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Chair: Mr. Vance Badawey



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• (1535)

[English]

The Chair (Mr. Vance Badawey (Niagara Centre, Lib.)): Okay, folks, we'll get going. Welcome to meeting number 19 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

Today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. The proceedings will be made available via the House of Commons website. Just so you are aware, the webcast will always show the person speaking rather than the entirety of the committee.

To ensure an orderly meeting, I will outline a few rules to follow. First off, members and witnesses, you may speak in the official language of your choice. Interpretation services are available for this meeting. You have the choice at the bottom of your screen of the floor, English or French.

For members participating in person, proceed as you usually would when the whole committee is meeting in person in the committee room. Keep in mind the directives from the Board of Internal Economy regarding masking and health protocols.

Before speaking, please wait until I recognize you by name. If you are on video conference, please click on the microphone icon to unmute yourself. For those in the room, your microphone will be controlled as normal by the proceedings and verification officer. I remind everyone that all comments by members and witnesses should be addressed through the chair. When you are not speaking, your microphone should be on mute.

With regard to a speaking list, the committee clerk and I will, as always, do the best we can to maintain the order of speaking for all members whether they are participating virtually or in person.

Members, pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, October 29, 2020 the committee is meeting today to continue its study on the Canada Infrastructure Bank.

Now I'd like to welcome our witnesses.

First off, we have the Honourable Catherine McKenna, Minister of Infrastructure and Communities. Minister McKenna, welcome.

Following her, we have witnesses from her department, the Office of Infrastructure Canada: Kelly Gillis, deputy minister, infrastructure and communities; Glenn Campbell, assistant deputy minister, investment, partnerships and innovation; Mary McKay, director

general, alternative finance, investment, partnerships and innovation; and Lisa Mitchell, senior director, investment, partnerships and innovation.

Members, we will start off the meeting with Minister McKenna and her five-minute opening.

Minister McKenna, the floor is yours.

Hon. Catherine McKenna (Minister of Infrastructure and Communities): Thank you very much.

I'd like to start by acknowledging that I'm in Ottawa on the traditional unceded territory of the Algonquin Anishinabe peoples. I'm really delighted to be here with my deputy, Kelly Gillis, and her amazing team.

Good afternoon to everyone on the committee. It's great to see you again.

Thank you very much for inviting me to discuss the importance of investing in infrastructure for Canadians and the role that the Canada Infrastructure Bank plays in our infrastructure plan. I want to thank the committee for undertaking this really important study.

First, I'd like to say that our government is committed to making critical infrastructure investments across the country that will help us build back better, create good jobs, grow our economy, create inclusive communities and tackle climate change.

There is no question that the Canada Infrastructure Bank plays an important role in our plan. The bank has already committed to infrastructure projects that contribute to creating jobs and growth, building inclusive and resilient communities, and helping us meet our climate targets.

By attracting private sector and institutional investors to infrastructure projects in the Canadian public interest, the Canada Infrastructure Bank brings a new approach that will impact how infrastructure in Canada is financed.

[Translation]

There is no question that the Canada Infrastructure Bank plays an important role in our plan. The bank has already committed to infrastructure projects that contribute to Canada's economic growth, building inclusive and resilient communities, and that help meet our climate targets.

By attracting private sector and institutional investors to infrastructure projects in the Canadian public interest, the Canada Infrastructure Bank is taking a new approach that will impact the way infrastructure is funded in Canada.

[English]

The pandemic of the last year has challenged Canadians in countless ways. On top of the impact of the illness, death and public health measures to stop the spread of infection, we're now facing the challenge of building our economy back. The work we do and the decisions we make in the coming months and years will define our country's path for decades to come.

This is why the government is undertaking Canada's first national infrastructure assessment. By mapping out where we need to go, where gaps exist, what needs to be prioritized and how we will finance the investments in infrastructure that we need, we will enable provinces, territories, municipalities and indigenous communities to identify projects of key importance and get them built in the best interests of Canadians.

Let me take a couple of minutes to talk about where the Canada Infrastructure Bank is today. It has entered a new phase of development under a strong and capable leadership team. The bank is committed to developing and executing \$35 billion in investments to get maximum long-term benefits for Canadians in five priority areas: clean power renewable generation, storage and transmission; broadband in underserved communities; building retrofits; agriculture irrigation projects to help prairie farmers; and zero-emission buses and charging infrastructure.

As the CIB is an arm's-length Crown corporation, the government sets the policy priorities and the CIB's board of directors is responsible for the organization's management and investment decisions. To ensure the organization's priorities remain aligned with the government's, last month I updated the CIB's statement of priorities and accountabilities. It now includes a target for the bank to invest at least a billion dollars in total across its five priority areas in revenue-generating projects that benefit indigenous peoples.

[Translation]

Additionally, last fall, our government joined the Canada Infrastructure Bank in announcing its growth plan, a clear plan for the crucial next three years. The three-year, \$10-billion growth plan will be a key driver of our plan to build back better through its five major initiatives: clean power, broadband access, energy-efficient buildings, agricultural irrigation, and zero-emission buses.

• (1540)

[English]

The CIB has taken immediate action to implement its growth plan, first with a \$407-million investment towards the largest agricultural irrigation project in Alberta. Recently, it announced an engagement with what is anticipated to be the largest battery storage facility in Canada, working with an indigenous community. The bank is also backing the REM, the largest public transit project in Montreal in half a century, and it's looking at how to expand the capacity of the New Westminster rail bridge in B.C. to boost trade and transportation.

The CIB now has priority sectors, an investment plan and a strong leadership team to play significant role in getting more and better projects built for Canadians across the country.

[Translation]

I am confident that the Canada Infrastructure Bank's investments will help to drive Canada's economic recovery and build the infrastructure we need, in all communities, for Canada's long-term success.

[English]

Canada's infrastructure plan is investing in thousands of projects across the country, creating jobs and building more inclusive communities.

Thank you.

The Chair: Thank you, Minister McKenna. Well done.

We're now going to move to our first round of questions.

Starting off, we have Mr. Scheer from the Conservative Party, followed by Ms. Jaczek of the Liberals, Mr. Barsalou-Duval of the Bloc and Mr. Bachrach of the NDP.

Mr. Scheer, the floor is yours for six minutes.

Hon. Andrew Scheer (Regina—Qu'Appelle, CPC): Thank you very much, Mr. Chair, and thank you, Minister.

Minister, you referenced a couple of times in your opening remarks that the intent of the Canada Infrastructure Bank was to unlock private sector investment. Can you inform this committee of how much private sector investment this bank has been able to secure to date?

Hon. Catherine McKenna: Thank you very much.

I'd like to thank the member opposite, who is also my critic. It's great to see you here. I have a list of projects in your riding that I know you'd be very interested in. We've approved 43 projects worth over \$763 million.

The Canada Infrastructure Bank is moving forward on a number of really great projects. One that is probably close to your heart is the investment in irrigation in Alberta. That's a great project with the Government of Alberta, which clearly recognizes the critical importance of the Canada Infrastructure Bank in getting major projects built and bringing in the private sector.

There's the REM project in Montreal.

[Translation]

Our friends in Montreal see that it is under construction today.

[English]

That's another great example of a project with the Caisse de dépôt that is moving forward. I can give you a whole range of examples of projects that are good projects that will make a difference.

Hon. Andrew Scheer: Minister, I can find a list of those projects on the government's website as well.

However, the bank was designed in a very specific way to not be a traditional funding envelope. The promises that were made were that the bank would leverage private sector investment. The way it was operating, the innovative way you were designing this program, was that not only would Canadian tax dollars be put into these projects but also that private sector investment in the ownership of these types of projects would follow.

It's a very simple question. You must keep track of this. How much private sector investment has been committed to the projects that the Canada Infrastructure Bank is currently involved in?

Hon. Catherine McKenna: I want to confirm that I totally agree. The bank has an important role in attracting private sector investment, in particular institutional investors, because our Canadian workers' dollars are at work. If we look at the REM project, which is an investment with the Caisse de dépôt, the latter has invested \$3 billion.

Also, I think it's not just about bringing in the private sector; it's also about getting good projects built in the public interest. That's why we've got the bank, because we can get more infrastructure built.

Hon. Andrew Scheer: In fairness, you haven't got any built. This bank has been around for almost four years now. You've completed zero projects. The criticism of the *Réseau* project was that the Canada Infrastructure Bank's commitment was just replacing what normally would have been allocated from different funding envelopes within Infrastructure Canada.

You've got 12 or 13 projects on the Canada Infrastructure Bank's website. For many of these projects, their current status is that they are just providing advisory services or memoranda of understanding. The question is: Where is all of this private sector investment? What is the total amount? Promises were made about unleashing and leveraging two or four times the amount in private sector investment. This is a \$35 billion bank. How much private sector investment has been committed through the Canada Infrastructure Bank's current list of projects?

• (1545)

[Translation]

Hon. Catherine McKenna: The REM project is really important.

The Government of Quebec is very proud of the REM project, in which the Caisse de dépôt et placement du Québec has invested \$3 billion. So it's an investment by both the Quebec government and by institutional investors.

[English]

We'll talk about that project. It's the biggest transit project in Quebec in over 50 years; 680,000 tonnes of greenhouse gases will be reduced over 25 years and there'll be 34,000 jobs. These are really important projects, and the bank is advancing on a whole range of projects.

Hon. Andrew Scheer: Minister, I'm asking for a total amount of private sector investment. That's the question. We can all agree. Our party made commitments to public transit. We committed to expanding the GO line. We've made commitments for infrastructure in Montreal and those types of public transit.

Here's the thing with the infrastructure bank; this was supposed to be a marquee institution. This was a marquee project. This was the Prime Minister's brilliant new innovative way to build the country. Your government courted investors worth hundreds of billions of dollars, the richest bankers and the wealthiest hedge fund managers. You even held a fancy party with all the bells and whistles at the Shangri-La Hotel, trying to unlock \$16 trillion in institutional funds that you claimed were floating around the world waiting to invest. So far you haven't been able to complete a single thing.

Your government, your ministers and your CEOs at the bank have all made amazing claims that the \$35 billion in taxpayers' money the infrastructure bank has would be able to unlock twice or four times, and even seven times the investment from the private sector. You've got a dozen or so projects listed on your website. Most of them are at the memorandum of understanding phase or the advisory services phase. It doesn't seem to me that providing advisory services on a project is going to unleash and unlock that private sector investment.

Where is all of this private sector money that you claimed would be coming in to take an ownership position to replace the need for taxpayers' money? In other words, what is the total—not just one project, but the total, so that we can evaluate if you're hitting your own metric? Your own metric is at least twice, and maybe four times, in private sector investment. What is the grand total of private sector investment in ownership of the projects that the Canada Infrastructure Bank is currently involved in?

Hon. Catherine McKenna: I would like to clarify a number of things. The idea of the Canada Infrastructure Bank came to the Prime Minister from the advisory council on economic growth. This is an idea about how you get more infrastructure built. I would hope that the member opposite, being from a conservative party, would think it's a good idea to work with our pension fund, some of the largest investors—

Hon. Andrew Scheer: You haven't got it done. That's the problem. You've got zero completed.

Hon. Catherine McKenna: I think the member opposite is probably sophisticated enough to understand that projects don't get built in a day and that advisory services matter, because you need to develop the projects. We are moving ahead, and if you look at the REM project, it brought in \$1.28 billion with CDPQ. If you take the Alberta irrigation project, which reached financial closure in December, it includes \$163 million in investment from private irrigation districts.

My goal is to get more and better infrastructure built at a time when it could not be more important. We're in the deepest recession since the Great Depression. We're very fortunate that our government is investing in infrastructure.

It would be interesting to know if your party is going to run again on a campaign to cut \$18 billion in infrastructure investments, including to kill the Canada Infrastructure Bank.

We're about getting more built. We're about working with institutional investors in Canada so we can do that and can make sure that we leverage the private sector to manage risk and get more and better infrastructure built. That is in the public interest for Canadians.

The Chair: Thank you, Minister McKenna.

We're now going to move to the Liberals.

Ms. Jaczek, you have the floor for six minutes.

Ms. Helena Jaczek (Markham—Stouffville, Lib.): Thank you very much, Mr. Chair.

Thank you, Minister McKenna, for being with us today with your officials.

On Tuesday we heard some very interesting testimony, in particular from Mr. Bain with Concert Infrastructure, who also worked at Infrastructure Ontario and is very experienced in delivering projects. His comment was that, of course, project don't happen overnight. Also, as I think we're well aware, the Canada Infrastructure Bank is particularly charged with looking at complex projects.

Could you comment on how you see the process that was initiated a number of years ago, how it's developing and how you're making progress on those projects?

• (1550)

Hon. Catherine McKenna: It was really interesting testimony. I think you get good witnesses who have very different perspectives on the Canada Infrastructure Bank.

As Mr. Bain pointed out, the real opportunity is to look at how we can get more infrastructure built. However, these projects take a number of years. You have to start somewhere. You have to start with feasibility studies, with MOUs, and work up to building the projects. This is a real opportunity.

If you look at some of the projects.... I've talked about the REM in Montreal and the Alberta irrigation project, that's a partnership with a Conservative premier who understands the importance of the Canada Infrastructure Bank.

A really great project is the Oneida Energy storage project. That's a partnership with a first nation community, and it's going to be the largest battery storage project in North America, I believe.

This is really about how we get more built, but also how we bring in indigenous people so they share in the these benefits.

There's Kivalliq hydro-fibre link MOU. That would be a 1,200 kilometre, 150 megawatt transmission line from Nunavut to New Brunswick. There's the Taltson hydroelectricity expansion project. I could go on. A whole range of diverse projects are in the priority areas.

As I said, it's about getting more infrastructure built for Canadians. When I go to communities across the country—to mayors, premiers and Canadians—they want more and better infrastructure built, because it creates jobs and growth; it increases Canada's competitiveness; it improves the quality of life for Canadians and, of course, it drives us to a net-zero future. Climate change is the other crisis we're in. We're in a health and economic crisis now, but we're also in a climate crisis.

The infrastructure bank is not the only way we are funding infrastructure, that's for sure, but it is a critically important part of our plan and an opportunity to get more and better infrastructure built.

Ms. Helena Jaczek: Thank you, Minister.

I will turn to a priority area for my constituents in Markham—Stouffville, and that's public transit, as you know, Minister. You have visited us in York Region a number of times. I have four GO train stations in my riding, and I was very pleased to see the GO expansion as one of the priority areas.

Beyond that, could you detail for us what the CIB is going to be doing overall in public transit?

Hon. Catherine McKenna: I think this is a critical area of investment for Canada and the Canada Infrastructure Bank. We need to deal with congestion. We also need to deal with air pollution caused by transportation, one of our largest categories of emissions. Over 20% of our emissions come from transportation. We just made a very big announcement of a separate commitment by the government to permanent public transit funding—\$15 billion in additional money.

In terms of the bank, public transit is one of its five priority areas. There is \$5 billion for the bank to invest in projects. We've seen them already investing in the REM, but there are obviously a lot of other opportunities.

In its growth plan, which is a more recent plan focused on the pandemic in the next three years and creating jobs and growth, it has committed \$1.5 billion to zero-emission buses and related infrastructure. I think this is incredibly important. I'm sure that in your community folks would love to be riding in zero-emission buses. They are quieter and cleaner. Often they are made in Canada. It's a great story about Canadian innovation by bus companies, from New Flyer to Nova Bus to Lion Électrique to Ballard fuel-cell buses.

This is a real opportunity for Canada to be leading the way in creating jobs, growth and, of course, building cleaner and more inclusive communities.

Ms. Helena Jaczek: Finally, in terms of the CIB model, some statements were made that there was some sort of mandate that assets would return to the private sector or become owned by the private sector. Could you please tell us if there is any mandate like that for the Canada Infrastructure Bank?

• (1555)

Hon. Catherine McKenna: I want to be clear that this isn't about privatizing public assets. It's actually bringing in private sector investments so we can support more infrastructure in the public interests for Canadians. I think that's a really important point. I think this is really about how we leverage dollars, how we leverage the pension plans of Canadian workers, so that when they go to work, those dollars go to work in Canada to building more infrastructure. This isn't a plan to go and privatize all public infrastructure.

Ms. Helena Jaczek: Thank you.

The Chair: Thank you, Ms. Jaczek, and thank you, Minister McKenna.

We're now going to move on to the Bloc.

Mr. Barsalou-Duval.

[Translation]

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Thank you very much, Mr. Chair.

I'll start where we left off with Ms. Jaczek's questions.

Ms. McKenna, you just said that the bank's goal is not to privatize infrastructure and that rumours that private investors might run away with infrastructure investments are false.

To my knowledge, nothing is preventing the Caisse de dépôt et placement du Québec from selling the REM project, if that is its intention.

Hon. Catherine McKenna: Is that a question?

Mr. Xavier Barsalou-Duval: It is a question and a statement. Could you actually comment so that I can find out whether what you just said makes sense?

Hon. Catherine McKenna: Let me be clear: the Canada Infrastructure Bank does not have a mandate to privatize infrastructure or to sell assets.

None of the bank's projects are aimed at privatization and all of them are supported by public sponsors. The role of the bank is to help finance projects—

Mr. Xavier Barsalou-Duval: I understand, but if the Caisse de dépôt et placement du Québec decided to sell the REM to a foreign investor, could it be prevented from doing so?

Hon. Catherine McKenna: Let me be clear again. The role of the Canada Infrastructure Bank is not to replace the Government of Quebec or the Caisse de dépôt et placement du Québec. I think you would really have a problem with the Bloc Québécois if that were the case.

It's about building more infrastructure and working with the provinces, as well as with Quebec—

Mr. Xavier Barsalou-Duval: Madam Minister, you are not answering my question.

I was asking you whether the Caisse de dépôt et placement du Québec could decide to sell—

[English]

The Chair: Folks, the interpreters are having a tough time when you talk over each other. I know from listening to the interpreter that it's very difficult to segregate who is speaking at one time. If we can try to give a breath or two before each of you speak, I'd appreciate that. It makes it a lot easier on the interpreters.

Thank you.

Mr. Barsalou-Duval, go ahead.

[Translation]

Mr. Xavier Barsalou-Duval: Actually, I just wanted a yes or no answer to my question as to whether anything prevents the Caisse de dépôt et placement du Québec from selling the REM to a foreign investor.

Hon. Catherine McKenna: I think you should talk to the Government of Quebec about that. The role of the Canada Infrastructure Bank is to help the Government of Quebec achieve its objectives. The Government of Quebec has said that we need more public transit in Montreal, and the REM is a major project for the government—

Mr. Xavier Barsalou-Duval: I understand. Thank you very much for your answer. However, earlier, in response to Ms. Jaczek's comments, you said that this could not lead to the privatization of infrastructure. What I see is that it could.

In 2017, the government, of which you were a member, had initially announced \$1.68 billion in grants for the REM. Now you're looking for projects to justify the existence of the Canada Infrastructure Bank. So you have converted the \$1.68 billion in grants into loans.

Do you think that Quebecers are actually benefiting more from that?

Hon. Catherine McKenna: Let me be clear, because this is important: the Canada Infrastructure Bank does not have a mandate to privatize infrastructure or to sell assets.

If I were to talk to the people of Montreal or the Government of Quebec, they would tell me that the REM is a great and good project, and they would ask me to do more. I have spoken with the Quebec Minister of Transport. I told him that there is an opportunity to work with the bank to extend the REM. So—

• (1600)

Mr. Xavier Barsalou-Duval: Thank you, Minister. I completely understand.

Hon. Catherine McKenna: —I'm not sure why you think this project is not helping Montrealers. It reduces greenhouse gas emissions and congestion on the roads, and it creates good jobs. We are talking about 34,000 jobs in Quebec and Canada. It's a very good project.

Mr. Xavier Barsalou-Duval: What I was asking you is whether a loan is better than a grant. Your government provided a grant for the REM project, but in the end it became a loan through the Canada Infrastructure Bank.

Are we better off with a grant or a loan?

Hon. Catherine McKenna: I am not going to comment on how the Canada Infrastructure Bank decides to finance projects. The point I want to make is that the bank favours projects that are—

[*English*]

The Chair: We have a point of order.

Ms. Jaczek, go ahead.

Ms. Helena Jaczek: I am hearing the interpretation at the same volume as the speaker. It's impossible to understand what's going on.

The Chair: Thank you.

Once again, if we can have one speaker at a time it makes it a lot easier for the interpreters.

Ms. Jaczek, would that make it a lot easier to decipher who is speaking through interpretation?

Thank you.

Minister McKenna, you have the floor. Go ahead.

[*Translation*]

Hon. Catherine McKenna: The Canada Infrastructure Bank plays a very important role in financing innovative projects and their progress. The government might invest as well. The role of the Canada Infrastructure Bank is to help build more infrastructure. In this regard, the five priorities I mentioned are very important.

I am also thinking of the Bloc Québécois—

Mr. Xavier Barsalou-Duval: Madam Minister, I would like to know one thing about your priorities. You often talk about the independence of the Canada Infrastructure Bank. However, I have the impression that its priorities are similar to those of the government.

Who decided those priorities, you or the Canada Infrastructure Bank? Is the bank truly independent?

Hon. Catherine McKenna: The Government of Canada decides those priorities. I would be pleased to show you the mandate letter that sets out those priorities. The \$35-billion investment comes from taxpayers' money, but the Canada Infrastructure Bank decides how the projects are funded.

I have given the Canada Infrastructure Bank a lot of leeway so that it can make decisions on major projects. I don't want to make decisions on a project-by-project basis. I don't think that's a good idea. So I've been working with the Canada Infrastructure Bank to make sure that it makes decisions about the projects.

Having said that, we have priorities. We have a plan to achieve net-zero emissions within 25 years, and the Canada Infrastructure Bank has to be part of that. And of course we want to encourage growth. We will create jobs and grow our economy. It's very important that the Canada Infrastructure Bank plays a role in those priorities.

[*English*]

The Chair: Thank you, Minister McKenna.

We're now going to move on to the NDP.

Mr. Bachrach, you have the floor for six minutes.

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

Welcome, Minister McKenna. It's good to see you again.

Picking up on this topic of privatization, if a private partner invests in the construction of a project and then is allowed to charge user fees to the Canadian citizens who use that infrastructure, is that not a form of privatization?

Hon. Catherine McKenna: First of all, it's very nice to see the member. I know that the member opposite cares greatly about getting good infrastructure built for Canadians, and about our priorities of creating jobs, tackling climate change, and building more inclusive communities.

The whole role of the Canada Infrastructure Bank is to get more infrastructure built. Canadians are paying for infrastructure. We pay for infrastructure through our taxes. We make many investments in infrastructure. The opportunity here with the Canada Infrastructure Bank is to really look at how we can get more built, because the infrastructure deficit or gap or whatever you call it is huge in our country.

I know that because economists tell us that, but I also know that because if I go to any mayor or any premier, they will tell me their list of infrastructure projects, and we have an opportunity to use workers' dollars.

When you think about the Caisse de dépôt, that's Quebec workers' dollars at work to build more infrastructure for Canadians. I would say that's a good thing. The workers get a return on their investment. This is about their retirement.

Mr. Taylor Bachrach: But we're talking about not just institutional investors but also private investors, which the CIB has tried to target.

In the past, the CIB has claimed that it's aiming to provide between 7% and 9% returns to investors. Where do these returns come from, if not from Canadian users of public infrastructure?

Hon. Catherine McKenna: As I said, let's not misunderstand the role of the Canada Infrastructure Bank. It really is there working in partnership with, say, the Province of Quebec. They decided they wanted to do the REM. They came up with an arrangement, and the Canada Infrastructure Bank was able to, with innovative financing, play a role in a project that's making a huge difference.

You can say the same about Alberta. There's an irrigation project. It's really up to the partners, which, in many cases, are the provinces. They want to work with the Canada Infrastructure Bank in a model that makes sense for the people in their province. I think it is really important that you have the public sector regulating and determining the fees and being the ones who retain control.

This is really about looking at what the opportunities are, because right now—let's just be clear—Canadian workers' dollars are building infrastructure in Australia and across the world.

I think we also want to make sure that we're benefiting from those workers' savings, and that those help with their retirement. But, as I said, they also help with a whole range of other issues, including making sure that we build clean power, that we get more public—

• (1605)

Mr. Taylor Bachrach: Again, Minister, you're talking about institutional investors. Mr. Scheer was talking about the CIB's stated goal of bringing in private investment, and I believe that's where the concern about privatization lies. If you're shifting away from private investment, then some of those concerns about privatization are probably of less concern.

I'm going to move on.

You were quoted in iPolitics in November 2019 as saying that your priority is to apply a “climate lens on everything we do, and infrastructure has to be at the top of that list”.

Do you stand by that priority?

Hon. Catherine McKenna: I 100% stand by that priority.

We have a climate lens. That is actually a shout-out to my parliamentary secretary, who's here. I thank Andy Fillmore who brought in a private member's bill.

I believe you probably were there in support of that. Actually, you are new, so maybe your predecessor supported that. For every project over \$10 million, or in the green infrastructure stream, there's a climate lens. I've been working hard on that. That is definitely something that is critically important, and we also need to make sure that we look at how we apply it across the board, to every single project, but without creating huge bureaucracy, because many of these are projects through the infrastructure program with provinces, territories, and municipalities, and capacity is not huge, so we need to be supporting them. It is incredibly important and it's good to see in the United States that they have said that as well.

Mr. Taylor Bachrach: Minister, your department's response to my order paper question showed that only 94 of the 962 infrastructure projects your department has funded were subject to the climate lens assessment.

I'm trying to square your statement that the climate lens has to be applied to everything we do with the fact that only 10% of the projects your department has funded have actually undergone a climate lens assessment.

How do you reconcile these two things?

Hon. Catherine McKenna: The private member's bill was about projects that were \$10 million and over, but we fund a lot of smaller projects.

As I said, I'm working very hard, and I'm happy to work with the member opposite, through a very practical approach, because I agree with you. I agree that every single project should undergo a climate lens. There is push-back, I will tell you, from certain provinces, and for smaller communities, getting the capacity to apply a climate lens can be a challenge, so I think we need to be mindful of that. The reality is that this is the way we have to go.

I agree with you that we have to be net zero by 2050; we need to exceed our 2030 target, and we have an opportunity because—guess what—buildings can now be built net zero. Retrofits can be harder for smaller communities and remote communities, but we have the technology in many cases, and now we need to apply the climate lens, create the right incentives, and move forward to a cleaner future.

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

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

The Chair: We're now going to move on to our second round.

Leading off for Conservatives, we have Ms. Kusie, followed by Mr. Fillmore for the Liberals, Mr. Barsalou-Duval for the Bloc and Mr. Bachrach for the NDP. The first two speakers have five minutes. Mr. Barsalou-Duval and Mr. Bachrach each have two and a half minutes.

Ms. Kusie, the floor is yours for five minutes.

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair, and hello, Minister. It's very nice to see you once again.

Minister, I will start where I left off the last time we got together, and that was with executive compensation. We had a conversation the last time about Monsieur Pierre Lavallee, who, when he departed from the Infrastructure Bank in April of 2020—well into the pandemic—received executive compensation of \$600,000 at a time when we were just heading into the worst economic times Canada has ever known.

Also, of course, I understand that his predecessor, Mr. Michael Sabia, departed in October. Can you please inform the committee of whether or not Mr. Sabia also received extravagant executive compensation?

• (1610)

Hon. Catherine McKenna: Let's be clear that Crown corporations work at arm's length from the government, and the rate of remuneration is based on the recommendation of the board and approved by the Governor in Council.

Michael Sabia, who is now serving as deputy minister of finance, was board chair. I don't know that you get extravagant compensation as chair. It's between \$90,000 and \$100,000 a year.

I will say that we do have a new CEO, and the Canada Infrastructure Bank has been very transparent about the CEO's salary. His base salary range is...the total compensation is 40% lower than the previous CEO's. I have high hopes for Mr. Cory as CEO. He comes from Infrastructure Ontario. I think we're in a new stage at the bank. It was very important to me personally to get the bank on track to really deliver, especially now, because we are in the greatest recession since the Great Depression.

Mrs. Stephanie Kusie: Speaking of Mr. Sabia, Minister, have you had an opportunity to keep in touch with him? Do you have any idea if he is close to completing the plan for the airline sector? Since I'm certain that you would have been in good contact with him before, has he communicated that to you at all?

Hon. Catherine McKenna: He's in a very different role from when I worked with him before—

Mrs. Stephanie Kusie: Okay. I just thought perhaps you were communicating—

Hon. Catherine McKenna: I know he is working very hard.

Mrs. Stephanie Kusie: Okay. Well, we hope to see a plan soon.

Hon. Catherine McKenna: Obviously, it is very important that we help support the aviation sector. That's a critical priority of our government, so I can be sure, though I haven't talked to him about it, that he is working on it. I do know that the Minister of Finance and other ministers are working very hard—

Mrs. Stephanie Kusie: Okay. That's a “no”, Minister. Thank you very much.

My second question has to do with a project that you've mentioned several times and that your colleagues in the last meeting mentioned as well. It's the Alberta irrigation project. Actually, every time I hear the name of this project, it's like nails on a chalkboard to me, because I'm not certain how you could possibly feel that one infrastructure bank project could replace an entire industry, which your government, under your helm, destroyed, and that is the natural resources sector. That was a result of the implementation of Bill C-69, Bill C-48 and the carbon tax.

Also, just yesterday, your government had an opportunity to help offset that by supporting the agricultural sector, which you claim you are trying to help with the Alberta irrigation project, by supporting Bill C-206, and instead, you and your government didn't support it. You voted against it.

How can you possibly feel that a single project for Alberta could resolve the entire destruction of the industry here under your leadership over the last five years?

Hon. Catherine McKenna: There are so many ways to answer that question, but first of all, I would just emphasize that this is a project that was extremely important to the Government of Alberta—

Mrs. Stephanie Kusie: The premier would agree with me, Minister, that you were highly responsible for destroying the natural resources sector here, so I'm sure he appreciates this pittance after the rest of our industry was destroyed.

Hon. Catherine McKenna: You know, I would actually like a second to be able to answer this, because that is absolutely false. Our focus has been on how we work with all provinces and territories, how we grow our economy and how we make investments in infrastructure that make a huge difference, including in your own riding. I could go through all the projects that have happened in your own riding.

Also, yes, climate change is real, so we need to be figuring out how we move to a low-carbon future with the people of Alberta, with workers in Alberta, with workers in Saskatchewan—

Mrs. Stephanie Kusie: Also, workers in the rest of the economy.... I'm not sure how you and your government, having completed zero projects in three years with a budget of \$35 billion, could possibly expect to lead this country out of this pandemic, create jobs and restart the economy, Minister.

Hon. Catherine McKenna: I guess I would like to know, if your party were ever in power, if you would cut \$18 billion, like you said you would do, in infrastructure projects. Would you kill the Canada Infrastructure Bank? Would you go back in time—

Mrs. Stephanie Kusie: It wouldn't destroy two entire industries, both the airline industry and natural resource—

The Chair: Thank you, Minister McKenna and Ms. Kusie.

Mrs. Stephanie Kusie: —like yours has, Minister.

Hon. Catherine McKenna: —[*Inaudible—Editor*] and our climate plan. I think Canadians would love to know that.

Mrs. Stephanie Kusie: Thank you, Chair.

The Chair: Thank you, Minister.

We're now going to move on to Mr. Fillmore.

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

• (1615)

Mr. Andy Fillmore (Halifax, Lib.): Thanks, Chair.

Thank you, Minister, for being with us today.

I just want to say thanks, also, for your words about the climate lens and our continued work to make it better and stronger as we go forward. Thank you for that.

First of all, your critic Mr. Scheer has complained that there aren't enough projects and that projects aren't going fast enough, yet he wanted to cut \$18 billion from the infrastructure fund, which would have been about half the budget of the CIB. Then we just heard from Ms. Kusie some strange sentiments with regard to climate action and the importance of having a price on carbon in this country and transitioning to a low-carbon economy.

Putting those two things together, I just wonder if you could talk to the committee about why this is the right moment, this moment when we are in a pandemic, when workforce participation is low and when there is a climate crisis. Why is now the time, more than ever, to be investing in infrastructure that is green and smart and helps us to transition to a low-carbon economy rather than hobbling it by budget cuts?

Hon. Catherine McKenna: I think that's a really important point.

I'm someone who cares greatly about taxpayer dollars. I believe that every dollar that we invest has to get multiple outcomes. What does it have to get, especially right now when we're in an economic crisis, the greatest crisis since the Great Depression? We need jobs. We've committed, as a government, to creating a million jobs. We need growth.

We also need more inclusive communities and better infrastructure. By “inclusive”, I don't just mean indigenous communities and racialized communities; I also mean that rural areas need good infrastructure.

Three, we need to make sure that we're tackling climate change, because climate change is real. Also, I just think that with regard to this idea that tackling climate change is negative for the economy, we just have to look at the economy down south. The United States is going big in taking action on climate change, because that's where the opportunities are. That's where the growth is. That's where the jobs are. That's what we need to be doing.

It is worrying, though, to think that if you had a Conservative government, it would cut infrastructure dollars. This is absolutely the wrong time to do that. We need to be investing in infrastructure, and if you look at what we've done since the pandemic hit in March.... Every single week, my department has to bear with me, because I go through every single project that we are reviewing. We've approved 1,864 projects worth \$2.85 billion since last March.

Do you know how many projects the Conservative government approved during its four-year majority? Nine hundred and seventy-five projects. In one year, in the middle of a pandemic, during a minority government, we've approved 1,864 while the previous Conservative government in four years only approved 975 projects.

Our projects are across the country, in Conservative ridings, in Bloc ridings, in NDP ridings and in Liberal ridings, and in rural communities and urban communities. These projects are helping create good jobs, growing their economies, tackling climate change and improving the quality of life of Canadians. That's what we want to do.

In the greatest recession since the Great Depression, and with a climate crisis, we need to be building back better, and that is what we are going to continue to do. That is what I'm going to continue to do every day, and we're going to be working with the Canada Infrastructure Bank looking in leveraging private sector investment to get more and better infrastructure built. I think we will look back at this time and say, "The pandemic was terrible, but guess what? We managed to make a transformational, once-in-a-generation difference in building infrastructure that is making a huge difference in the lives of Canadians, to our prosperity, to our competitiveness, and also in tackling climate change."

Mr. Andy Fillmore: Mr. Chair, are there a few minutes left? How are we doing?

The Chair: You have about 40 seconds left.

Mr. Andy Fillmore: Just quickly, then, you mentioned indigenous projects, Minister. Thank you for that. You recently wrote to the chair of the board of the CIB requesting that the CIB invest at least \$1 billion in projects that benefit indigenous people. Can you, in the few seconds that are left, tell us what kind of projects we were thinking about there and how they would benefit indigenous communities?

Hon. Catherine McKenna: I'm going to focus on just one example, the Oneida energy storage project. That is with a first nation community. Do you know what? We have a huge infrastructure gap with indigenous peoples, but they also want to be part of building projects. They want to be part of growth and creating jobs. We have a huge opportunity to work with them.

I think it was extremely important that we created a clear priority, a clear focus, for the bank to invest \$1 billion in partnership with indigenous peoples, whether that is in clean power or clean water. There is a whole range of opportunities and projects waiting to be there. This is on direct feedback I have had from first nations, Métis and Inuit peoples.

• (1620)

The Chair: Thank you, Minister, and thank you, Mr. Fillmore.

We will now move to the Conservatives.

Mr. Scheer, the floor is yours for five minutes.

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

Minister, I want to respond to a couple of pieces of misinformation that some members on the committee have pointed out. First of all, when the Liberals try to make accusations about what our party was promising in the last election, it's important to keep in mind that 40% of the infrastructure dollars that were allocated in the first couple of years, 2017 and 2018, under your government, Minister, lapsed. That means it never got spent. It never got out the door. Your department's own internal audits have raised massive red flags in several areas. The Auditor General is currently investigating the infrastructure plan that your government has been rolling out.

The second thing I want to address is this idea that large projects take time. Of course you're right, Minister. There's no argument there. There's no argument that it takes more than just a few days or a couple of weeks to get a large infrastructure project built. Surely to goodness you can agree, though, that in four years the bank

should have something to show for it. The previous CEO was paid a bonus, which usually, under Treasury Board guidelines, is reserved for exceeding expectations. I don't know what you were expecting the Infrastructure Bank to deliver, but since zero projects were completed and the former CEO received a bonus for that, you must have been expecting even less than that.

When we go back and look at the P3 fund that the previous Conservative government had, to do exactly what it is you're talking about, which is to unleash private sector investment, I can go over a long list of projects that were completed in a short period of time.

A water and waste-water plan in Kananaskis country was announced in 2012 and completed in 2014. In your hometown of Hamilton, the Hamilton biosolids project was announced in 2017 and operational in 2020. In my hometown of Regina, a large bypass and overpass project was put out for tender in 2014. Construction work began in 2015, the first phase was done in 2017 and the project was completed by 2019. The Iqaluit airport was—

The Chair: Excuse me, Mr. Scheer.

Mr. Barsalou-Duval, did you have a point of order?

[*Translation*]

Mr. Xavier Barsalou-Duval: Yes, I do have a point of order, Mr. Chair.

I wanted to make sure that you did not make a mistake with the order of the parties for the round of questions. We just had a round with the Conservative Party, then a round with the Liberal Party, and we then went back to the Conservative Party. Am I wrong?

[*English*]

The Chair: No, it's correct. In the second round we had Ms. Kusie, Mr. Fillmore....

I'm sorry. I do apologize. I skipped over you and Mr. Bachrach and went right to Mr. Scheer. My apologies.

After Mr. Scheer is done, I will go back to you, Mr. Barsalou-Duval and Mr. Bachrach.

Once again, my apologies.

Mr. Scheer, go ahead.

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

I have outlined several large-scale projects. These are the types of projects that actually do provide a great deal of economic spinoff. There are all kinds of benefits. There is private sector involvement in these projects. The old P3 fund, which your government eliminated and replaced with the Canada Infrastructure Bank, was able to deliver on this. You must have concluded that something was wrong with the P3 plan. You came up with your own system.

In that system, in this Canada Infrastructure Bank, you have made all kinds of claims about leveraging twice, seven times the.... One of your officials even claimed at one point it was eleven times the investment, that for every dollar you put in from taxpayers' money, you would get eleven dollars back from the private sector.

So far, the only example of private sector that you have been able to point to is Réseau in Montreal, a project that was already green-lit. It was already going to get federal government funding. The Canada Infrastructure Bank just replaced traditional funding programs with that.

Do you have any other examples—of all the projects that are being listed—of where the private sector has invested and where you have been able to leverage that? Is your threshold for success with the Canada Infrastructure Bank still the two times, four times or seven times multiplier for private investment for every taxpayer dollar?

• (1625)

Hon. Catherine McKenna: I want to start by reminding everyone that we wouldn't be getting new infrastructure built under a Conservative government because they wanted to cut \$18 billion to—

Hon. Andrew Scheer: That's false. We had the same amount of overall—

Hon. Catherine McKenna: That's just a campaign promise. I don't know.

And also, the Canada Infrastructure Bank—

Hon. Andrew Scheer: You delivered on none of your promises.

Hon. Catherine McKenna: I have heard many times that the Canada Infrastructure Bank would be killed by the Conservatives. That is coming from Conservatives. I could go through some of the things you've said. My helpful officials have noted that the Regina project that you were talking about took two years of development, of planning. That's what happens for major projects. But I—

Hon. Andrew Scheer: But it's completed.

Hon. Catherine McKenna: I also am looking forward to seeing projects going ahead. I've been very clear to the new CEO of the bank, to the new chair of the bank. They also have a growth plan that is intended to get to work over the next three years for smaller projects that are going to create jobs—

Hon. Andrew Scheer: Can you give us a number?

The Chair: Mr. Scheer, the minister has the floor.

Minister, go ahead.

Hon. Catherine McKenna: Just one second, thank you.

My measure for success is that we get more and better infrastructure built for Canadians. When you talk about the 1,864 projects we approved in the past year where \$2.85 billion—

Hon. Andrew Scheer: We're talking about the infrastructure bank, Minister.

Hon. Catherine McKenna: I'm talking about any infrastructure project.

Hon. Andrew Scheer: This study isn't—

Hon. Catherine McKenna: What are we looking for when we make investments in infrastructure? We want to get more and better infrastructure built. We want to stretch the dollars by, yes, bringing in the private sector, but when you—

Hon. Andrew Scheer: So how much private sector?

Hon. Catherine McKenna: —go into communities across the country—it's going to depend by project.

Hon. Andrew Scheer: But can you say—

The Chair: Okay. Thank you, Minister.

Hon. Catherine McKenna: The Canada Infrastructure Bank is going to look at good opportunities. But what is most important for Canadians who are watching this is that this is about more infrastructure for you. This is about—

Hon. Andrew Scheer: You've got zero completed.

The Chair: Thank you, Minister. Thank you, Mr. Scheer.

Hon. Catherine McKenna: —better infrastructure. I'm happy to take you to visit the REM in Montreal.

The Chair: We're going to move on to the next speaker.

Hon. Catherine McKenna: I think we should go on a little trip when it's safe.

Hon. Andrew Scheer: Sure.

The Chair: Thank you, Minister McKenna. Thank you, Mr. Scheer.

We're now going to move on to Mr. Barsalou-Duval for two and a half minutes.

[*Translation*]

Mr. Xavier Barsalou-Duval: Thank you very much, Mr. Chair.

Earlier, we finished our round of questions on the issue of the independence of the Canada Infrastructure Bank from the government. I found it surprising that a grant that was to be given to the REM was turned into a loan. Surely a government decision must have been made because I assume it was not the Canada Infrastructure Bank that decided to convert the grant.

If we go further, Mr. Sabia, after passing through the Canada Infrastructure Bank, became Deputy Minister of Finance. That's quite a tight relationship with the government.

In the last economic update, you announced, if I'm not mistaken, that there might be money to invest in the REM station at the Montreal airport. However, the announcement came from the government, not the Canada Infrastructure Bank.

Let's take VIA Rail as another example. A little over a year ago, in June 2019, you announced that you would spend \$55 million on a comprehensive review of the project. Since then, your government has been completely silent, as has the Canada Infrastructure Bank.

This time, will you hide behind the independence of the Canada Infrastructure Bank and not approve the project?

Hon. Catherine McKenna: The independence of the Canada Infrastructure Bank is very important. However, we have priorities. I have sent a letter to the Canada Infrastructure Bank, clearly outlining our priorities, including a new priority to invest \$1 billion in projects in partnership with indigenous peoples.

We are certainly working together.

Mr. Xavier Barsalou-Duval: Madam Minister, I would have preferred you to tell us about VIA Rail's high-frequency train project.

Hon. Catherine McKenna: A study is under way because it is a very large investment. We know that we need to have a plan, we need to be familiar with the technology and we need to know how we are going to finance it. Those are really important issues. We need to be aware that this is taxpayers' money—

Mr. Xavier Barsalou-Duval: As I understand it, there is no commitment on your part.

[English]

The Chair: Thank you, Mr. Barsalou-Duval.

[Translation]

Hon. Catherine McKenna: I want to be clear—

[English]

The Chair: Thank you, Minister McKenna.

We're now going to move on for two and half minutes to the NDP. Mr. Bachrach, the floor is yours.

• (1630)

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

Minister, the CIB's corporate plan states that “the success of the Growth Plan will be demonstrated through broad-based outcomes such as: a reduction in greenhouse gas emissions”. Will the projects funded by the Canada Infrastructure Bank be subject to your climate lens assessment?

Hon. Catherine McKenna: That's a very good point. We're looking very closely at the plan they have put out, and we have said it has to have clear outcomes. Everyone in life has to have outcomes, so climate is an outcome—

Mr. Taylor Bachrach: Minister, with all due respect—and I have a huge amount of respect for your work—it's a really simple question. There's a tool called the climate lens, which your government has put in place. There's the Canada Infrastructure Bank, which has infrastructure projects. Are those projects subject to the climate lens methodology and assessment?

Hon. Catherine McKenna: I believe they should be held to a higher standard.

Mr. Taylor Bachrach: Are they currently?

Hon. Catherine McKenna: We are working with the bank, because they need to demonstrate how we are going to get emission reductions. They have to contribute to our climate plan, like anyone else.

It's different, though, and this is important, because I know you care greatly about this. What you are doing for one project, for example, if you are building a project in northern B.C. that's a com-

munity centre and.... The climate lens and what would be appropriate will be different from the climate lens on, say, investments in zero-emission buses, because that's a program. Those are different things. Your point—

Mr. Taylor Bachrach: The problem, Minister, is that no assessment is taking place. You've promised that there's going to be this action on greenhouse gas emissions and climate, and you've praised the U.S. for going big on tackling climate change, but I'm not convinced your government is.

Here we have only 10% of the projects your department funds that are subject to the climate lens assessment. None of the projects funded by the Canada Infrastructure Bank are assessed. It almost feels like the climate goals are just something in a throwaway line on the first page, and there's no accountability.

How can you assure Canadians that the \$180 billion you're going to spend on infrastructure between now and 2030 isn't going to actually increase climate pollution?

Hon. Catherine McKenna: The expectations for the Canada Infrastructure Bank include the GHG impacts and that we need to see reductions in emissions. If you even look at the categories we've created—such as clean power and public transit—across the board we're looking at investments and programs that are going to make a real difference in reducing emissions. We also need to quantify them. That is what the climate lens is right now, but it's more than that. They need to drive emission reductions.

That's a critical part of this. There is a process, including through Treasury Board, to get the information. That is the expectation they have.

The Chair: Thank you, Minister.

Thank you, Mr. Bachrach.

We're now going to move on to the last set of questions in the second round.

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

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

Welcome, Minister and officials.

Minister, I was a mayor and the president of the municipal association for the Province of Newfoundland and Labrador and a member of the board of directors of the FCM for four years. We often debated and called on the federal government for investments of this magnitude in infrastructure, and we didn't get a whole lot of support from the previous, Conservative government. The FCM put a major effort in and is delighted with the support it's received from our government since 2015.

Minister, access to high-speed Internet, particularly in rural Canada, is crucially important. It's really come to the fore during this COVID-19 period, which has forced people to work from home of course, and to do remote schooling, virtual medicine and a whole bunch of stuff.

The CIB has identified broadband as a priority investment area in terms of how it's going to help address this critical shortfall. I'd like you to comment on that for me, please.

Hon. Catherine McKenna: As a former mayor, you know how important infrastructure is to the quality of life. Right now, if not the top priority, one of the absolute top priorities in terms of infrastructure investments has to be in broadband. It's not just a productivity issue; it's an equity issue. That's why our government is making historic investments in broadband. It's part of the infrastructure program I am responsible for.

The Canada Infrastructure Bank identified it as a key priority, so it is one of the priorities that's set out for investment in the next three years. It's \$2 billion for large-scale broadband projects. We really need large-scale projects, because we need to connect a lot of people to high-speed broadband.

They have a longer-term goal. It's \$3 billion for unserved and underserved communities. They're working with our government to identify opportunities, as well as with other governments. That's a real opportunity. It's all hands on deck when it comes to broadband, and we need to accelerate quickly. We've said we want to have all Canadians connected to broadband, and we need to do that as fast as possible.

• (1635)

Mr. Churence Rogers: Thank you, Minister.

Mr. Chair, if it's okay, I want to give Mr. El-Khoury my remaining time to ask a question.

The Chair: Absolutely. Thank you, Mr. Rogers.

Mr. El-Khoury, the floor is yours. You have about two and a half minutes.

[*Translation*]

Mr. Fayçal El-Khoury (Laval—Les Îles, Lib.): Thank you, Mr. Chair.

Welcome to our Minister and our guests.

Madam Minister, the REM project is really important to Quebecers.

Let me ask you one question, and I'd be grateful if you could give us a detailed explanation.

We have heard a lot of criticism, particularly from the Conservatives, that the Canada Infrastructure Bank is not doing anything. I'm surprised, because I represent a riding in the Montreal area and the REM transit system in Montreal is a major project. The Canada Infrastructure Bank is helping to finance the REM, a project that is moving forward and creating jobs.

I hope you can talk a little about the Canada Infrastructure Bank's involvement in the REM project and also about how the Conservatives are presenting it.

Hon. Catherine McKenna: I thank my colleague for the question.

I do not think it is just the Conservatives. The Bloc Québécois is also asking questions, wondering whether this is a good project, when people in Montreal and the Government of Quebec are telling me that it is a very important project to them. It is the biggest project for Montreal in the last 50 years.

Personally, I want to see the REM extended, and there is a good chance that it will happen.

Let me give you some figures. The REM is benefiting from a \$1.3 billion investment from the Canada Infrastructure Bank. This project will build 26 stations over 67 kilometers. This means that 26 communities will be served by the REM. This is a major project.

One aspect that's really important to our government and to me is the number of tonnes of greenhouse gas emissions that are generated, and this project represents a reduction of 680,000 tonnes of those emissions over 25 years.

Also, as I said, we need jobs. This project is creating 34,000 jobs.

This is a very good example of how we can make a difference by working with the Canada Infrastructure Bank, with the provinces, like Quebec, with cities, like Montreal, and with the public.

It's not just about numbers, it's about people's lives. Imagine someone who has to get to work. They would not have to endure the many congestion problems that Montreal has. Using the REM would mean they would come home more quickly to be with their children.

[*English*]

The Chair: Thank you, Minister.

Thank you, Mr. Rogers and Mr. El-Khoury.

We're now going to move into our second hour.

We have Mr. Scheer, from the Conservative Party, for five minutes; Mr. El-Khoury for five minutes; Mr. Barsalou-Duval for two and a half minutes; Mr. Bachrach for two and a half minutes; Mr. Shipley, from the Conservatives, for five minutes; and we finish off with Mr. Sidhu, from the Liberal Party, once again, for five minutes.

Ms. McKenna, I understand that you have to go to another appointment, so thank you very much for your participation today.

Hon. Catherine McKenna: Thank you.

The Chair: We truly appreciate it. Well done.

Hon. Catherine McKenna: I appreciate all of your work.

Thanks very much to everyone.

• (1640)

The Chair: Thank you.

With that, we're going to start off with Mr. Scheer.

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

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

I think I'll just take a few seconds to highlight something the minister said. She said that the whole point of the Canada Infrastructure Bank was to get more infrastructure built, and so far it has completed zero projects. Compare that with the Conservative P3 fund, which actually successfully delivered projects. We were able to see the completion of 25 large-scale infrastructure projects in about seven and a half to eight years, depending on how you calculate it. If the Canada Infrastructure Bank is going to try to get more than that, then they're off to a very poor start.

Maybe the officials can help us out with some of the questions that the minister didn't want to answer. I'm hoping someone here can tell me. The minister pointed to the Réseau project in Montreal. Fine, we all know it was an existing project that would have been funded through other formulas, other envelopes of spending. The Canada Infrastructure Bank did not unlock anything, because those commitments were already made.

Other than the Réseau project, rounded to the nearest hundred million dollars, can someone tell me how much private sector investment the Canada Infrastructure Bank has secured so far?

The Chair: Who would like to take that one?

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

As the minister mentioned, in the REM project with the CDPQ, there has been a commitment of \$3 billion by the Quebec pension plan. In a number of other projects that are under way right now, the CIB is in discussion with private partners for investments.

As for the follow-up question, I believe that the CIB officials are coming to the committee in a couple weeks, so I think a further discussion with them on the outlook for private investment would be completely appropriate.

I would like to correct some of the facts on P3 Canada. P3 Canada was devolved into Infrastructure Canada, so we are overseeing the 25 P3 agreements. Four of them have not yet reached completion, and two of them will reach completion this year. Infrastructure does take time to complete. They are ongoing and they are very good projects.

Hon. Andrew Scheer: I'm sure we can both agree that some may take several years, some may take four, some may take two and some may take eight, but surely you would agree with me that some of the projects under the old P3 Canada fund from start to finish took less than four years. Would you agree with that?

Ms. Kelly Gillis: I would have to confirm the facts on those particular timelines, because I know a number of them started beforehand, such as the one in Regina that began in 2013 and had two years of planning before it moved into the P3 fund for commitment and then completion.

Hon. Andrew Scheer: Right, but as I mentioned, there are several projects here that, from start to finish, took fewer than four years. I can confirm that for you. I can save you the work there.

I want to clear. The Montreal project aside, because I'm not really sure that it's fair to include the Montreal project in what the

Canada Infrastructure Bank has been able to unleash because it was already green-lit and committed to because the caisse's involvement had been already arranged. Basically the Canada Infrastructure Bank just displaced federal dollars that would have come through other channels.

The reason this is important is that this particular study is about the bank itself. The Auditor General is doing an investigation into mismanagement in other infrastructure envelopes. This study is narrowly focused on the Canada Infrastructure Bank.

This government took \$35 billion in tax dollars and told all of us that with that \$35 billion, they would get back at least \$70 billion, and maybe even \$105 billion. Depending on which day and how excited some of the officials were, we were told it was 11 times that, so we might get back over \$380 billion worth of private sector investment.

I want to clarify this one more time. I'm sure that the CIB reports to the minister. It's been in operation for four years. Rounded to the nearest \$100 million, if you take the Montreal project aside, how much private sector investment has this \$35 billion resulted in?

Ms. Kelly Gillis: As I said right now, CDPQ were involved in the negotiations. They were involved for several months to restructure that particular transaction to be able to add value to it. That is a \$3-billion commitment. For further discussions on closes and discussions with the private sector on what the outlook is for investment, I think that would be an appropriate conversation to have with the CIB when they come before you in a couple weeks from now.

Hon. Andrew Scheer: So you still can't give me a number for anything outside of Montreal. We will absolutely ask that of the officials. I had hoped that maybe the minister's officials would also know what was going on at the Canada Infrastructure Bank.

The Chair: Thank you, Mr. Scheer.

Thank you, Ms. Gillis.

We're now going to move on to Mr. El-Khoury.

Mr. El-Khoury, you have the floor for five minutes.

• (1645)

[*Translation*]

Mr. Fayçal El-Khoury: Thank you, Mr. Chair.

My first question is for Ms. Gillis.

Ms. Gillis, the Minister recently drafted a new statement of priorities and responsibilities for the Canada Infrastructure Bank. She has provided the organization with the government's direction on investment priorities. It is my understanding that the Canada Infrastructure Bank's board of directors is ultimately responsible for making decisions on specific investments.

Could you outline the key changes announced in this new statement of priorities?

Ms. Kelly Gillis: Thank you, Mr. Chair.

As the Minister mentioned, one of the major changes in the priorities of the Canada Infrastructure Bank is a new \$1 billion investment target for indigenous infrastructure projects.

Another change is to work on high-speed Internet access and connectivity—

[*English*]

The Chair: Excuse me, Ms. Gillis.

Mr. Bachrach, do you have a point of order?

Mr. Taylor Bachrach: I'm not sure if it's happening for others, but I'm getting the French and the translation at the same volume.

Mr. Maninder Sidhu (Brampton East, Lib.): It's happening over here too.

Mr. Taylor Bachrach: I tried muting my original audio, which worked before, but it didn't work this time.

My apologies, Ms. Gillis, for interrupting.

The Chair: I'm sorry, Ms. Gillis.

If the clerk could check into that, I'd appreciate it.

Ms. Gillis, go ahead.

[*Translation*]

Ms. Kelly Gillis: Thank you.

It's about focusing on priority areas, such as broadband connectivity and access to high-speed Internet, and having—

[*English*]

The Chair: I'm sorry, Ms. Gillis. Now we're not getting any translation.

Translators, are we all right?

Ms. Kelly Gillis: [*Technical difficulty—Editor*] in French.

The Chair: Mr. Clerk, how are we making out?

Let's try this one more time.

Ms. Gillis, continue.

[*Translation*]

Ms. Kelly Gillis: First, as I said, one priority is a new \$1 billion investment target for indigenous infrastructure projects.

Second, we need to work in the areas of—

[*English*]

The Chair: Excuse me, Ms. Gillis.

We're getting both. We're hearing both Ms. Gillis loud and clear and the translation, and the one is muffling the other. I'm not sure what you can do at your end, but we'll take 30 seconds to see if we can fix that and then we'll continue with Ms. Gillis.

Mr. El-Khoury, I've stopped your time.

Mr. Fayçal El-Khoury: No problem.

Ms. Kelly Gillis: If I speak in English, would that help?

The Chair: It's still going to be a problem.

Ms. Kelly Gillis: It's still going to be a problem?

Okay.

The Chair: You can be our tester to speak in French so that we resolve the problem.

Ms. Kelly Gillis: Okay.

The Chair: Ms. Gillis, I'm going to let you go again and let's see what happens. Go ahead.

[*Translation*]

Ms. Kelly Gillis: Regarding the board of directors, one new priority concerns the indigenous communities—

[*English*]

The Chair: Okay. I'm sorry. We're still getting both.

Ms. Gillis, how about speaking in English? If the interpreters can resolve that problem in the meantime, it would be appreciated. I'm just trying to respect the time.

Go ahead.

Ms. Kelly Gillis: Okay. Thank you very much.

In the letter of the statement of priorities and accountabilities, the main focus areas were the priority areas for investment, namely, a continuation of trade and transportation, transit, and green, but also more specificity to allow for connectivity, given the urgency today of connectivity and high-speed broadband Internet in rural and remote communities, as well as the billion-dollar investment in indigenous communities.

Last, like the minister, I'll just mention the national infrastructure assessment and the importance of having an evidence-based understanding of what is important, what the gaps are and how we can address and prioritize them for the Canada Infrastructure Bank to be able to support us where their model makes sense, and what those opportunities could be.

Those would be some of the key areas the minister outlined in her letter to the board of directors.

• (1650)

The Chair: Mr. El-Khoury.

[*Translation*]

Mr. Fayçal El-Khoury: My second question is for Mr. Campbell.

Mr. Campbell, Canada is one of the world's biggest investors in infrastructure, partly because of its large public pension funds. However, in the past, there have been relatively few infrastructure investments in the country.

Given that the returns generated by these funds are used to provide a secure and respectable retirement for hundreds of thousands of Canadians, it seems that everyone would benefit from further investments in Canadian projects. We've already seen a successful example, when the Canada Infrastructure Bank joined forces with Quebec's largest pension fund to invest in Montreal's REM public transit system.

What do you think the Canada Infrastructure Bank should do or should continue to do to attract more investment in the Canada pension fund?

[*English*]

The Chair: Thank you, Mr. El-Khoury and Ms. Gillis.

Thank you to the interpreters for resolving that problem.

It seems to be resolved now, Ms. Gillis. You can proceed

[*Translation*]

in French.

Ms. Kelly Gillis: Thank you, Mr. Chair.

The Canada Infrastructure Bank is a tool for attracting investment in infrastructure projects in Canada, particularly in priority areas for the government. This helps attract institutional investors, such as pension fund managers, who come here to see investment opportunities.

One role of the Canada Infrastructure Bank is to inform the provinces, territories and municipalities of projects that are likely to attract investment in ways other than through traditional tools.

[*English*]

The Chair: Thank you, Ms. Gillis, and Mr. El-Khoury.

Ms. Gillis, do you the bottom icon turned to *en français* when you're speaking French?

Ms. Kelly Gillis: No, right now it's on English. If I turn it to French, would that fix the problem? I'm sorry if I did not.

The Chair: Yes, when you speak French, if you can just switch it to French, I think that will fix the problem.

Ms. Kelly Gillis: Thank you. I will do that.

The Chair: I'll thank Mr. Sidhu for throwing that suggestion to me.

We're now going to move over to Mr. Barsalou-Duval for two and a half minutes.

[*Translation*]

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

Ms. Gillis, for several months now, the REM station at the Montreal airport has been making headlines. We're told that the station could be compromised because the federal government refuses to make the necessary investments. The Quebec government has already heavily invested in the REM project.

I want to know whether the project will eventually come to fruition and whether you're confident that things will work out.

Ms. Kelly Gillis: Thank you for the question.

Given the changes affecting air transportation and airports, the situation has evolved and discussions are under way. That's all I can say right now.

Mr. Xavier Barsalou-Duval: Do you know how long it will take to bring these discussions to a successful conclusion?

Ms. Kelly Gillis: No. I don't have a specific date.

Mr. Xavier Barsalou-Duval: You know that the tunnel is being dug. It should happen sooner rather than later.

Ms. Kelly Gillis: I can tell you that everyone is aware of the deadlines and that discussions are under way.

Mr. Xavier Barsalou-Duval: Thank you.

Mr. Chair, I had the chance to submit notices of routine motions to the committee. I would have liked to ask the minister more questions. However, unfortunately, I can't do so, since she isn't here. I want to take this opportunity to move these motions. There are three motions.

Can I read the first motion now?

[*English*]

The Chair: Go ahead, Mr. Barsalou-Duval.

• (1655)

[*Translation*]

Mr. Xavier Barsalou-Duval: The motion reads as follows:

That the clerk inform each witness who is to appear before the Committee that the House Administration support team must conduct technical tests to check the connectivity and the equipment used to ensure the best possible sound quality; and that the Chair advises the Committee, at the start of each meeting, of any witness who did not perform the required technical tests.

[*English*]

The Chair: I'm assuming, Mr. Barsalou-Duval, that you're going to present the three motions that are very similar.

[*Translation*]

Mr. Xavier Barsalou-Duval: I could move the three motions right now. This may be quicker, Mr. Chair, if you agree.

[*English*]

The Chair: Why don't we do it that way? It would be more time-friendly. If you can present all three motions, then I'll ask for a vote on all three separately of course, but you'll have already put them on the floor.

Mr. Barsalou-Duval, go ahead.

[*Translation*]

Mr. Xavier Barsalou-Duval: The second motion reads as follows:

That all documents submitted for Committee business that do not come from a federal department or that have not been translated by the Translation Bureau be sent for prior linguistic review by the Translation Bureau before being distributed to members.

The third motion reads as follows:

That the text of any substantive motion or any motion in amendment of a substantive motion be distributed in writing in both official languages to all Committee members before the Committee begins debate on such a motion.

[*English*]

The Chair: Thank you, Mr. Barsalou-Duval.

We're now going to move on to all three motions. I am going to deal with them separately.

Are there any questions or comments on the motions?

Mr. Bachrach, go ahead.

Mr. Taylor Bachrach: Thank you, Mr. Chair, and thank you to my colleague for bringing these forward.

I agree with him that having adequate translation is an important component of our work. I'm a little concerned about the third one, which is that all motions and all amendments to motions need to be translated. I'm just wondering about the practicality of that. Occasionally, there may be motions arising that are perhaps less substantive but still come up over the course of our deliberations.

Perhaps I'd ask Mr. Barsalou-Duval, through you, Mr. Chair, if he feels there are some motions that are more routine in nature or less substantive and that could be made without translation?

The Chair: I'm going to go to Mr. Barsalou-Duval. I also see that Ms. Jaczek has her hand up. After Mr. Barsalou-Duval, I'm going to go to the clerk so he can give us an update on some of the substance attached to what Mr. Barsalou-Duval's actually asking for.

Mr. Barsalou-Duval, you have the floor.

[*Translation*]

Mr. Xavier Barsalou-Duval: Mr. Bachrach's point is that, when we have a debate or discussion, sometimes items or amendments may be introduced directly in the meeting. It would be quicker to proceed with the debate if we didn't have to wait for a written translation. This would have less of an impact on the pace of the committee's work.

My goal isn't to prevent this type of situation. However, I want to make sure that everyone understands before a motion of this nature is passed. Sometimes, things happen very quickly. Unfortunately, if the translation is inadequate, decisions can be based on a misunderstanding.

In my opinion, we need the necessary tools to ensure that we have the proper information before we make a decision.

[*English*]

The Chair: Thank you, Mr. Barsalou-Duval.

Before I ask for questions on each motion, I'm going to ask the clerk to give us an update on some of the efforts the House of Commons is currently involved in that may attach to the three motions.

Mr. Clerk.

The Clerk of the Committee (Mr. Michael MacPherson): Beginning with the testing of witnesses and the use of headsets and whatnot, our current practice is that all witnesses are tested before appearing at committee. We make every effort to make sure that every witness is provided with a headset. It's not always possible to get a witness a headset in time. We do have express delivery of those headsets and the House makes every effort to get them to witnesses. If they're in a major metropolitan area, we can get them to the witnesses the next morning. On that issue, when dealing with testing of witnesses, if the committee would like to codify it as a practice, that is great, but I will point out that we're already doing it, just to reassure all members this is indeed the case.

With regard to the other motions, Mr. Bachrach raised an issue of when it comes to amendments from the floor. My concern just administratively here in trying to support the committee is who would

be doing this translation service. It's not actually a function of the interpreters in the room. Some motions, particularly when you start to deal with bills and whatnot, cannot just be done via straight translation. There actually are specialized translators who work on those documents.

Certainly it's not the role of the clerk to do that. The clerk could not be translating documents at committee. We are not certified translators. That said, those are just some administrative concerns.

On motions, the committee does have a routine motion that all documents, of course, are to be distributed only by the clerk and only when they're available in both official languages. One would expect that does occur pretty much in a hundred per cent of the cases that I can think of here in committee.

I am trying to think of any other pertinent information.

There's an issue with the Translation Bureau as well. Sometimes we have stakeholder groups or whatnot who provide us with pre-translated briefs. Maybe they're already posted on their websites. These could be publications that the stakeholder group has already put out in both languages. Sometimes these are copyrighted, and so to have those then sent to the Translation Bureau might be a little bit problematic, but, of course, if the committee wants us to do that, we can do that.

• (1700)

The Chair: Thank you, Mr. Clerk.

Now, folks, I'm going to go to each motion. I know Ms. Jaczek and, I think, Mr. Soroka had their hands up for questions.

I'm going to go first to motion number one. Are there any questions on motion number one?

Mr. Kram, go ahead.

Mr. Michael Kram (Regina—Wascana, CPC): Mr. Chair, which motion is motion number one? Is that the sound check for witnesses or is that the linguistic revision?

The Chair: Why did you have to ask me that?

Mr. Clerk, can you read out motion number one quickly, please?

The Clerk: I think Mr. Kram's point was just which of the three motions we would designate as motion number one.

The Chair: Yes, go with the first one that Mr. Barsalou-Duval presented to the floor.

Mr. Taylor Bachrach: Mr. Chair, if I may, I believe the first motion related to the technical check and the testing of headsets.

The Chair: Mr. Clerk, can you read that motion out?

The Clerk: It reads:

That the clerk inform each witness who is to appear before the Committee that the House Administration support team must conduct technical tests to check the connectivity and the equipment used to ensure the best possible sound quality; and that the Chair advises the Committee, at the start of each meeting, of any witnesses who did not perform the required technical tests.

The Chair: Thank you, Mr. Clerk.

Mr. Kram, is that fine?

Mr. Michael Kram: Yes, thank you, Mr. Chair.

The Chair: Mr. Soroka, do you have a question on that?

Mr. Gerald Soroka (Yellowhead, CPC): My question is about the fact that for the most part we've been pretty good with sound quality, but it's about the interpretation services. As Ms. Gillis put forward, can we also check that at the same time? I don't know if the interpreters are on at the same time you're doing the voice checking or if they have to alternate between the two.

The Chair: Mr. Clerk, is there any comment on that?

The Clerk: It's my understanding that the sound quality is checked as part of the process for checking the witnesses' connectivity and sound quality.

The Chair: Thank you.

Ms. Jaczek, do you have a question on motion number one?

Ms. Helena Jaczek: It was simply very much along the same lines as what Mr. Soroka was saying, whether we can ensure that any testing ensures that the witness understands exactly how to use the interpretation piece as part of the sound check as well.

The Chair: Good. Are there any further questions on motion number one? I see none.

Mr. Clerk, do you want to call the vote?

• (1705)

Mr. Andy Fillmore: I'm afraid I didn't hear the question, Chair.

The Chair: Mr. Clerk, please repeat the question.

The Clerk: Again, this is the motion with regard to the testing of witnesses before they appear at committee. Would you like me to read the entire motion again?

Mr. Andy Fillmore: No, thank you. I just needed to know which one it was.

I vote in favour.

Thank you for the clarification.

The Chair: Thank you.

(Motion agreed to: yeas 11; nays 0)

The Chair: Mr. Clerk, could you read the second motion, please?

The Clerk: We'll go with the motion on translation:

That all documents submitted for Committee business that do not come from a federal department or that have not been translated by the Translation Bureau be sent for prior linguistic review by the Translation Bureau before being distributed to members.

The Chair: Thank you, Mr. Clerk.

Would you start the vote, please?

Mrs. Stephanie Kusie: Mr. Chair.

The Chair: Ms. Kusie, I'm sorry, I should have asked for any questions.

Ms. Kusie, go ahead.

Mrs. Stephanie Kusie: Pardon me, yes.

I wanted to make an amendment to the motion, please.

The Chair: Okay, what is the amendment?

Mrs. Stephanie Kusie: Mr. Chair, and Mr. Clerk, we would like to add "members' offices" after the words "federal department".

The Chair: Okay. Are there any comments or questions on the amendment?

I think, just out of respect for the time, I'll ask the mover if he'd be happy with just making that a friendly amendment.

Mr. Barsalou-Duval.

[*Translation*]

Mr. Xavier Barsalou-Duval: That's fine with me. I don't have any issue with it.

[*English*]

The Chair: That's fine. Great. Thank you.

Are there any questions or comments to the amended motion?

Okay, Mr. Clerk, would you call the vote.

The Clerk: I'm going to take it that the amendment was just adopted by unanimous consent.

The Chair: That's correct.

(Motion as amended agreed to: yeas 11; nays 0 [*See Minutes of Proceedings*])

The Chair: Thank you, Mr. Clerk.

Now we're going to the last motion.

Are there any questions or comments on it?

Mr. Clerk, could you read it out quickly so that members have an understanding of what they're voting on?

The Clerk: It reads:

That the text of any substantive motion or any motion in amendment of a substantive motion be distributed in writing in both official languages to all Committee members before the Committee begins debate on such a motion.

The Chair: Thank you, Mr. Clerk.

Are there questions or comments?

Mr. Soroka, go ahead.

Mr. Gerald Soroka: How does this affect a motion that's being put forward at the table at a meeting? How do we deal with that?

• (1710)

The Chair: Mr. Clerk.

The Clerk: I would suggest that Mr. Barsalou-Duval explain.

The Chair: Mr. Barsalou-Duval, do you want to add some clarity to that?

[*Translation*]

Mr. Xavier Barsalou-Duval: I gather that any motion in amendment must be distributed in both official languages. As I understand it, people who currently have reservations about this want to make sure that motions in amendment or motions moved in the meeting can be debated. This issue pertains to the committee's effectiveness. I'm not opposed to this.

Could the motion that has just been brought forward require an amendment? I can't say, but the clerk could give us his opinion. If so, I'm open to the idea.

[*English*]

Mr. Gerald Soroka: I think that's maybe an option, because if you don't have the ability to move a motion on the floor without interpretation, it's going to really stifle the committee. I would like to move an amendment, then, that this not be regulated if there were a motion from the floor.

The Chair: A motion in terms of an amendment?

Mr. Gerald Soroka: Yes.

The Chair: Okay.

Mr. Barsalou-Duval, are you good with that?

Okay.

Do I have the consent of the committee to add that in as part of the motion? No problem?

Mr. Bachrach, go ahead.

Mr. Taylor Bachrach: I believe if you simply take out that one clause from the original motion, it would achieve the same effect. Currently it reads "any substantive motion or any motion in amendment of a substantive motion". If you just took out the words "or any motion in amendment of a substantive motion", it would essentially say that any substantive motion that comes before the committee has to be translated. I think that reflects our conversation.

The Chair: Thank you, Mr. Bachrach.

Mr. Clerk.

The Clerk: If you want my interpretation on what the rule would then cover off—and I hope this is Mr. Barsalou-Duval's understanding as well—if we remove the text, as Mr. Bachrach suggested, "or any motion in amendment of a substantive motion", this would still cover situations in which the committee was in a portion of committee business and a member brought forward a motion that perhaps had not had the 48 hours' notice and had not been distributed beforehand. Any such motion that comes off the floor in that manner would have to be made in both official languages.

[*Translation*]

Mr. Xavier Barsalou-Duval: I'm not sure whether I understood the clerk's interpretation.

I gather that, if 48 hours' notice hasn't been provided beforehand, any motions moved in the meeting should be distributed in English and French.

If so, I'm comfortable with this approach. This means that, if we choose to move motions, we must do so in both official languages. In terms of amendments, we could still move them in the meeting.

[*English*]

The Chair: Essentially what I'm hearing from Mr. Bachrach and the clerk, is that the text of this motion would read,

That the text of any substantive motion be distributed in writing in both official languages to all Committee members before the Committee begins debate on such a motion.

Is that what you're looking for Mr. Barsalou-Duval?

[*Translation*]

Mr. Xavier Barsalou-Duval: That's fine with me.

[*English*]

The Chair: Okay.

Mr. Bachrach, do you have any further questions?

Are there any further questions from members of the committee?

With that, we'll go to the vote, Mr. Clerk.

The Clerk: Once again, so that it's clear for me, that amendment by Mr. Bachrach to remove that language has been accepted?

The Chair: Yes. We have committee consenting to that and Mr. Barsalou-Duval's acceptance of it.

Did you want me to read it again, Michael?

The Clerk: I understand where we're at and I'll just put the vote to the committee.

The Chair: Thank you, Michael.

(Motion agreed to: yeas 11; nays 0)

The Chair: Thank you, members.

Thank you, Mr. Clerk, and thank you to the mover, Mr. Barsalou-Duval.

We'll now move back to the speaker, Mr. El-Khoury.

You still have the floor, and you have about four minutes left.

• (1715)

[*Translation*]

Mr. Fayçal El-Khoury: Thank you, Mr. Chair.

I'll come back to the REM project, because this major project is vital and so important for Quebeckers and for a number of communities and municipalities in the vicinity.

First, people must know that the economy goes hand in hand with green infrastructure if we want to protect the environment.

Ms. Gillis, how do you plan to run this project in a way that respects these key components of the environment so that people feel that the environment is being protected and that their quality of life is being preserved? What measures will you implement as part of this project?

Ms. Kelly Gillis: Thank you for the questions.

In terms of major projects, several of the Canada Infrastructure Bank's priority areas are green sectors.

If we take the example of public transit, we can see that reducing greenhouse gas emissions provides major climate benefits. The Canada Infrastructure Bank's corporate plan outlines the commitments to reducing greenhouse gas emissions. The plan looks at what can be done in this sector, what positive steps could be taken, and how to ensure transparency in this area.

A number of other projects related to the priorities focus on clean power and transmission. These aspects significantly affect the environment because they help reduce greenhouse gas emissions.

Mr. Fayçal El-Khoury: I get a lot of questions—

[English]

The Chair: Thank you, Mr. El-Khoury, and Ms. Gillis.

Mr. Barsalou-Duval, go ahead.

[Translation]

Mr. Xavier Barsalou-Duval: Mr. Chair, I took a lot of time to move my motions.

I'm ready to give the floor to the next speaker. As far as I know, it's Mr. Bachrach.

[English]

The Chair: Thank you, Mr. Barsalou-Duval.

Mr. Bachrach, the floor is yours for two and a half minutes.

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

Ms. Gillis, I'd like to return to these questions around climate accountability and the infrastructure expenditures.

As I mentioned in my question to the minister, the response to our Order Paper question showed some pretty surprising results in terms of the number of projects that didn't undergo any climate lens assessment. Moreover, 15 of the projects that were assessed showed zero emissions.

I'm wondering if you could explain how an infrastructure project has zero greenhouse gas emissions.

Ms. Kelly Gillis: As we're looking at projects within Infrastructure Canada, as you're well aware and the minister mentioned today, there is a climate lens requirement for projects that are over \$10 million and green projects. The climate lens, as it stands currently, requires project proponents to undertake an assessment and to certify, by professionals, the analysis undertaken by that climate lens assessment. Within the examples you're quoting, that would be related to that particular assessment.

Now, it could be that.... There's a resilience factor and there's a GHG emission factor. Sometimes a project requires one or the other

and sometimes both. Depending on the type of project you're looking at, there may in fact not be an emission reduction.

• (1720)

Mr. Taylor Bachrach: Well, I wasn't referring to emission reductions; I was referring to greenhouse gas emissions. My understanding is that those 15 projects showed zero greenhouse gas impacts whatsoever.

I'm just trying to understand how that could be the case. What kind of infrastructure project would result in zero emissions?

Ms. Kelly Gillis: I'd have to look at those particular projects, but it could maybe be a playground—I don't know. I'd have to look at the projects and the analysis. I wouldn't want to guess.

Mr. Taylor Bachrach: I keep trying to get at the nub of this.

If you're going to spend \$180 billion between now and 2030 on infrastructure and there's a 10-megatonne target for greenhouse gas reductions, how did the department arrive at that 10-megatonne target? How was it selected? Why is it 10? Why not 50, or five?

Ms. Kelly Gillis: The \$187-billion infrastructure plan overall involves 21 departments and 85 programs. Although there is a discussion of a climate lens overall in the enhanced climate plan, the climate lens that we're talking about is with regard to Infrastructure Canada's programming for disaster mitigation, the integrated bilateral agreements programs. That's where the applicability of that comes from.

In designing the plan originally, four or five years ago, they were looking at the opportunities for the types of projects that were going to be coming through—the integrated bilateral agreements. Granted, we do not select the projects. It is up to the communities and the provinces to prioritize them and then to bring them to us.

In looking at the types of green, there's just under \$10 billion in the green stream for opportunities for investments, and 45% of that particular stream must be on emission reduction targets. That's what the original thinking was.

The Chair: Thank you, Ms. Gillis, and Mr. Bachrach.

We're now going to move to the Conservatives.

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

Mr. Doug Shipley (Barrie—Springwater—Oro-Medonte, CPC): Thank you, Chair, and thank you to our witnesses for being here today.

I'm going to start with Mr. Campbell.

Mr. Campbell, I noticed in your bio that you're from the transition office. When it was first transitioning to the Canada Infrastructure Bank, was there a business plan originally created for the transition?

Mr. Glenn Campbell (Assistant Deputy Minister, Investment, Partnerships and Innovation, Office of Infrastructure of Canada): Mr. Chair, I was the executive director in charge of the government's effort to support and build out the Canada Infrastructure Bank between Infrastructure Canada and Finance Canada, which was largely a plan around moving towards the legislation that was brought before Parliament. At that juncture, there was a plan towards seeking the legislative authority, which was achieved in June of 2017. At the same time, a chairperson was appointed. We worked with that chairperson on behalf of the corporation to develop its first corporate plan, which became its business plan that evolved over the next couple of years of building out the bank.

Mr. Doug Shipley: Thank you, Mr. Campbell.

It's very reassuring to hear there was a business plan. Any business venture that starts up, whether you're selling hamburgers or shoes or whatever, has a business plan that obviously involves targets and goals.

Would you be able to tell me, Mr. Campbell, what the targets or goals of that original business plan were, for projects or for dollars complete going forward?

• (1725)

Mr. Glenn Campbell: First off, after Parliament approved authority for the \$35 billion, the government's fiscal framework and policy in the budget set out that the \$35 billion would have a net fiscal expense of \$15 billion. Then it was spread out over time.

Given that it was not clear what the projects would be and at what profile, there was an estimated amount of a couple billion dollars per year, back-end loaded. I don't have those figures at my disposal, but it started with the smaller amount and ended up at around \$2 to \$3 billion a year at the end of 10 years.

That was the financial plan, if you will, that was coupled with an operational plan of setting up the entity and then really going out to consult with provinces, territories, municipalities, indigenous groups and investors as to what the projects would be. The government's plan was to adjust that fiscal financial profile based on the response that was received, which is not unusual for setting up these types of entities.

Mr. Doug Shipley: Thank you, Mr. Chair.

I'm just beginning to learn about the Canada Infrastructure Bank. Even though I was a municipal councillor for many years, I'll be honest with you and say that it was never discussed in our municipality.

Would you say, then, that having no completed projects in the first three to four years was not part of the original business plan?

Mr. Glenn Campbell: I would say that when we went back, and as the lead in helping the government and the new corporation set out that plan, it was prospective. It was really going to depend on market response as to a project's coming forward under either an integrated bilateral agreement or the CIB. Given the CIB's details and the fact that its offering was not available to, say, a municipality, there was no way to know what project would potentially come forward. There were some major projects that were under way, such as the REM, but those still needed to be negotiated and structured.

We'd anticipated from the experience, including PPP Canada and others, that it might take several years to identify a project or potential structures. The private sector typically would want to come in early and help design it before it moved forward, so we had planned accordingly that it might take some time for the structures to come together.

My last point is that the CIB has, from then and today, an advisory and an educational mandate. They knew in the early days that a lot of the bank was going to be helping municipalities, provinces and indigenous groups imagine what the power of that tool could be and how to partner with the private sector. We put more operational emphasis on that outreach and development rather than necessarily building out the systems to handle investments, which we knew was going to take time to do.

The Chair: Thank you, Mr. Shipley, and Mr. Campbell.

We're now going to move on our last speaker of the afternoon, Mr. Sidhu.

You have the floor for five minutes.

Mr. Maninder Sidhu: Thank you, Mr. Chair.

Thank you, Ms. Gillis, Mr. Campbell, Ms. McKay and Ms. Mitchell, for being with us today. I'd like to thank your department for the important work that you're doing for communities across Canada, especially here in Brampton: the \$45-million recent investment by the federal government into Brampton Transit, which is the largest investment into Brampton Transit in over 10 years. To my understanding, the federal Liberal government has invested 13 times more than the previous government into transit, which will support so many communities across Canada, so thank you for the wonderful work.

Ms. Gillis, I have been reading about clean power projects across the country and how they can reduce greenhouse gas emissions and help us achieve our emission reduction targets. The Canada Infrastructure Bank has committed to invest \$5 billion in clean power projects across the country and \$2.5 billion in the next three years.

Can you talk about what kinds of projects the Canada Infrastructure Bank will be looking at funding in the clean power area?

Ms. Kelly Gillis: That is a really important area that has been a focus. It's also part of the growth plan and what the bank will be concentrating on in the next 10 years. Certain areas like transmission for provinces that have high dependency on coal and need to transition off coal are important types of projects, like the Atlantic Loop that the CIB is involved in and renewable energy like the bank is involved in. They have made some commitments in discussions with District Energy in B.C., as well as wind power in Nova Scotia. Those are some of the areas of opportunity.

I will ask my colleague, Glenn Campbell, to talk a little bit more about some of the work in this area.

• (1730)

Mr. Glenn Campbell: I'd be happy to.

Under the rubric of clean power, as the deputy said, there are renewable-type projects. For example, the CIB is undertaking an advisory engagement with the Northwest Territories, both with the territory's utility and indigenous groups, about how to increase the megawatts of power, and clean power, in that region over time and bringing in private investment to help them manage some of their engineering risks, but also to more efficiently deliver power in the north.

In B.C., for example, there's talk both around renewable projects as well as transmission lines, supporting first nations, and how to bring clean power to enable the natural gas industry that's burgeoning in the central part of British Columbia. Again, it's just dialogue at this stage, but now we're starting to see real responsiveness by the utilities once they what might be the value of partnering. Similarly, between Manitoba and Saskatchewan, there are some discussions about how the two journeys partner together and do things a little more boldly—not in the traditional ways that utilities have done it—and bring in partners.

Finally, there is the Atlantic Loop that my deputy, Ms. Gillis, mentioned, which I'm involved in, given that a number of departments are supporting that effort, including our own infrastructure tools to see how a backbone of transmission lines can get clean power from Labrador and/or Quebec in to help New Brunswick and Nova Scotia move off coal-powered generation. I think it's clear that the risk and ingenuity needs to be managed on both sides. Bringing private partners and capital into some of those equations can relieve the burden on both the ratepayer and the taxpayer.

To go back to an earlier comment, there are many large pension institutional investors that are looking to recycle pensioners' capital and others' capital into these long-term assets and really partner with governments to achieve public policy purposes. Now, even for private funds, given their move towards investor demands for ESG and climate-friendly investments, having partners in clean power and distribution really meshes. It's a win-win if we can do it, and we need the CIB there largely because these complex deals need that balancing and structuring to make that work.

This area holds a lot of promise. These projects are big and complex in any event, and I think they are an area where the CIB can bring a lot of value.

Mr. Maninder Sidhu: Thank you for that, Mr. Campbell.

Mr. Chair, how much time do I have left?

The Chair: You have about 35 seconds.

Mr. Maninder Sidhu: Okay. Because my question would be pretty long, I'll just take this opportunity to thank the department for the wonderful work it's doing. Thank you for taking the time to join us. I know communities across Canada really appreciate your hard work. Thanks once again for being here today.

The Chair: Thank you, Mr. Sidhu, and to everyone else.

Before I do let everyone go, there are two things. One, I do want to thank members for their participation and their questions today. Equally, if not more important, were the answers by and dialogue with Minister McKenna, as well as her team.

Thank you for your time today and being a part of the interventions.

Lastly, to committee members, we do have to take our next steps with the report on the impacts of COVID-19 on the airline industry. We will need drafting instructions from each individual party. What I'm requesting from each party—one from the Liberals, one from the Conservatives, one from the Bloc and one from the NDP—is that we receive drafting instructions no later than next Thursday, March 4, so that we can hand those to the analysts who will, of course, come back with a draft report.

Is everybody okay with that? Are there any questions? No.

Mr. Clerk, do you want to add anything?

The Clerk: Could the members send those to the committee's e-mail address, tran@parl.gc.ca, thus to me the clerk, and then I'll hand those off to the analysts.

The Chair: With that, are there any further questions on today's agenda and our next meeting date? I know we've got a break week next week, unless you guys want to come back on Tuesday and Thursday next week to meet. I see Taylor smiling. I'm sure you're okay with that. No, Churence? Stephanie? No.

Following next week, we're going to be meeting on Tuesday and Thursday. Once again, hopefully we can get those drafting instructions to the clerk as quickly as possible so that we can get them to the analysts.

Other than that, good job today, folks. Have a great evening.

The meeting is adjourned.

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