan Greer (Senior Director, Transportation and Infrastructure Policy, Canadian Chamber of Commerce):** Thank you, Chair and committee members, for inviting the Canadian Chamber of Commerce to take part in your study on the establishment of a Canadian transportation and logistics strategy.

Unsurprisingly, goods and people movement affects nearly every chamber member amongst our network of 200,000-plus members, many of whom have already appeared before you on this study. We agreed with much of what was in your interim report, and we're pleased to see that it cited the chamber's 2017 report, "Stuck in Traffic for 10,000 Years".

Thank you for including the Canadian chamber on your swing through the Atlantic portion of your study. My remarks will be a little more national in scope, but I'll start by stating my violent agreement with everything we heard from my colleague, Glenn Davis, at the Atlantic chamber. Maybe we'll just echo and reinforce one issue he mentioned off the top, which is the Highway 185 bottleneck.

He mentioned it's a Canadian chamber national policy resolution. Just for a little context on that, resolutions of the Canadian Chamber of Commerce, our policy positions are set through the proposal, debate and amendment of resolutions by chambers of commerce and boards of trade from across the country every year at our AGM. This means when an issue like Highway 185 is adopted at the national level, it's deemed by chambers from coast to coast to be a national priority of importance to the entire country. I think the Highway 185 bottleneck includes that. I won't get into some of the implications of that, as Glenn did, but just note that we think it's important the federal government work with the Province of Quebec and the Atlantic provinces, if necessary, to accelerate the timeline of the twinning of the highway. Long combination vehicles that do take this route need to decouple, take each trailer separately, and recouple after the 41-kilometre stretch, which, as Glenn said, increases costs, increases carbon emissions and creates safety issues.

I would also like to quickly highlight the work of Krista Ross at the Fredericton Chamber of Commerce, who has been a tireless advocate for this issue within the chamber network itself.

Outside of this issue, the Canadian chamber has several other policy resolutions on goods movement that I think are relevant to your study. In the interest of time, I won't go into them in detail, but would be happy to answer any questions afterwards and send the resolutions along to the committee. They include issues such as the management of the lower Fraser River, the need for a pan-territorial transportation strategy, and the importance of supporting short-line rail in Canada.

I would also like to endorse the work of the Beyond Preclearance Coalition, which the chamber belongs to. Beyond Preclearance is a group of organizations in Canada and the U.S. developing a long-term vision to advance the efficiency and security of the Canada-U.S. border. A few weeks ago, we co-hosted a border transportation summit with the U.S. Chamber of Commerce, with the objective of scoping and designing border pilot projects that will help lead to more integrated border movements for all modes of transportation in the years, and hopefully decades, to come. We would recommend this committee use the vision that's laid out in the Beyond Preclearance white paper as the basis for cross-border transportation issues in your larger strategy.

Last, I would like to highlight what I think is our most important recommendation for your study. It comes from the Canadian chamber's Vote Prosperity 2019 federal election platform, which we released yesterday. It's the standard by which the chamber network will be evaluating all platforms this fall.

We are asking for a greater share of federal infrastructure funding to be directed towards trade-enabling transportation projects. We strongly advocated for the creation of a dedicated transportation and trade corridor fund in 2016 and we were very supportive when the national trade corridors fund was announced in budget 2017. Simply put, this kind of infrastructure has the highest return on investment of all kinds of infrastructure investment by the simple fact that it makes its users more productive. However, with \$2 billion in funding over 11 years, the NTCF represents only 1.1% of the 12-year, \$180-billion long-term plan.

In its first call for proposals, the NTCF received 357 expressions of interest, which totalled nearly \$17 billion in funding requests. Following a screening process at Transport Canada, there were 177 comprehensive proposals submitted seeking nearly \$10 billion in funding. That is five times the value of what's actually available for the NTCF over its 11-year lifespan.

This fund guarantees the biggest bang for the federal buck because it is merit-based, unlike most other federal infrastructure funds, which only require meeting basic eligibility requirements and are subject to a high degree of political influence from all three levels of government. The NTCF, on the other hand, is based on detailed assessment criteria related to supply chain fluidity, trade flows and reducing bottlenecks. In other words, it finds the projects with the greatest economic value to our export-dependent economy.

● (1110)

At a time when the international trade landscape is shifting and our competitors are making improvements to their trade infrastructure, we need to be more strategic with our investments. We cannot rely only on our geography, our natural resources and our proximity to the U.S. to generate further prosperity.

Author Parag Khanna has a terrific quote in his book *Connectography*, which I think should be required reading for anybody drafting a strategy in Canada, in which he notes, "Supply chains and connectivity, not sovereignty and borders, are the organizing principles of humanity in the 21st century."

It is our view that a Canadian transportation and logistics strategy should be underpinned by having trade-enabling infrastructure as an equal priority in the long-term federal infrastructure plan. We're hopeful that this committee shares this view and will support the recommendation in its work.

Thank you.

**The Chair:** Thank you very much, Mr. Greer.

Next, by teleconference, is Mr. Jones of the Municipality of Gros-Mecatina.

Good morning, Mr. Jones. Please go ahead for five minutes maximum.

**Mr. Randy Jones (Mayor, Municipality of Gros-Mecatina):** Good morning.

Thank you very much for the invitation. This is history-making for my region of the country, the lower north shore. To our knowledge we've never been invited to something so important and to be able to make a presentation.

● (1115)

[*Translation*]

I would also like to thank the committee members for this invitation in French. This is the first time we have been invited here. I'm sorry I am nervous.

[English]

This has never happened before. If I sound mixed up, that's just the way it is. This is the way our part of the—

**The Chair:** No problem, Mr. Jones. You're in good company here. Please go ahead. We have full translation, so please feel comfortable.

**Mr. Randy Jones:** Thank you.

You know, I think the first thing that I'd like to speak about, just to show you how different we are from the rest of the country, is that we have to participate by phone, because our Internet is not fast enough. It's being worked on. There is a project being worked on by the federal government.

We are Quebec's forgotten people, on the lower north shore. It's the last frontier. We are working together right now, from Tadoussac to Blanc-Sablon, with southern Labrador, western Labrador and, as of now, part of the west coast of Newfoundland, to complete the 138 and the tunnel across the Strait of Belle Isle, finally hooking up our country from one end to the other.

We have villages on this part of the coast that can see each other, such as Saint-Augustin, Quebec, and on the west side, Pakuashipi. They are less than a kilometre apart and it's a world apart. They don't have access. Mother Nature and climate change have hit us full force. Where it was normal to get a storm 20 years ago that had winds from 60 to 80 kilometres an hour, as we speak, storms are now from 80 to 110, sometimes even to 120. That is unheard of. When the sun goes down in the evening, we are at the mercy of Mother Nature.

People are prisoners in their own communities. The cost to travel by plane is astronomical. The community I represent, Gros-Mecatina, has a small airstrip that was put there by the provincial government. Every year, a doctor comes in to Blanc-Sablon, and they do tests on the ladies for breast cancer, and so on. They took 18 women from my community and went to Blanc-Sablon a few years ago, and on the way back, when they landed, it was nearly a disaster. They nearly went over the end of the runway. The person who did the investigation for Transport Canada told me that this was one of the three most dangerous airports in eastern Canada. I asked him what number we represented and he wouldn't say.

The road, Route 138, and bridges would allow Saint-Augustin, less than a kilometre away, to have access to the airport and the federal wharf. They're on one side of the river, and the wharf and airport are on the other side. That bridge is a must. That's two communities that would be connected. The same is true for the road between other villages. We're in 2019, and most people on this coast have not been able to see the inside of another community in summertime. The only time they get to travel is in the winter, by snowmobile.

• (1120)

The 138 and the tunnel are a must if we're going to preserve our way of life, our culture and our heritage. We've seen communities close. I went to school in Musquaro. That village doesn't exist anymore. Wolf Bay is another village that's been closed. Aylmer Sound is another village that has closed. Lac Sally has closed. Baie de la Terre has closed. The list goes on, but if we had access by road,

those communities would still have their necessity. Our economy is the fishery. As it stands right now, we don't have access. We could fish different species and species that don't pay so much, but if you added a truck that could truck it from, say, Kegaska to La Tabatière, that would be another option for people.

**The Chair:** Mr. Jones, I'm sorry, but I have to cut you off. I need to give all of our witnesses their five minutes. Please stay on the line, because I am sure that many of my colleagues will have questions.

**Mr. Randy Jones:** No problem. Thank you very much.

**The Chair:** We have Mr. Gros, mayor of the Town of Anchor Point, by teleconference.

Are you on the line, Mr. Gros?

**Mr. Gerry Gros (Mayor, Town of Anchor Point):** Yes, I am.

**The Chair:** Please go ahead for five minutes.

**Mr. Gerry Gros:** Thank you. I want to thank you for inviting me to this hearing, this consultation.

A large percentage of consumer goods for the island of Newfoundland, the lower north shore of Quebec and southern Labrador come in via Marine Atlantic. This likely explains the higher cost of living in our area. This past winter, an inordinate number of crossings were cancelled due to weather and ice conditions. The same applied to the crossings of Labrador Marine on the Strait of Belle Isle. According to climate change experts, we can expect these weather conditions to continue and possibly worsen into the future.

This problem in large part can be resolved by completing Route 138 on the lower north shore of Quebec and by the construction of a fixed link between the island of Newfoundland and the south shore of Labrador. The completion of this project would greatly reduce the transportation time getting goods from central Canada to our area.

The communities on the Great Northern Peninsula of Newfoundland and Labrador and the communities on the lower north shore of Quebec are isolated, remote and dependent on Marine Atlantic and Labrador Marine for delivery of consumer goods. There are many delays in the winter months due to high winds and/or ice conditions, and this was particularly true this past winter.

Quality of produce and other goods suffers due to the delays, and travel time from our area to the mainland of Canada is far too long and costly. To travel by road from the tip of the Northern Peninsula to Sydney, Nova Scotia, a distance of approximately 900 kilometres, generally takes in the neighbourhood of 24 hours or more, taking into consideration the waiting time at the Marine Atlantic terminal and a six- or seven-hour crossing.

Cellphone coverage in our area is sporadic at best, with many communities having no coverage at all. There's also a need for high-speed Internet.

Completion of Route 138 in Quebec and construction of a fixed link from the island of Newfoundland to the south coast of Labrador will resolve many of the issues we face today.

There are obvious benefits to tourism. Tourists will be able to enter Newfoundland and Labrador through Quebec and return via Port Aux Basques or vice versa, therefore not retracing their steps.

Completing the two projects will have significant economic benefits to the area. First, it will provide employment opportunities for local residents during construction, and upon completion, additional employment opportunities will come about because of increased traffic. There should also be opportunities for new businesses such as restaurants, gas bars, hotels, B and Bs, etc.

Thank you.

**The Chair:** Thank you very much, Mr. Gros.

We will go to Mayor Spencer.

Thank you for your patience, and welcome.

**Mr. John Spencer (Mayor, Town of Channel-Port aux Basques):** Thank you very much for inviting me. I want to pass things over to my colleague, councillor Jim Lane, but before I do, I'd like to thank the federal government for solving the capacity problems that we had with the Gulf ferry service in the 1990s. We now have that issue solved. I also want to thank the federal government for the announcement of a new ship. We have an aging vessel. We have a fleet of four, and we're really appreciative of that.

I have to go back to Mr. Jones. He spoke of winds of 120 kilometres an hour. That's only a good day for drying clothes where I'm from. We have seen winds of 180 to 200 this past winter.

I'm going to pass things over to my colleague, councillor Jim Lane.

Thank you.

**Mr. Jim Lane (Councillor, Town of Channel-Port aux Basques):** Good morning.

Thank you very much for giving us the opportunity to speak here today. It's a great privilege. It shows that the government is willing to listen to the people from the small areas.

Today I want to talk about cost recovery. Prior to talking to that, I'll mention that the federal government challenged Oceanex in court recently.

On November 30, 2016, Canadian historian Raymond Blake appeared on behalf of the Government of Canada and the Minister of Transport in a federal court in Newfoundland and Labrador to a challenge of Marine Atlantic's right to a federal subsidy.

In an affidavit, Dr. Blake stated that it was understood in the negotiations which led to the Terms of Union between Newfoundland and Canada in 1948 by both the Newfoundland delegation, appointed by the Government of Newfoundland, and the Government of Canada, that under terms 31, 32, and 33, the Government of Canada had a responsibility not only to operate and maintain the Gulf ferry and provide an efficient service, but also to cover all costs associated with operating the ferry service. Both sides also believed that when Canada took over the Newfoundland railway, including steamship services, it would result in lower transportation costs to and within Newfoundland, which would then lead to a lower cost of living in Newfoundland. There was no expectation that the ferry from Port aux Basques to North Sydney would operate on a cost-recovery model. It was understood that Ottawa would cover all deficits incurred by the ferry and that, moreover, the Gulf ferry service would, like the union of Newfoundland with Canada more

generally, provide great benefits to the people of Newfoundland. It was a subsidized ferry for the benefit of Newfoundland and Labrador.

To put things in context for the members of the standing committee, the Crown corporation Marine Atlantic was created in 1986. The company uses two vessels primarily, but has a fleet of four to accommodate the busy summer travel season. It employs about 1,300 people and provides around 1,700 sailings annually for over 300,000 passengers and 90,000 commercial vehicles. Marine Atlantic is the only vehicle passenger service into Newfoundland and Labrador, with 25% of the passengers being non-resident. In 2003, the Canadian Industrial Relations Board ruled that constitutionally obligated service was essential and its operations critical to the health and safety of Newfoundlanders and Labradorians.

To reinforce the words of Dr. Raymond Blake, there was no expectation that the ferry from Port aux Basques to North Sydney would operate on a cost-recovery model. Cost recovery has a chokehold on Marine Atlantic. Cost recovery forces tariffs up or equates to service cuts to Newfoundland's constitutionally provided extension of the Trans-Canada Highway.

Cost recovery was introduced by the Government of Canada in 2007 at 60% of operations cost. Fast-forward to 2019 and it is now at 65% of operations cost. However, hidden within that is a cost recovery of 100% on many services, such as a seasonal run to Argentina, on-board vessel concessions, drop trailers, etc. Cost recovery, we believe, has to end.

In 2015, the federal Liberal leader, now Prime Minister Trudeau, voiced alarm over the previous federal government's cuts to Newfoundland's essential service and committed to work to ensure that Marine Atlantic remains affordable to Newfoundlanders and Labradorians. Prime Minister Trudeau highlighted cuts and cost recovery, stating that such measures had forced fares to rise by 11% in the three years leading up to 2015.

Since the Prime Minister's pre-election stand in 2015, fares have risen another 10%, not factoring in the additional burden of security fees and fuel surcharges. Sadly, since cost recovery was introduced in 2007, fares have increased by an alarming rate. Oddly enough, 2019 marks the 70th anniversary of Newfoundland's entry into Confederation with Canada. Was this the vision for those negotiating the Terms of Union in 1949? I think not.

• (1125)

The same year, 2007, when the cost recovery was imposed on Marine Atlantic, then Newfoundland member of Parliament, now senator, the Honourable Norm Doyle stood in the House of Commons and pleaded for a better deal for the people, stating it was a very costly service.

• (1130)

**The Chair:** Councillor Lane, could you do your closing remarks at this point, please?

**Mr. Jim Lane:** Okay.

We believe right now that the cost of living and the costs of this ferry service have risen 107%. We're asking the federal government to give us what we believe is needed to make the transportation corridor affordable. People in Newfoundland and Labrador pay up to 25% more for goods and services than people in any other province.

I'm sorry I couldn't finish it all. I'm open for questions. Thank you very much for the opportunity.

**The Chair:** Thank you very much, Councillor Lane.

We'll go to questions. You have six minutes, Mr. Jeneroux.

**Mr. Matt Jeneroux (Edmonton Riverbend, CPC):** Thank you, Madam Chair. Did you say six minutes? Great. Thank you.

I want to start with you, Mr. Davis. Thank you for joining us via video conference.

One of the major concerns I and I know many members of our party have heard about in Atlantic Canada is the trade corridors and having the ability to move goods and services in and out of Atlantic Canada, one of the major routes being the P.E.I. Confederation Bridge.

Right now, the current toll on the bridge is \$47.75, I believe. Does a toll like that impact the ability to get goods and services in and out of Atlantic Canada?

**Mr. Glenn Davis:** Sorry, could you repeat that?

**Mr. Matt Jeneroux:** Does a toll of around \$47.75 impact the ability to get goods and services in and out of Atlantic Canada? Are people not accessing Atlantic Canada because of that toll, perhaps?

**Mr. Glenn Davis:** I am not aware, in my discussions with the chambers of commerce or any of the industries in P.E.I., that there's a significant problem. Historically, the alternative was to cross by ferry. Understandably, the ferry operation would be a more expensive and time-consuming option. No, we're not seeing the traffic volumes decline. We're pretty sure the tourism numbers and/or the value of exports from P.E.I. in the last couple of years have continued to grow.

**Mr. Matt Jeneroux:** Okay. That's fair.

With respect to the twinning of Route 185, you said it's delayed until...well, that it would be finished around 2025. What are some of the reasons for the delays you've seen both in the past and currently?

**Mr. Glenn Davis:** The entire program for creating what's called the autoroute Claude-Bécharde took a phased approach. There are certain portions of the more than 100 kilometres between Rivière-du-Loup and Edmundston that are complete and operational. Right now, though, the remaining 40-odd kilometres are still at the point of undertaking environmental assessments, wildlife assessments, expropriations and so on. Simply put, it's a question of priorities within Quebec's transportation infrastructure program. However, in that it does impact the transportation of goods largely between central Canada and Atlantic Canada, we feel it's of greater national importance than would be suggested by simply waiting until Quebec completes their assessments and conforms with their construction strategy.

**Mr. Matt Jeneroux:** So you're finding that the delays are at the Quebec provincial level, in terms of environmental assessments, etc.

At the federal level, does everything seem to be moving smoothly on that end, in your opinion?

**Mr. Glenn Davis:** Right now, the federal government has certainly committed—I can't remember the exact dollar figure—a significant portion of the financing costs. Simply put, the construction schedule is determined by Quebec and they have taken it on with a piecemeal approach.

We think that if there's any pressure or any reminders or emphasis that the federal government can apply in relation to their discussions with Quebec regarding their funding agreements, the Atlantic provinces would greatly appreciate it.

●(1135)

**Mr. Matt Jeneroux:** That's great.

I want to quickly move on to some of our rural representatives. We'll start with the two at the table here.

Mr. Spencer, your worship, and Councillor Lane, thank you for being here today.

The current government announced a new minister, the Minister of Rural Economic Development. Have you recently received more access to the government through that new minister?

**Mr. Jim Lane:** Not of late, but we will be working on that, sir. This presentation took a little longer, and climate change is a big factor in our area as well with regard to transportation. I'm hoping I'll get the chance to answer that in the question period.

**Mr. Matt Jeneroux:** That's great. Wonderful.

With that being said, I think it's important that this committee also have access to that minister, so I'd like to move the following motion:

That the Committee invite the Minister of Rural Economic Development to appear before the committee no later than Friday, June 7, 2019 to appear on her mandate letter.

**The Chair:** Mr. Hardie.

**Mr. Ken Hardie (Fleetwood—Port Kells, Lib.):** I like the idea. The timing is getting tight, of course.

Perhaps somebody could remind me. We have also asked the minister to appear to talk about the trade corridor infrastructure. I'm wondering if we could think about combining the two.

**An hon. member:** Which minister is that?

**Mr. Ken Hardie:** I'm asking somebody to remind me of what we agreed to, to get if not the minister then somebody to come in and talk about the—

**The Chair:** Are you referring to the Indigenous Affairs—

**Mr. Ken Hardie:** No, I thought there had been a motion earlier to bring somebody in to talk about the national trade corridor investments and how that's going.

**The Chair:** We will have somebody to speak about that.

**Mr. Ken Hardie:** Maybe that's the time when we could include this minister, because they go hand in glove.



**Mr. Matt Jeneroux:** It's not necessarily linked entirely together, but if the timing works out, I'm certainly amenable to that. It's a thought.

**The Chair:** We have the motion before us.

**Mr. Matt Jeneroux:** Madam Chair—

**The Chair:** We'll have discussion and debate—

**Mr. Matt Jeneroux:** —and then get a recorded vote, if we could. Thanks.

**The Chair:** Of course.

Mr. Aubin and Mr. Badawey.

[*Translation*]

**Mr. Robert Aubin (Trois-Rivières, NDP):** Thank you, Madam Chair.

I am not going to oppose the motion, to the extent that we can find room for this in our schedule. Mr. Hardie's suggestion seems interesting, as it does not eliminate topics from our schedule that we are supposed to study before the House rises.

I'd like to make sure that if we do ask the minister to come, the motion we passed at the previous meeting will still apply. If the minister is not available for one reason or another, we should automatically convene the parliamentary secretary, to save time.

[*English*]

**The Chair:** Mr. Badawey.

**Mr. Vance Badawey (Niagara Centre, Lib.):** Madam Chair, I'm not opposed to the idea. We've been shoehorning things in for the past two weeks, so I'm just concerned about whether we can find time.

My question for you or the clerk is, if this were to pass, where would we squeeze it in?

**The Chair:** I believe June 7 is when we were doing the rail study that Mr. Aubin has been patiently waiting for us to get to.

It becomes very difficult, because we have filled our calendar pretty significantly, but if the motion were to pass, we would have to bounce something else or squeeze something else to try to make it happen.

Mr. Iacono.

• (1140)

**Mr. Angelo Iacono (Alfred-Pellan, Lib.):** I was going to ask for some time out so we could discuss it and come back. Just give us a minute or two.

**The Chair:** Okay. We will suspend.

My apologies to the witnesses; just give us a few minutes.

We will suspend for a couple of minutes so that everybody can think through the implications.

• (1140)

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

• (1140)

**The Chair:** I'll call the meeting back to order.

Before we start any further discussions, I have also, through the clerk, invited the Minister of Infrastructure and Communities to come and speak to us about the estimates, which means there's another meeting that we have to move things around for. It just really limits our ability to do a whole lot of extras, given the fact that we're trying to fit in these other things as well as get some work done on a much-awaited study on passenger rail service.

I have Mr. Badawey and then Mr. Hardie.

**Mr. Vance Badawey:** Madam Chair, I have no problem with the motion. The only consideration is time, as I mentioned earlier. What I would suggest and would ask the mover to do is remove the date and have the clerk come back with some options with respect to what dates we can actually look at. Obviously, something will have to be bumped. I think if we have options available to us with respect to....

Again, I don't mind passing the motion; it would just be minus the date, because we don't know. If we can have those options presented to us with respect to what dates we can actually look at and then therefore bump, then I think it can be doable. I just want to make the point that something that we have already agreed upon will have to be bumped.

**The Chair:** The suggestion is that the date be deleted and then on Thursday at our meeting the clerk would come forward with some suggested dates and a consideration of what would have to be bumped in order for that to happen.

Do I have that correct?

**Mr. Vance Badawey:** Correct.

**The Chair:** Okay.

Mr. Hardie.

**Mr. Ken Hardie:** I'll pass.

**The Chair:** Mr. Aubin.

[*Translation*]

**Mr. Robert Aubin:** Thank you, Madam Chair.

I also agree to eliminate the date, if that makes things easier for everyone.

I may have a suggestion, if committee members' schedule is a bit flexible. We intended to study the passenger safety draft report at our May 30 meeting. I may be imagining things, but I have the sense that a broad consensus developed during that study on the safety of bus passengers.

Perhaps we could ask the minister to appear during the first hour. If that works with everyone's schedule, we could devote the second hour to the draft report and agree to go beyond the regulatory 13 hours. That would be one way of squaring that circle.

• (1145)

[*English*]

**The Chair:** Mr. Jeneroux.

**Mr. Matt Jeneroux:** Madam Chair, I thank Mr. Badawey for the suggestion. I think that's probably fair. I've just edited the motion—it's a friendly amendment, I guess—to remove the date and to say that she appear before the committee before the end of session and that she appear on her mandate letter. Hopefully, that gives you and the clerk some flexibility to look at possible dates and bring those back to us next Thursday.

**The Chair:** All right. We'll have that on the agenda to discuss for a bit on Thursday.

**Mr. Matt Jeneroux:** We have to vote still.

**The Chair:** Yes.

Does the committee agree to the changes Mr. Jeneroux has made to his motion, so that it would read that the minister appear “before the end of the session, to appear on her mandate letter”?

**Some hon. members:** Agreed.

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

**The Chair:** Is everyone in favour of the motion as amended by Mr. Jeneroux, the mover of the motion?

We'd like a recorded vote? Okay.

(Motion as amended agreed to: yeas 9; nays 0 [*See Minutes of Proceedings*])

**The Chair:** Mr. Jeneroux has 30 seconds left.

Okay. Thank you.

Ms. Hutchings.

**Ms. Gudie Hutchings (Long Range Mountains, Lib.):** Thank you, Madam Chair.

I believe I have six minutes.

**The Chair:** Yes.

**Ms. Gudie Hutchings:** Thank you to all the witnesses for appearing today. A warm welcome to Mayor Gros and Mayor Spencer and Councillor Lane from the Long Range Mountains.

Mayor Gros, it was interesting that each one of our witnesses today spoke of climate change. I'd like to ask you to take a couple of minutes to tell us how climate change is affecting you in terms of differences in the Anchor Point and Strait of Belle Isle area, especially these past few years?

**Mr. Gerry Gros:** Oh, I think this past year has been the biggest change. Ice conditions were so bad that the ferry going from Black Tickle, from St. Barbe to Blanc-Sablon was tied up. I don't know how many days it couldn't make it across. Even the icebreaker couldn't come across, so I think that's the biggest change I've seen. I haven't seen weather like this ever since I moved here.

**Ms. Gudie Hutchings:** We won't ask your age, Gerry.

Mayor Spencer, congratulations. You have a new vessel. It's the first time in 30 years, I believe, that Marine Atlantic has given you a new vessel, so we're looking forward to seeing that in Port aux Basques.

Can you please give the committee a few comments on how you're seeing climate change affect your area? I know you have that Vardys Island issue, so perhaps you could elaborate on that for a minute or two.

**Mr. John Spencer:** Yes. Since 2016, Marine Atlantic's trip cancellations have risen by 51%. This past fall and winter, they cancelled 202 crossings. We saw winds like we have never seen. We have a big issue in our harbour; we have an island right in the middle of the harbour. We had a study done. We're looking for funding. We had put forward to remove that island. The biggest issue we have is capacity. The issue is solved by getting those boats in and out of the harbour safely. With the weather, the way it's changing, you go around my community and you see siding and roof damage. We've never seen winds like that. I'm not going to age myself, I'm 90, but I've never seen that stuff before in my entire life.

It certainly impacts us, and we need major infrastructure improvements if we're going to maintain this corridor, because what's happening is it's impacting our food security. The food shelves are empty. We're seeing deteriorating fruit. A clam shell of strawberries costs \$8. It's expensive. So, yes, climate change has really impacted us.

**Ms. Gudie Hutchings:** You referenced some numbers in your presentation, but overall there has been an increase in goods and services as well. The cost of living for Newfoundlanders and Labradorians, because of the cancellations and the deterioration of product.... You mentioned the fresh fruit. I believe over 90% of the fresh fruit in Newfoundland and Labrador comes in. Has the Town of Port aux Basques and the Town of Anchor Point, and the areas that would be impacted by a tunnel, met with you to talk about how the circle route would be beneficial to all?

• (1150)

**Mr. John Spencer:** No, not as of late, we haven't met to discuss that. We've never had any meetings about the circle route. We have a great circle route now for tourists coming to the island, going through the Argentinia, which is non-constitutional, which the federal government offers. It allows people to come in to the island and come back through the island.

You mentioned costs. If I can say one thing about the costs, the thing that irritates me the most is my head tax. There's a head tax on people travelling out of Newfoundland. This year they announced there will be no rise in fares for passengers, but commercial units went up 2%, and there's a fuel surcharge on every ticket sold for every individual who travels. My wife and I just made a reservation. I pay 18%, my wife pays 18% and I pay 18% on my truck, a fuel surcharge. When a bus comes in, every person on that bus pays an additional 18%. That's killing tourism for me. It's driving up the price of commodities. I had to mention that as well.

When you talk about the fares going up, they've had the fuel surcharge in place since 2007. As a Canadian, I think it's very unfair when you have to make a choice between whether you want food items on the shelf versus the price you have to pay for them. We are a retirement community; the average median age is over 50. A lot of people are making choices that they don't want to be making.

**Ms. Gudie Hutchings:** We hear you on the fuel surcharge, Mayor Spencer. You and I chat regularly, so I'm familiar with that. Again, the fuel surcharge was hopefully to get the vessels more environmentally friendly and better fuels to do that, but we will address that.

Another question I have for you—

**Mr. John Spencer:** Oh, you'll get me going here.

**Ms. Gudie Hutchings:** Well, we're going to run out of time, my love.

Some good news from Marine Atlantic was the appointment of a new CEO. Can you tell us how you think that's going to have a benefit for Marine Atlantic, the whole operation?

**Mr. John Spencer:** I'm excited about the new board. It's good representation from people who know the issues on both sides of the Gulf—Nova Scotia and Newfoundland. There are people who understand. I was a former schoolteacher and there are people I taught in my school. It's a good working committee. There's a dairy farmer, a finance person. There are people who understand the issues we're dealing with now, so I'm looking forward to working with this board, moving forward. Yes, I am pretty pleased.

**Ms. Gudie Hutchings:** I believe that your new CEO, Mr. Hupman, has been around Marine Atlantic for a long time and will bring a different lens, so it's great—I'm assuming that you think it's great—to have some local knowledge and someone very familiar with Marine Atlantic operations.

**Mr. John Spencer:** Yes. Mr. Hupman owns a house just up the street from me, so that's nice to hear, too. It's been good news from that particular venue.

Thank you very much.

**The Chair:** Thank you very much, Ms. Hutchings.

We'll go to Monsieur Aubin.

[*Translation*]

**Mr. Robert Aubin:** Thank you, Madam Chair.

I thank all of our guests for being here with us.

My first question will be for you, Mr. Greer.

In your opening statement, you went very quickly over the recommendations and said that you would be sending them to the committee, but I would like you to speak to us now about two or three of the main recommendations so that we may respond to them.

[*English*]

**Mr. Ryan Greer:** Sure.

Some of those are other policy resolutions that the Canadian chambers and boards of trade have passed. One is linked to the need for a pan-territorial transportation strategy. Obviously, the need for infrastructure far exceeds the amount of funding that's available in the north. That, combined with the jurisdictional divides, the segmented nature of the way projects are decided upon, and how political parties are established.... We think that infrastructure investments in the north would benefit strongly from having a pan-territorial approach, some sort of pan-territorial coordinating

body, to try to bring the three territories and the federal government together to make more coordinated decisions.

We have another resolution on the management of the lower Fraser River. It carries two-thirds or three-quarters of the volume of the St. Lawrence. Unfortunately, there are so many different jurisdictions, non-profit entities and levels of government that are involved in the management of the lower Fraser River. There is a lot of concern from our members in the Lower Mainland and from those who require the river to move their goods that decision-making and future planning around the river itself need to be better coordinated, not unlike what I was talking about up north.

We also have a resolution on the books around short-line rail. I think that this committee has heard plenty on the challenges and the importance of short-line rail to our economy, and the challenges of those railroads in accessing capital funding. We have another resolution on the books for that, and then we have several around trade transportation corridors' seeking more funding, better coordination and a greater strategic focus from all levels of government, but especially the federal government, on investing in our trade corridors.

• (1155)

[*Translation*]

**Mr. Robert Aubin:** In another connection, you mentioned the white paper on cross-border transport. What were the main issues raised in that report with which you agree and would like to share with the committee?

[*English*]

**Mr. Ryan Greer:** Sure.

Beyond Preclearance was started about a year and a half ago. It's co-chaired by the Vancouver Airport Authority and the Pacific NorthWest Economic Region on the other side of the border. It has members in Canada and the U.S.—various organizations and companies—and it's basically built around taking what we had with Beyond the Border and figuring out what the next evolution is of Canada-U.S. border policy.

Both Canada and the U.S. are going to be under immense resource requirements to meet future volumes. This is in terms of hiring tens of thousands of new border agents and having significantly higher volumes to deal with at the border. That's a big problem for all of our members who are already facing, in many cases, significant delays and challenges in getting their goods and services through the border.

Beyond Preclearance put out a white paper last year that lays out, across all four modes, what the future of border crossing could look like. This is about how you take new technology, such as biometrics, remote and multi-use screening, and potential issues like blockchain, to start clearing carriers as far away from the border as possible—away from where.... Imagine a crate that is unloaded in the port of Vancouver. If you could clear it in a way that both the Canadian and American border agents could track it and assume that it is cleared and, therefore, can pass seamlessly through the Canada-U.S. border....

What the white paper has done.... The subsequent work that the coalition has been doing is designing pilot projects, in co-operation with Public Safety, CBSA, CBP and DHS, to imagine what these borders of the future would look like and to start pilot-testing those issues now so that we can figure out what the technology is and what the investments will be to keep the border not only safe and secure, but also more efficient.

It's a really good piece of work that we would highly recommend the committee consider in its strategy.

[*Translation*]

**Mr. Robert Aubin:** Thank you. We will certainly read it if the document is sent to us.

My next question is open to all, because several of you spoke about climate and environmental issues.

There has been a lot of discussion today about developing road infrastructure. I find it hard to see how we can fight climate change effectively by multiplying the number of roads in an attempt to decongestion them, as hoped.

It's even more problematic because of the lack of truck drivers. Even if we had more roads, we would not have more of those drivers. However, most of the transportation in Canada relies on trucking. Should we not consider a quiet revolution in transport modes—but a revolution, nonetheless—to encourage short circuits, different modes of transportation, and another way of consuming?

For instance, what were the improvement and development project forecasts for route 185? How many years will it take for us to once again be grappling with the same road congestion issues? Will it take 10, 20 or 25 years?

The question is for all of those who would like to answer.

[*English*]

**The Chair:** Mr. Greer.

**Mr. Ryan Greer:** I have a couple of comments.

On fighting climate change, I think that anytime we can increase the fluidity of our supply chains, there will be less congestion, fewer trucks sitting in traffic and fewer regular commuters stuck in traffic at rail crossings and the like. Improving the fluidity of all of our trade corridors can help reduce congestion.

The other thing on the case for more trade-enabling infrastructure is that yes, it should be adaptable; yes, it should be future-proof; yes, we should be thinking about the next two or three decades ahead. The good thing about transportation infrastructure is that unlike all the other kinds, it generates more economic growth, which means more revenue for government to invest in the other types of programs and infrastructure, including the type of infrastructure we may need in the future. Until we know what those modes may be, whether autonomous vehicles or all-electric trucks, growing our economy as much and as fast as possible by allowing our producers to get products to market as quickly and easily as possible is the best way to do that.

● (1200)

**The Chair:** Thank you very much, Mr. Greer.

We'll move to Mr. Rogers.

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

Welcome to all of our guests, particularly our Newfoundlanders and Labradorians.

I want to focus my questions on Mayor Gros and Mayor Jones.

I'll go first to Mayor Gros, or Gerry, I should probably say, after knowing you for so long.

You talked about some of the challenges and why you think it's necessary for us to seriously consider the potential of a fixed link across the straits. You talked about the bad weather, climate change, wind conditions, ice, and the challenges those pose for trade and transportation for people in your region of the province. You also made reference to new business opportunities.

Mayor Gros, what do you see as the major economic benefits of a fixed link, if it were to become a reality, for your community and for western Newfoundland and Labrador, and of course, the entire province of Newfoundland and Labrador, and Quebec?

**Mr. Gerry Gros:** First of all, if we get the fixed link and Route 138 is not completed, then I don't see any benefit. I think the two go hand in hand.

With Route 138 completed and a fixed link between the island and the mainland, transportation time from central Canada to the island and to the lower north shore of Quebec would be reduced tremendously. Right now, goods shipped from Ontario or farther west have to come through New Brunswick, Nova Scotia, etc. As the mayor of Channel-Port aux Basques indicated, there were a number of crossings cancelled this year, so trucks sit on the other side for days at a time. The impact shows on the shelves in the grocery stores. I have never seen produce and fresh fruit in as bad shape as I've seen it this year, along with bare shelves.

Completing that road connection from central Canada to the Atlantic provinces, in particular, Newfoundland, would reduce the cost and speed up the time.

**Mr. Churence Rogers:** Thank you, Mayor Gros.

The question now, Mr. Jones, is going to you.

Mayor Gros referenced Route 138, of course, in order to make this potential fixed link viable or to have any economic impact.

Have you, as mayor of your community, made representation to your Quebec provincial government to complete Route 138? If so, what is their response to your proposal? Are you optimistic that anybody is listening to this request to complete 138 for the benefit of your region, so that you don't lose any more communities and you can protect your culture? You've talked about loss of culture and so on.

Of course, I'd like you to also comment on the economic benefits that would go with completing Route 138.

**Mr. Randy Jones:** Thank you very much for the question.

First of all, two weeks ago, we had the people come in from Transports Québec and announce that two sections of road will be done: from La Romaine to Kegaska, and from La Tabatière—my own town—to Tête-à-la-Baleine. There are some 80 kilometres of road that have to be completed within the next five years.

With the mayors and the Innu chiefs of all of the north shore, and the grand chief, we went to Ottawa in December and again met with Minister Champagne in Sept-Îles. We had representation from western Labrador, the mayor of Goose Bay, the mayor of...not Labrador City, but the other one that's right next to it—

**Mr. Churence Rogers:** Wabush.

**Mr. Randy Jones:** Yes, Wabush, plus we had a letter.... I have to come to climate change. We only get one vessel a week from the month of April until the middle part of January, and we've been missing that. If you don't get your fresh fruit and vegetables that week, like Mayor Gros just said, the produce is completely no good. If you don't get to the store right away when that stuff gets in, within an hour it's gone, because there's only one trip a week.

We also had representation from the Innu chiefs. I've been working hand in hand with Unamen Shipu, Pakuashipi, Mingan and Seven Islands, and all the mayors from Tadoussac to Blanc-Sablon were—

• (1205)

**Mr. Churence Rogers:** Mayor Jones, if I could interrupt, I thank you for that. Could you just give me a snapshot—

**The Chair:** Make it very short.

**Mr. Churence Rogers:** —of what you think your region would look like if Route 138 were completed?

**Mr. Randy Jones:** You wouldn't believe it. You look at the map and you look at where it crosses. I was a captain for 27 years. I've been in Port aux Basques quite a few times, and I know what is happening to the weather. I agree with the fellow who said that they're getting 200-kilometre winds there. Yes, we're getting higher winds, too, but I'm calling them sustained winds at 110 and 120 kilometres.

On the lower north shore, for the fishery products that we get, we don't have a sale for them right now, because it costs us too much to send it out by ship. With trucking, we could bring it in.

It would be an economic boom for the lower north shore in tourism alone. We have thousands of lakes that have never felt a hook and have never seen a hook. We don't have access to our own territory.

**The Chair:** Thank you very much, Mayor. I appreciate your comments and your commitment.

Mr. Iacono.

[*Translation*]

**Mr. Angelo Iacono:** Thank you, Madam Chair.

Please note that I will be sharing my speaking time with my colleague, Ms. Gill.

Mr. Jones, according to what I understood, infrastructure issues constitute a daily battle for you, and you have a lot of internal challenges.

What is the most used means of transport for merchandise, such as fish?

**Mr. Randy Jones:** The road network, certainly. Otherwise, the producers or processing plants are not on a level playing field with the ones in the rest of the country.

We have to pay to move our goods between Harrington, La Tabatière or other villages along the coast and Rimouski. Then they are transported by trucks.

**Mr. Angelo Iacono:** Forgive me for interrupting you, but I don't have much speaking time.

When you talk about roads, are you talking about provincial or federal roads?

**Mr. Randy Jones:** For our part, we want route 138, which is already a national road up to Sept-Îles, to become national up to Blanc-Sablon. The extension has been done up to Kegaska, and there is another leg of about 250 kilometres to complete. That investment would mean the country would be covered. Quebec's Lower North Shore is in a way the last frontier.

In 1989, I attended a conference on socioeconomic issues in Baie-Comeau. At that conference, the mayor at the time said that the people of Newfoundland had begun to build a road between Red Bay and Labrador City. Everyone started to laugh, and people said that would never happen. But it's a reality now.

**Mr. Angelo Iacono:** Thank you, Mr. Jones.

I will yield the floor to my colleague.

**Mrs. Marilène Gill (Manicouagan, BQ):** Thank you very much, Mr. Iacono, for giving me some speaking time.

I thank all of the witnesses for being here with us.

Hello, Mr. Jones. Thank you for taking part in this meeting. We have spoken before on several occasions. I also thank you for playing the role of ambassador for the Lower North Shore. I wanted to say that today because it's historic for us and for the Lower North Shore, which is located in my riding. It's a very vast area. It covers 350,000 square kilometres and includes 400 kilometres of coast. I wanted to provide some context.

Within those 400 coastal kilometres, there are people who refer to themselves as “coasters”. There are also two Innu nations who live there, the Unamen Shipu and Pakua Shipu nations. We talked about people who live in remote areas, but on top of everything, these people are cut off from the continent. We do say “continent” back home, both in English or French, and Innu. We talked about the consequences of climate change. I think that Mr. Jones would agree with me that all of the consequences, be they economic, social or cultural, are immense. We're talking about survival. We aren't just talking about development, which is the key to survival.

I'm going to open a sidebar to my colleague Mr. Aubin's intervention; he spoke about climate change and its repercussions on the development of infrastructure. We can't consider development in remote areas like this in the same way as we look at development in urban areas. It is different.

Mr. Jones, you are the ambassador for the Lower North Shore, Gros-Mécatina and La Tabatière. I would like you to give us an idea of what development means in the region of the Long Range mountains, notably what is called "the buckle", not only from the economic perspective, but also the social one.

When you say that the population is cut off from the continent, that does not only mean that the food isn't fresh, but that sometimes there simply isn't any. It happens that people can't get out when they are sick and deprived of all services. The young people, who don't have access to education, are leaving.

I would like you to describe the situation on the Lower North Shore further, and what it means. We aren't making additional requests; we don't even have basic infrastructure. You will agree with me, since you tried to mention it several times, that the Government of Quebec, the people of the North Shore, as well as all of the elected representatives, federal and provincial, and the Innu and Naskapi chiefs, are favourable to the project and are themselves applying the necessary pressure to see it go forward.

I'm sorry I spoke so long. Could you, for the people who are present here, give us the real picture of the situation on the Lower North Shore?

• (1210)

**Mr. Randy Jones:** Just to give you an idea, I will give you an example. By air, there are 30 kilometres between La Tabatière and Tête-à-la-Baleine, and the airfare is \$650. Given the income levels of the population in that region, no one can afford that. We are prisoners in our own villages. People go to work on the roads everywhere in Canada. They do it for the first two or three years, but it costs too much to come back home. So those people wind up asking their families to join them. For our part, we want to stop that hemorrhage.

I'll give you another example. I speak French, but 80% of the people in my village are anglophones. It's not a choice; in a way, it's due to a geographical error. Tête-à-la-Baleine is the only really francophone village on the Lower North Shore. When we began to exert pressure to have the road built between La Tabatière and Tête-à-la-Baleine, my municipal council agreed with that. Indeed, 35 kilometres is not too long a distance to cover by bus. It could allow our young people to go and study in French. I don't know quite how to explain the feeling to you...

[English]

**The Chair:** I'm sorry to have to interrupt, but it's gone over the allocated time.

Mr. Liepert.

**Mr. Ron Liepert (Calgary Signal Hill, CPC):** Good afternoon, and thank you to all of you for being here.

First of all, I'd like to preface my comments by saying that I represent a riding in Calgary, Alberta, and so my in-depth knowledge of the east coast is quite limited.

Ironically enough, while we're sitting here, across town in front of the Senate, the Minister of Transport is before the Senate trying to defend Bill C-48. To those of you who are not familiar with Bill C-48, this is the bill the Prime Minister brought before the House of Commons with no scientific data to back up this tanker ban on the west coast. It was something the Prime Minister decided to do while he was flying over British Columbia. It landlocks provinces like Alberta and Saskatchewan from using the transportation corridor of Canada to export our goods.

You've all had lots of experience dealing with tankers coming in and out of your ports on the east coast. What experience, if any, have you had with spillage or other incidents? What sort of view do you have whereby we have a government that allows tanker traffic on our east coast but won't allow it on the west coast, because, in the words of our Prime Minister, it is a pristine coast? That sort of tells me it is a little more pristine and important to preserve than the east coast.

Do any of you have any comments relative to how safe it is based on your experience of having tankers coming in and out of your ports?

• (1215)

**Mr. Randy Jones:** I don't know if the west coast is all pristine. We are pristine, and I don't see a problem with tankers. The rules and regulations have to be such that before they get to the ports, we make sure that the captains and crew are not drunk. When you [*Inaudible —Editor*] and the spillage that we've had, that's exactly what would have happened and we have to stop that.

**Mr. Ron Liepert:** I take that point. Do you have any other comments?

**Mr. Randy Jones:** To me, if the oil that comes out of Alberta and Saskatchewan is good to burn, why not have access across the range to sell the product?

**Mr. Ron Liepert:** I'm going to stop you there, sir, because I do want to ask Mr. Davis a question.

Mr. Davis, you mentioned briefly about having access to Alberta oil on the east coast. Would you elaborate a little on the necessity of having a pipeline to the east coast? How would that, despite the resistance of the two parties to my left here on having a pipeline go through Quebec, help climate change by not having all of these foreign tankers coming into your ports?

**Mr. Glenn Davis:** I would certainly agree with you that eastern Canada, Atlantic Canada, needs access to domestic supplies of oil and gas. Our thought is that it would be a boon to the economy. It would avoid the unsafe and environmentally insensitive transport by railcars.

Our understanding, though, is that tanker traffic into the Port of Saint John would probably reverse and increase, but our experience in Atlantic Canada has been that the shippers have been entirely responsible. We have a very sensitive whale population in the Bay of Fundy. Shippers have been very active in monitoring, tracking and avoiding whales. They are creating shipping channels that won't endanger the local wildlife. There are ways that the environment and the economy can coexist, and certainly, the local enterprises that are involved in energy development are already active in those areas.

**Mr. Ron Liepert:** Thank you, sir. I have one last question and I only have about a minute to go. I wanted to just get Mr. Spencer on the record.

You talked about the increased cost, the head tax. You didn't mention the carbon tax, but I got the sense that you really wanted to make a comment to Ms. Hutchings on the environmental reasons for this head tax.

**Mr. John Spencer:** No, not really. I just feel it's unjustified that I have to pay an extra 18% to get on a ship to go across 96 miles. That to me is insulting as a Canadian. It's not a message to Ms. Hutchings. We've had the discussions and when I have to pay that and plus pay for my fuel at 18% I'm insulted.

**Mr. Ron Liepert:** Then you would add the carbon tax on top of that. Is that correct?

Mr. Lane, do you want to make any comment on that?

**Mr. Jim Lane:** There is no carbon tax as such. I'm wondering about the pipeline like you said, and I would question if you could put a safe pipeline down through would that not give the Canadians on the east coast better access to oil at probably a cheaper price?

•(1220)

**Mr. Ron Liepert:** Absolutely.

Thank you.

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

We go to Mr. Badawey.

**Mr. Vance Badawey:** Thank you, Madam Chair.

Actually that province has a plan for carbon-related pricing. They don't see those increases like Alberta and Ontario do because of the fact that the provinces aren't participating. That's a big difference.

**Mr. Matt Jeneroux:** Move your motion.

**Mr. Vance Badawey:** Madam Chair, I have to say that I do to some extent have to sympathize with your comments about the wind, Mr. Spencer. I've been in your neck of the woods on a few occasions in Port aux Basques and Isle aux Morts, Devil's Isle area. It is quite windy. In February you can't even see your hand in front of you with the snow and the wind.

Actually, I've watched the ferries go in and out while being at the Port Club with some friends. You do have a unique challenge there, especially as it relates to climate change. Our intent is to give that carbon-related pricing back to you to therefore invest in a lot of those carbon-related challenges that you're experiencing versus default onto the property taxpayer or the waste-water ratepayer.

With that, I'll turn to my question. On transportation strategies both locally and provincially, have you established transportation-

related strategies at the local level? Are you working with your neighbours provincially to also recognize and establish those strategies?

Mr. Greer, I'm coming to you next just as a head's-up so you can prepare for it.

Locally and provincially, have you established those transportation-related strategies?

**Mr. John Spencer:** We filed an application with the federal government under the national trade corridors fund for an expression of interest submission to have the major obstacle in our harbour, Vardys Island, removed. Unfortunately, our application was turned down. It was turned down because we didn't have a Crown corporation partner when actually our co-partner in that was Marine Atlantic Inc. We're going to continue to work with the federal government because we see a real need under the infrastructure money to get that island removed to improve the number of sailings we have.

**Mr. Vance Badawey:** Thank you, Mr. Spencer.

Now I'll go to the Atlantic Chamber of Commerce, and Mr. Davis, as well as Mr. Greer. I'll start off with Mr. Davis.

Has your organization tried to facilitate that transportation strategy for Atlantic Canada?

Mr. Greer, I will be coming to you to ask the same question nationally.

Mr. Davis.

**Mr. Glenn Davis:** I'm working with commerce. I'm not aware in the area of transportation strategy. I know that the Council of Atlantic Premiers, which has existed somewhere in the neighbourhood of 50 years, has worked closely with the departments of transportation to achieve harmonization of things such as the over dimensional weights and loads and other one-off aspects of improving the efficiency of transportation in Atlantic Canada.

**Mr. Vance Badawey:** Thank you.

Mr. Greer.

**Mr. Ryan Greer:** The chambers of commerce across the country have worked with various regional organizations that are looking at specific gateways and corridors. Obviously, there's a lot of work in the Lower Mainland through the Greater Vancouver Gateway Council and others. We participated in that work. One of the things we've actually been asking, which seems to be lacking at the federal and national level right now.... Infrastructure Canada, for all the good work that they do, doesn't have a lot of strategic policy capacity around national needs. It's mostly just strategic national infrastructure needs. Most of the work is about ensuring that lower levels of government satisfy terms and conditions for funding, which is one of the reasons we are so supportive of the NTCF and want to see more funding delivered in that way.

We have commented in the stand-up of the Canada Infrastructure Bank that it could be a way to get some national strategic intelligence on infrastructure needs at a broader level that doesn't currently exist. It doesn't look like the bank is heading in that way, towards things that Infrastructure Australia and others do. We've been asking for the federal government or some national organization to start looking at national infrastructure needs, because right now that's one thing we don't see a lot of in Canada. So what are the 10 or 15 most important infrastructure projects to our—

**Mr. Vance Badawey:** If I may, I'll jump in because I'm trying to save a minute here for Churence.

I think you're all bang on, it's just a matter of bringing it all together. That's what this process is for, establishing logistics strategy. The trade corridor strategy is to do exactly what you're saying: to validate, justify, those infrastructure investments. The challenge that we're having, however, going from coast to coast to coast is trying to put it all together.

As a takeaway for you folks, perhaps we could get a facilitated process primarily by the chambers of commerce, both Atlantic and national, to let us know those needs, and therefore the financing that's going to be invested in those needs. That way we can plug it all into the national strategy and therefore bring forward not only the overall strategy when it comes to transportation and logistics, but also the funding that has to complement it in the future.

• (1225)

**Mr. Ryan Greer:** We would be tremendously supportive of cooperating, collaborating in any way possible. I think what's really important is that it needs to be driven by hard evidence. Most federal infrastructure funding today is delivered based on local priorities, and local governments are obviously best equipped to identify them, but a very small sliver is based on the most significant projects in the country, some of which may skew to certain regions of the country more than others. Although an intake process of local needs is important, we need somebody at the very top to identify on an evidence base the most strategic projects we need.

**Mr. Vance Badawey:** Thank you.

I'm going to pass the rest of my time to Churence.

**The Chair:** You have 20 seconds.

**Mr. Churence Rogers:** Mr. Greer and Mr. Davis, what kind of impact do you think the completion of Route 138 and a fixed link to the island of Newfoundland from Labrador would have on the economy of that entire region and Quebec?

**Mr. Ryan Greer:** I don't know what the precise impact would be, and I think some of the other witnesses would have a better idea. As we're hearing, our transportation system is the circulatory system of our economy. Where we have only air access, or we have limited road access, the consequences are severe. Making those connections are critical to unlocking stagnant economic activity.

**The Chair:** Thank you very much. Sorry, Mr. Rogers, but there's not enough time.

Ms. Block, you have three minutes.

**Mrs. Kelly Block:** Thank you so much for joining us today to those of you who have dialed in and are video conferencing. We really appreciate the testimony we've heard today. Like my

colleague, I am from the Prairies. I have visited all the maritime provinces, but I have to admit that I'm not intimately related to some of the challenges you have, which is why it's great to have you here today to tell us about those challenges.

I also want to thank Mr. Rogers for pushing hard on getting us to include this part of our study before this session ends. You have a great advocate there.

Mr. Greer, I appreciate the observations you've made in regard to how improving the fluidity of our transportation systems can have an impact on transportation related to reduced GHG emissions. I also really appreciate the resolution that you spoke to in regard to our short-line railways and would like to get a copy of that. You may have sent it to all of us as members of Parliament, but I would appreciate being reminded of that, either by having you forward that to the committee, or to my office as well.

One thing we have not touched on today is our air transportation systems and how they have an impact on economic development in our various regions. We've been seized with some of the issues within our air industry because we are about to finish our study of the BIA.

Mr. Greer, I know that the Canadian Chamber of Commerce has advocated for competitiveness in the airline industry. I'm wondering if you could tell us quickly what effects an increase in the cost of a consumer's ticket price will have for Canadian competitiveness in this market.

**Mr. Ryan Greer:** At the Canadian Chamber of Commerce, we have spent a lot of time over the past several years talking about the challenges with air travel competitiveness. There's generally been a reluctance from the federal government to look at what ticket cost is composed of, what some of the federally imposed costs on air travel prices are and what that means for travel, tourism and people.

We've also been watching the air passenger protection regulations, which are going to add cost to ticket prices. Generally, we've been asking the federal government to take a step back, work with industry and look at what goes into the cost of air travel in Canada, and where we're most and least competitive. We have major routes in Canada that are cross-subsidizing a lot of our rural and northern routes. Those routes are the highway system, the Trans-Canada Highway of the north, in many cases. There are no highways. It's the equivalent to the highway system.

Certainly, we would be strongly supportive of an overall look at what goes into the cost of air travel. Obviously, we're against any proposals to increase the cost of air travel. We're already a high-cost destination. If I'm a European traveller looking at Denver and the Rocky Mountains, cost more than any other thing may drive me to go down south. We've long called for an examination of federally imposed costs on our travel and would be supportive of ways to try to reduce those.



•(1230)

**The Chair:** Thank you very much, Mr. Greer. I'm sorry, Ms. Block, but we're out of time.

Thank you very much, to all of our witnesses. It was an amazingly informative session, with all of these great witnesses. Thank you so very much for your contributions.

Mayor and Councillor, thank you very much for being here. We wish you safe travels back home.

We will suspend for a moment, for the witnesses to leave the table.

•(1230)

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

•(1230)

**The Chair:** I'm calling the meeting back to order.

Before we get into the finance and proposed amendments, I need to move a request for a supplementary project budget. That's been distributed to you for this study we're currently doing. Are there any comments or questions on the budget? It's \$14,715 for this portion of the study.

Mr. Aubin.

[*Translation*]

**Mr. Robert Aubin:** Thank you, Madam Chair.

I know that this is a negligible amount, but I'd like to know, simply out of curiosity, what the image bank will be used for.

•(1235)

**The Clerk of the Committee (Ms. Marie-France Lafleur):** It's for the cover page of the final report, just in case you want to use a special image.

**Mr. Robert Aubin:** Thank you.

[*English*]

**The Chair:** Is everyone in favour of adopting the proposed budget?

**Some hon. members:** Agreed.

**The Chair:** Turning to Bill C-97, we have some amendments proposed by Ms. Block and Mr. Aubin. I suggest we start with the first one, with Ms. Block.

Ms. Block, would you like to speak to your proposed amendment?

**Mrs. Kelly Block:** Thank you very much, Madam Chair. I just want to clarify that I do not need to read the amendment into the record.

**The Chair:** No, you do not.

**Mrs. Kelly Block:** This first amendment, 10466469, relates to the Shipping Federation's proposal to amend the purpose and principles clause. Witnesses from both the Shipping Federation and the Marine Pilots' Association praised the addition of this section to the Pilotage Act. I believe that this proposal merely enhances the clause's objectives.

Again, I know that we are not the committee that determines any amendments to the bill. I would just want to be able to provide our

colleagues on FINA with the opportunity to look at this amendment more closely, with a view to adopting it, if that is their will.

**The Chair:** Is there any discussion?

All those in favour of the amendment proposed by Ms. Block? Opposed?

It does not carry.

Ms. Block, would you like to speak to the second one?

**Mrs. Kelly Block:** I will.

The next three amendments that I have proposed speak to a particular recommendation that was made, again by the Shipping Federation of Canada, and it's in their brief. There are three amendments, but that was the way the clerk advised us to handle the amendments to this part of the bill.

I know you probably want to vote on each one separately, but I'll speak to all of them at the same time because I would provide the same rationale.

**The Chair:** That's fine.

**Mrs. Kelly Block:** All of the proposed amendments were derived from suggestions contained in the Shipping Federation of Canada's brief. The three amendments that we're looking at right now—amendments 10467101, 10467125 and 10471823—are all related to the organization's objection to the transfer of the full cost of administering the legislation to the private sector.

In their brief, they stated, "In our opinion, this proposed amendment raises a series of public policy questions regarding the role of government and the implementation of cost recovery."

I think the least we could do is recommend, again to our colleagues on the finance committee, that they consider these amendments that were put forward by the Shipping Federation of Canada.

**The Chair:** Is there discussion?

Would you like individual votes, or can we vote on all three at the same time?

**Mrs. Kelly Block:** However it is most appropriate to handle them.

**The Chair:** Do we have unanimous consent to group the three remaining amendments by Ms. Block?

**Some hon. members:** Agreed.

**The Chair:** All right.

All those in favour of the three amendments that Ms. Block has moved? Opposed?

They do not carry.

We have an amendment from Monsieur Aubin.

Monsieur Aubin, would you like to speak to your proposed amendment, please?

[*Translation*]

**Mr. Robert Aubin:** Yes. Thank you, Madam Chair.

Although I have few illusions about the outcome of the vote, I will express my opinion. Many witnesses have spoken about the part they would like us to eliminate from this omnibus bill. We were given the example of NAV CANADA several times, but no one was able to demonstrate that there was a real parallel there. I think that the funding of the Canadian Air Transport Security Authority, CATSA, is the main problem with respect to security measures. If the security service is used as a cash cow by the government because the funds collected on passenger tickets do not translate into safety measures, the problem will not be solved by this new proposal.

As for the delays, several stakeholders say that this bill should, at the very least, provide the possibility of going forward independently, in the context of longer term planning, so that all of the stakeholders may not only better contribute, but also adjust to the situation. In short, for a host of reasons, I don't understand why such an important measure is being slipped into an omnibus bill.

I simply move that it be withdrawn and that the measure be the subject of an independent bill in the next Parliament.

• (1240)

[English]

**The Chair:** Thank you, Monsieur Aubin.

Mr. Liepert.

**Mr. Ron Liepert:** I would like to support this motion, but not for any reason that the intent isn't right as I think we all agree that with regard to the intent, long-term viability and customer service, this is the right move. What seems to be lacking is, why the big rush? Why drive this through as part of an omnibus budget bill, which, of course, this government said it would not use?

It seems like this is something that is important enough that it probably should be looked at as stand-alone legislation outside of the budget bill. It's for that reason that we would support the amendment put forward by Mr. Aubin.

**The Chair:** Okay, thank you.

Is there any further discussion?

All those in favour of the motion put forward by Mr. Aubin? Opposed?

It does not carry.

The clerk will now need to respond to FINA that we have looked at the clauses that were recommended to us.

Yes, Mr. Badawey.

**Mr. Vance Badawey:** Madam Chair, I have a motion here, if I may.

As this is our last scheduled meeting on the BIA, I would like to suggest that the committee send a letter in response to FINA.

As for the committee's perspective, I propose that you, as chair, simply thank the finance committee for the opportunity to look at divisions 11 and 12 of Bill C-97, inform its members of the hearings we had on this matter and advise that the committee as a whole does not have any recommendations or amendments to propose.

I would also like to remind all members that, if they have any amendments, they can submit them directly to FINA before the established deadline of Friday, May 17, 2019.

Thank you, Madam Chair.

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

Is there any discussion?

Ms. Block.

**Mrs. Kelly Block:** Madam Chair, obviously, we won't be supporting the motion, because as it is written, it does not reflect what has actually happened at committee here. We will be forwarding a letter to FINA as Conservative members on this committee.

**The Chair:** That's fine.

Is there any further discussion?

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

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

I don't believe we have anything else on our schedule at the moment.

Mr. Liepert.

**Mr. Ron Liepert:** I'm sorry, but was it not today that we were going to discuss the letter that you proposed in response to Mr. Kmiec? I thought I saw something where you were going to suggest the committee simply write a letter to Transport Canada outlining what we heard was going to take place versus having the analyst do a report. Did I have a dream?

**The Chair:** No, but certainly we can do that. We're all very supportive of that initiative moving forward.

**Mr. Ron Liepert:** I thought I saw somewhere where the question was whether the analyst should prepare a report based on the testimony we heard here last week, or whenever it was, and the suggestion was not to do that but simply draft a letter from the committee to Transport Canada. We seemed to all be in agreement with what was going to happen.

That's my question.

• (1245)

**The Chair:** Ms. Block.

**Mrs. Kelly Block:** Madam Chair, I would concur with my colleague. We are all in agreement that a letter to Transport Canada or to the minister, whomever it needs to go to, would probably be all that is needed to wrap up the one-hour study that was undertaken last week.

**The Chair:** Okay, we'll ask the clerk to draft a letter reflecting our support and the support to continue on to solve that particular issue. I would ask that we do that letter and we bring it on Thursday so the committee members can review the letter to ensure that we've captured what it is we all want to capture. On Thursday we'll have that to look at.

Is everything good?

Yes, Mr. Jeneroux.

**Mr. Matt Jeneroux:** I have one quick question for you, Madam Chair.

You made reference during the committee about the Minister of Infrastructure coming. Do you have a date for that? When can we plan for that?

**The Chair:** We don't have a date yet, either. It will be another challenge to figure out when we can do that and still get done all of the things we have also voted on to do.

**Mr. Matt Jeneroux:** Is the clerk going to find a date for us?

**The Chair:** Yes. All we know is that it will have to be a Thursday, and there are only so many Thursdays left.

**Mr. Matt Jeneroux:** Okay, thank you.

**The Chair:** We'll do our best to ensure that we have the representation that you desire. All right? Okay.

The meeting is adjourned.

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