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Chair: Mr. Peter Schiefke

Standing Committee on Transport, Infrastructure and Communities

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• (1150)

[English]

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

Thanks for your patience, colleagues.

We'll go to Dr. Lewis. The floor is yours.

Ms. Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you, Chair.

While I have the floor, I'd like to move a motion that I have had on notice since Friday, January 26.

I move:

Given that,

a. The Canada Infrastructure Bank (CIB) recently admitted that it lost nearly \$900,000 in consulting fees on the failed Lake Erie Connector project;

b. The Liberal government has refused to implement this committee's recommendation to abolish the Canada Infrastructure Bank;

the committee conduct a study pursuant to Standing Order 108(2) on the Canada Infrastructure Bank (CIB) involvement in the Lake Erie Connector project; that the study be comprised of no fewer than three meetings; that the committee invite the Minister of Housing, Infrastructure and Communities, the Chief Executive Officer of the Canada Infrastructure Bank (CIB), the Chief Investment Officer of the Canada Infrastructure Bank (CIB), and the Chief Financial Officer of the Canada Infrastructure Bank (CIB) to appear as witnesses for no less than two hours each; and that the committee report its findings to the House.

Mr. Chair, I'd like to briefly comment on this motion, if I may.

It was recently revealed through an Order Paper question that the Canada Infrastructure Bank lost \$900,000 on a failed electricity project, which the opposition members had big concerns about from the very beginning when this project was announced. There were concerns when the government first announced the project, and these concerns were voiced by members of the opposition.

The government announced an investment of \$655 million in an underwater electricity project, which, had it been viable, would have brought jobs and investment to my community of Haldimand—Norfolk. It promised billions in GDP from this project and hundreds of jobs in the low-cost energy sector. Ironically, due to interest rates and inflation, which were largely caused by this government's overspending, the project was indefinitely suspended.

No one seemed to know at the time that the project was cancelled until the Conservatives demanded answers from the government. That was several months after the project was cancelled. Even then, we couldn't find any information about the project. We couldn't even find information on the Canada Infrastructure Bank's website.

Now we're finding out, through a written request for information, that Canadian taxpayers paid a lot of money for high-priced consultants and lawyers, and that this project was suspended. Canadian taxpayers reaped absolutely zero benefit from this project, despite spending a substantial amount on consultants and lawyers.

As you know, this committee recommended in a 2022 report that the CIB be abolished. Meanwhile, Canadians continued to see the inappropriate use of taxpayer-funded dollars by this bank, including the ones we're discussing here today in committee.

We also heard in this committee of the Infrastructure Bank's close connections to McKinsey & Company and its problematic overreliance on external consultants.

I believe that increased scrutiny and a timely investigation into this matter are needed to ensure that the bank is not continuing on a path of ill-advised investments and spending on high-priced consultants and lawyers at a time when Canadians can least afford it and many Canadians are finding themselves relying on food banks.

Thank you.

The Chair: Thank you very much, Dr. Lewis.

I believe Mr. Badawey wanted to speak to Dr. Lewis's motion.

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Mr. Chairman. Yes, I would like to speak to it. I do want to speak to it at a high level, and then I'll get a bit more granular on the motion itself.

Mr. Chair, the Canada Infrastructure Bank, I think we all—at least on this side of the table—understand, is an innovative approach to get more infrastructure built for Canadians, while leveraging funds with all sectors of the Canadian economy to, in fact, in terms of the overall project costs, save Canadian taxpayers' dollars by including other partners as leverage partners to get projects off the ground and have them built for the benefit of Canadians but at a lesser cost because of the leveraged funding that's being made available from all those sectors.

By leveraging public dollars, the bank has attracted—and this is fact—over \$10 billion and enabled 28 billion dollars' worth of infrastructure projects across the country that would otherwise not have gone forward. Some of these include the purchase of approximately 280 electric zero-emission buses and associated charging infrastructure over the next five years in British Columbia; the procurement of up to 450 zero-emission buses to replace the City of Brampton's current fleet; and better Internet connectivity for almost 200,000 households in under-serviced Ontario communities, including, quite frankly, in an adjacent community to mine and, ironically, in the community that Ms. Lewis represents.

Canadians can rest assured that every public dollar spent on infrastructure is creating jobs. It's unlocking the housing Canadians need, and it fights climate change by building the economy of the future.

I can speak a lot more to this, Mr. Chair, but I am going to get a bit more granular on the background of what Ms. Lewis is referring to in her motion. The proponents made the decision not to move ahead with the proposed project in July 2022 as the project's economics had significantly deteriorated, according to their business plan expectations, in comparison to what the reality was back in 2022.

No funding agreement was completed between the proponents and the CIB. Expenses for legal and technical consultants are a normal part of the due diligence required for all projects to proceed towards an investment stage. Expenses are budgeted annually as part of the CIB's commitment to good governance, which, quite frankly, was established by the members in accordance with what was put before them when the creation of the CIB was put in place. The due diligence completed will be valuable, should the proponents decide to restart the project.

Mr. Chair, I do want to give some project descriptions so we can put a perspective to the comments that were made by Ms. Lewis. However, the Lake Erie connector project is a proposed 1,000-megawatt underwater transmission line connecting converter stations in Nanticoke, Ontario, and Erie, Pennsylvania. The 117-kilometre high voltage, direct-current connection was designed to help improve the reliability and security of Ontario's energy grid, while significantly reducing greenhouse gas emissions between both power markets.

The benefit of the CIB involvement is the participation of the CIB, which was structured to enhance the project's viability, improve taxpayer value and provide benefits to all electricity consumers in Ontario. Once again, as I mentioned earlier, with respect to leveraging dollars, it has less of an impact, saving the Canadian taxpayers those very capital dollars. The CIB's participation was designed to address a potential funding gap in the project by providing low-cost financing to reduce revenue needs while satisfying all project development requirements.

Once again—and I do want to repeat what I said in camera, and I'll say it in public—the concept in the business model of the CIB is simply to leverage dollars from all sectors within the Canadian economy. That being said and that being completed, as I mentioned earlier with this specific project and the many more I highlighted, it then does two things. First, it lessens the overall financial impact on

Canadian taxpayers. That one dollar then turns into three to four dollars, which would otherwise come out of the pockets of Canadian taxpayers. Instead, the funding is leveraged to come in from other sectors throughout the Canadian economy. Secondly, and probably most importantly, capital work gets done in the best interests of what's needed here in this country.

• (1155)

Thank you, Mr. Chairman.

The Chair: Thank you, Mr. Badawey.

Mr. Strahl.

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

I'm supportive of Dr. Lewis's motion. I think the committee should adopt it as a study to see what happened in this case.

It might have been well intentioned. The project, had it been completed, may have served Canadians well, but the fact is that in this case it was not completed, so it did not improve taxpayer value, as Mr. Badawey said. It didn't save dollars. It actually resulted in an expenditure of nearly a million dollars on consultants on a project that has not gone forward. A million dollars of taxpayer money was spent on a project that has been suspended or cancelled.

That is what we need to investigate. How did that happen? How do we make sure that it doesn't happen again?

I think we should vote to approve Dr. Lewis's motion, so that this can be a future study for this committee.

The Chair: We will go to a vote.

Mr. Vance Badawey: Mr. Chair, before we go to a vote, I'm trying to work on an amendment here.

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): I have a point of order.

The Chair: If I'm going in order, it would be Mr. Barsalou-Duval next.

[*Translation*]

Next will be Mr. Bachrach, Mr. Badawey, Ms. Lewis and Mr. Iacono.

[*English*]

Mr. Vance Badawey: Then...?

• (1200)

The Chair: When there's no more discussion, we go to a vote.

[*Translation*]

Go ahead, Mr. Barsalou-Duval.

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

I appreciate what Mr. Badawey is trying to do, as far as defending the CIB's record is concerned, and justifying its existence and the work it does. That's his prerogative, and it's perfectly legitimate.

I also appreciate what my Conservative colleague Ms. Lewis is trying to do, get to the bottom of the CIB's involvement in the Lake Erie connector project, which apparently cost \$900,000, so nearly a million dollars in consulting fees before the project even got started.

Naturally, everyone is wondering how it is that so much money was spent on planning a project that never got off the ground in the end. Admittedly, \$900,000 in consulting fees is a lot.

I also appreciate the desire to have the committee ask questions and request more detailed information on the matter.

I would've liked to see the contracts. I would've liked to examine the file and the expenses incurred to see whether the money was spent properly. It seems to me that we are skipping some steps and that people are trying to play politics. I realize that meeting in public, instead of in camera, is also motivated by the desire to play politics.

I will nevertheless try to be constructive. To that end, we need to ask for copies of the contracts and to meet with the people at the CIB who were in charge of the project. They need to come before the committee to explain how the money was spent and demonstrate that it was spent properly.

Of course, this situation doesn't sound great to ordinary folks. I think the motion before us could be reworked. The motion should really focus on getting results for our constituents, the taxpayers, instead of simply putting on a show.

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

We now go to Mr. Bachrach.

[*English*]

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

Thank you to my colleague for bringing forward this motion.

This is a topic that I think my colleagues know is of interest to us as well, perhaps for slightly different reasons. I appreciate that understanding whether Canadian citizens got value for the \$900,000 that was spent doing due diligence is a worthy topic for the committee to investigate.

We also have questions, though, about the validity of the original assumptions, in particular the idea that this project was going to be an opportunity for Ontario to export clean power to the United States, resulting in a net reduction of greenhouse gas emissions. I think that there have been some questions asked about whether that was going to be the case. It would be very interesting to better understand what those initial assumptions were, what those assumptions were based on and why the CIB felt that this was going to be an advantageous project from the perspective of reducing greenhouse gas emissions.

I will note that the CIB was considering investing \$600 million in this project, a private sector project put forward by a huge corporation with very deep pockets that could very easily finance its own

project. I think it was one of our Conservative colleagues, who used to sit on this committee, who said that, instead of crowding investment into public sector infrastructure projects, which was the original stated goal of the CIB, this project looked like it was crowding public sector investment into private sector projects.

Understanding the rationale behind that and what the thinking of the people behind the CIB was is very much in the public interest and will help inform this committee's understanding of how this all took place.

I am a little bit concerned about the time allocated to each of the four witnesses listed. If we have a three-meeting study and we allocate two hours to each of the four witnesses, that's a pretty substantial chunk of time. I want to ensure that there is enough testimonial time remaining to hear from other witnesses who can provide insights on the aspects that I have mentioned.

I know that often witnesses appear on a panel. If we could have a panel of four witnesses and perhaps allocate one of the three meetings to hearing from the CIB officials, that would be a fair allocation—or one and a half—but I do think that there are other witnesses who would be good to hear from when it comes to understanding the project itself, not just the investment of the \$900,000 to do due diligence.

I'll leave my remarks at that. This is something we support. I think folks around the table know that. I would certainly look forward to this being a study of the committee.

We have a tradition at this committee of taking turns proposing studies. This is one of the more cordial committees that I've had a chance to sit on, and I think we want to continue that tradition. Therefore, if this is the Conservatives' offering in terms of a study for this committee, I certainly support that.

• (1205)

The Chair: Thank you, Mr. Bachrach.

I have Dr. Lewis, followed by Mr. Badawey.

Ms. Leslyn Lewis: Most of my comments were covered by Mr. Bachrach and Mr. Strahl. However, I do want to highlight that there has been a continuous problem of wasting money on consultants. Taxpayers have very deep concerns about this. Given that \$900,000 was spent on consultants with no viable project, I think it is incumbent on sitting members to recognize the concerns that taxpayers would have with this and to call for transparency. This information was not revealed until an Order Paper question was submitted to find out details. It was not posted on the CIB's website.

It's very important that taxpayers have a right to hear about this instrument of the CIB, whereby we are giving low-cost interest rates when the average taxpayer is sometimes paying 8% to 10% on their mortgage and is struggling, and when we have two million people going to food banks every month.

The issue of transparency is very important to see what happened with this \$900,000 to ensure that this does not happen again in the future and to ensure that there is respect for taxpayers' dollars.

Thank you.

The Chair: Thank you, Dr. Lewis.

I have Mr. Badawey, followed by Mr. Strahl.

Mr. Badawey, you have the floor.

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

There are a couple of things. To some extent, I look forward to this because it will really clear up a lot of misconceptions that may exist, especially with those across the table, particularly as they relate to the dollars that the CIB is managing and whether they come from the government or the private sector. When that reality is recognized, it may surprise a lot of people.

The second part of it, Mr. Chair, if I can ask for your indulgence, is whether we can suspend for a few minutes so that I can work on these amendments that I spoke about earlier and possibly bring some amendments forward, based on discussions with my colleagues on this side of the table.

I'm asking for a suspension for a few minutes.

The Chair: I'm going to suspend the meeting for five minutes to allow for members to consult with each other and prepare amendments.

The meeting is now suspended.

• (1205) _____ (Pause) _____

• (1220)

The Chair: I call this meeting back to order.

Mr. Badawey, I'll turn it over to you to speak to your amendment.

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

At this point in time, I would like to speak to what was reported in the second quarter, as a preface to my amendment.

When we look at the second-quarter results for the fiscal year 2023-24, since inception of the CIB—I want to be clear on this—investment commitments of \$10.1 billion into projects valued at nearly \$28.9 billion are currently on the books. At the end of the second quarter, the CIB portfolio included 51 commitments, 45 of which have reached the “financial close” milestone. These are all loans that will be repaid and reinvested into more infrastructure in the future.

I want to give a few more examples, Mr. Chair, if I may.

In Durham region, it's \$62 million towards 98 zero-emission buses that will reduce GHGs by 6,525 tonnes per year. Here in Ottawa, with zero-emission buses, the electrification of vehicles is a key to the City of Ottawa's goal of reducing GHG emissions by 100% by 2040. This invests in that direction the city has taken. As well, this demonstrates the city's commitment to lead by example.

Autobus and its zero-emission school buses is another example. Electric buses contribute to Quebec's objective of electrifying 65% of its school bus fleet by 2030 while providing high-quality transit services for students. This will remove 2,146 tonnes of greenhouse gas emissions and support up to 131 buses.

Mr. Chair, we look at and speak about the affordability issues that Canadians have throughout the country and what we as a government are attempting to do to ease that pain when it comes to affordability. This is a mechanism. This is a lever. It's being good at the business of government versus attempting to be good at the business of politics, which we see a lot of in the House, unfortunately, and sometimes at committee.

When we look at the business of government and at what we are attempting to do to leverage funds to alleviate the financial pressure on Canadians, while moving forward with the direction that we brought forward, whether it be climate change, updating our infrastructure or working with municipalities that are, quite frankly, in infrastructure deficits. When a municipality is in infrastructure deficit, it finds itself relying on the property taxpayer or the water bills. This gives a lot of opportunity to leverage funding to then—and I'll say it again, underline it and bold it—alleviate the financial burden on Canadian taxpayers, whether it be at the federal level or at the municipal level with respect to property taxes and water bills.

When we look at owner-operators of properties, primarily in Canada's western prairie provinces, many retrofits—approximately 95 properties—will be represented. This represents 240 buildings. It's just another example. This will facilitate energy-efficient, at-scale housing in the multi-unit sector that aligns with responsible building, especially as it relates to climate change. It will be optimizing energy performance in more than 6,400 residences, significantly reducing greenhouse gas emissions by approximately 50%.

Mr. Chair, I welcome the motion—I really do—so that I can go on ad nauseam with respect to the examples of what these investments are supporting.

However, once again, I want to highlight for those watching what the intent and the business plan of the CIB is. Quite frankly, it doesn't go against a lot of the intents that former governments had, regardless of what party they may have belonged to, with respect to attempting to leverage those dollars to therefore alleviate the financial burden on Canadian taxpayers. The difference is that this is actually doing it.

Yes, there are ups and downs. That's business. However, when we ultimately look at the bottom line, there is a benefit when you see what is being invested or leveraged and, secondly, what is in fact being built. With that said, one of the interests that I have as we possibly move forward with this study and we hear from the partners, whether it be from government or from the private sector....

• (1225)

I guess I'll add this. When the CIB was created, it was created to be at arm's length from government. In fact, we take the experience that was made up of the actual panel of the board. I have to add that the experience they brought to the table is part of reports with respect to members of the advisory council on economic growth. These are folks who are well experienced in business. These are folks who are well experienced in leveraging funding from all Canadian sectors. These are folks who are experienced at getting the job done.

When we as government put forward initiatives, especially as they relate to capital investments, not only to build new assets but also to manage the assets that we currently have, we want to do so in an expeditious manner. Most importantly, we want to do so without the financial burden being placed on the Canadian taxpayer at all levels of government, whether it be federal, provincial or municipal, which is equally as important as it relates to property taxes and water bills. That's in particular on water bills at capital fixed rates, which consumers can't control with respect to their individual water bills.

That's what this is intended to do. Yes, we're making gains, but we're going to make more gains. What's expected is that those gains will be made well into the future as we leverage more money and the private sector gets more involved in those capital investments as needed throughout the country.

As I said earlier, the CIB has the mandate to move forward utilizing that experience, which I mentioned earlier, contained within the advisory council on economic growth, with that, again, being at arm's length from the government.

I noticed that the recommendation Ms. Lewis put forward actually asks for the meetings and for representation from the government to be present at these meetings. I don't think that's appropriate. I think, quite frankly, with government being at arm's length, we can proceed with simply utilizing the representation from the CIB itself.

That's what we're drilling down to on this particular project, the reasons why, how, what and the intentions. I think for the most part that would be appropriate, to receive that representation and, therefore, to receive the answers that we're expecting on this particular project. That's the one amendment I'll start off with, by removing that and just proceeding with those folks who are actually in the game, those folks who are making the decisions and those folks who were actually part of this specific project.

Thank you, Mr. Chairman.

• (1230)

The Chair: Thank you, Mr. Badawey.

Has that amendment been submitted? Have you submitted anything, Mr. Badawey, or is it just verbal?

It's verbal. Do we need to get it written down and then translated and circulated?

I'll turn it over to the committee.

Do we want a written form of that, or are we okay with what Mr. Badawey said?

I'll turn it over to Mr. Strahl.

Mr. Mark Strahl: Just to clarify, is Mr. Badawey suggesting that the minister responsible for the Canada Infrastructure Bank not be invited to come and speak about this Canada Infrastructure Bank issue? Is it just a deletion of...? Does he want to prevent the Minister of Housing, Infrastructure and Communities from appearing at this committee?

If that's what we're talking about, that's a very simple deletion and we can talk about that.

The Chair: Thank you, Mr. Strahl.

Go ahead, Mr. Badawey.

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

With the minimal meetings that we're actually allowing for this study, I think we have to concentrate on the intent of the study by Ms. Lewis. Again, taking into consideration the limited time we have and the members we're going to expect to attend to give us those answers, I think we should in fact stick with those members first. Having said that, there's no question that, as we're moving forward in those meetings, if in fact the minister then is required to come out and clarify and/or be a part of something that has to do with the government....

I want to emphasize once again that it's at arm's length. It's no different from Via. It's no different from CN. It's no different from the CTA. They were organizations that were created to be separate from government.

I know what the intent of the opposition is. It's to bring in the politics of it. I get that. That's what they do, and that's what they're to do. I get that part of the game, but I'm more interested in getting down to the more granular side and the more business side of it. If there's a concern on this specific project, let's get to it. The only way we can get to it is if we deal with the people and ask questions of the people, and if we hear from those individuals who are in fact those who are intimately involved with not only the CIB, but again, getting a bit more granular, with this specific project within the CIB.

Once again, I apologize for being repetitive, but if we recognize, through the dialogue and through the testimony provided to us by those who are involved in this specific project, that the minister would then be needed to come out, we can make that request at that time. I don't think it's appropriate, it being an arm's-length organization, that we ask that to happen at this point.

• (1235)

The Chair: Thank you, Mr. Badawey.

Go ahead, Mr. Bachrach.

Mr. Taylor Bachrach: Mr. Chair, before I say my piece, it sounded like there was some discussion between Mr. Badawey and Mr. Strahl about whether or not the minister's appearance would be included in the motion. I'm just looking to Mr. Badawey and Mr. Strahl on whether an amendment might be coming forward from either of them, in which case I would allow that to take place. I'm happy to provide my thoughts on that. I would speak afterwards in the order.

It seems like there's a track of discussion here that my remarks don't relate to. I'm happy to postpone my intervention until we've worked that out.

The Chair: Is there any clarification from Mr. Strahl or Mr. Badawey?

Go ahead, Mr. Badawey.

Mr. Vance Badawey: I think Mr. Strahl was very clear and I think my response was clear, but I can help Mr. Bachrach along. Again, I'll be repetitive here. It's to delete from the motion any representation from the government, and if it's specific to the minister, it would delete that part of the motion.

Of course, my caveat here is that, essentially, the reasoning behind the deletion is that the government is at arm's length from the CIB—period. That's the way it was set up. I understand that the terms of reference and the creation of the CIB by the government was with the intention, as I said earlier, to accelerate capital work that needs to be done and, while accelerating that, to lessen the financial burden on property taxpayers by leveraging funds from different sectors of our Canadian economy. Having said that, while we then enter the dialogue, as Ms. Lewis intends to do, with those who are involved in a specific project....

Although I do believe there will be a lot more coming out in testimony as to the purpose of the CIB, in terms of zeroing in on this specific project I think it's imperative that we listen to the people who are directly involved with this specific project as part of this arm's-length organization, the CIB. Therefore, yes, there may be a time within that dialogue in the testimony that's provided to us that the minister might be asked to come and clarify—to give clarity to the structure, perhaps, or clarity to the terms of reference. I get that, but more than likely that won't happen because the project was discussed and the project was agreed upon by the CIB—not the minister, not the Government of Canada, but the CIB. I just think it's premature right now to ask the minister to come out and involve themselves in a dialogue that, quite frankly, they were not a part of.

With that said, I think it's more productive with our time, especially with the limited time we'll have with this study, as I'm sure is Ms. Lewis's intention—I don't want to speak for her, but I'm assuming, based on the motion that was presented to us, that it's her intention—to zero in on not only the complexities but her perceived challenges that the project has had. If those challenges are then brought forward by those who are involved in the project, then quite frankly we need to hear that. We don't need to waste time playing politics on this. We want to get down to the business of it. Those people who can give us that are the people who are involved in it, and hence the CIB invitations. We can then move from there.

Again, I don't want to be repetitive. If the minister is then needed to clarify some of those governance issues or terms of reference issues or issues with respect to the setting up of the CIB, then of course we can invite the minister at that time. Right now I don't think it's relevant. I think if we're going to get down to the project, we have to be dealing with the people who were actually dealing with that specific project.

The Chair: Thank you, Mr. Badawey.

[Translation]

Next is Mr. Bachrach, followed by Mr. Barsalou-Duval.

[English]

Mr. Taylor Bachrach: This is a point of clarification, Mr. Chair.

Did Mr. Badawey move an amendment to the motion? I was having difficulty understanding. Could you read the amendment?

The Chair: I'll ask the clerk to do it. I asked whether or not we needed the actual distribution of it, but apparently it's just eliminating a portion of the paragraph. I'll ask the clerk to read that out for everyone's benefit.

The Clerk of the Committee (Ms. Carine Grand-Jean): I won't read back the preamble, but the core of the motion would be that:

...the committee conduct a study pursuant to Standing Order 108(2) on the Canada Infrastructure Bank (CIB) involvement in the Lake Erie Connector project; that the study be comprised of no fewer than three meetings; that the committee invite the Chief Executive Officer of the Canada Infrastructure Bank (CIB), the Chief Investment Officer of the Canada Infrastructure Bank (CIB), and the Chief Financial Officer of the Canada Infrastructure Bank (CIB) to appear as witnesses for no less than two hours each; and that the committee report its findings to the House.

• (1240)

The Chair: Thank you, Madam Clerk.

Thank you, Mr. Bachrach. Were you done with your intervention?

Mr. Taylor Bachrach: My intervention does not deal with the amendment that is now on the floor. If I can stay in the speaking order and allow this to go to a vote, then I'd like to speak after we're done, on the main motion.

The Chair: That's duly noted. I'll make sure that you're up next after we deal with this amendment.

[Translation]

Go ahead, Mr. Barsalou-Duval.

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

I suspect I know why the Liberals don't want to invite the minister to appear as part of the study being proposed by the Conservatives. I appreciate that they want to protect the minister, while affirming, or reaffirming, that the CIB operates at arm's length. I think they've said it enough times to convey how important that point is to them.

They may be missing the point of the motion, however, because they are focusing on the preamble, instead of the actual motion. The preamble refers to the \$900,000 that the CIB paid in consulting fees, so nearly a million dollars. I assume the minister wasn't the one who granted the \$900,000, but I don't know. Similarly, I assume the minister wasn't the one who decided who would get the contracts, since the CIB operates at arm's length from government.

At this point, I don't think we can lay the blame at the minister's door. We don't know the rest of the story. We need to find out how the money was spent and see the supporting documentation, obviously. The motion refers to more than just the \$900,000. It refers to the project as a whole. We need only read the motion carefully to see that it refers to a study on the CIB's involvement in the Lake Erie connector project.

I don't see why the minister wouldn't meet with us to discuss the matter. The issue goes beyond the contracts and the infamous \$900,000 in fees. The focus is on the Lake Erie project itself.

Basically, when is the minister notified that a project is planned or that the CIB is working on a project? How much did the minister know about the project? Did he sign off on anything related to the project? At what point does the minister have to sign off on certain things?

A lot of questions need to be asked. It is in the committee's and the public's interest to get answers to those questions, so as to better understand CIB projects and the CIB's relationship with the minister. The whole point is to help us understand just how rigid that much-talked-about separation, or arm's length relationship, is.

I think it would be very helpful to hear from the minister in relation to the study being proposed. Is the minister's participation essential at this point? Is it the most important part of the motion? Perhaps not, but his participation would add value to the study. For that reason, I won't be supporting Mr. Badawey's amendment.

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

[English]

Next, I have Mr. Strahl.

Mr. Mark Strahl: Thank you, Mr. Chair.

We're talking about Minister Sean Fraser here. He's not afraid to speak. He speaks quite well, and I think he would come and provide value. I have no doubt he would provide value to the public and to this committee. He can make the case that others want to make on the other side. He can explain why he had nothing to do with it. He can explain how a million dollars can go into a project that doesn't get completed and what he's doing to make sure that doesn't happen again because there is, of course, accountability to the public.

The public has no accountability mechanism other than through the minister and Parliament for the decisions of the CIB. They want to be arm's length but they are spending tax dollars. For the public and parliamentarians, the only access that we have to that accountability is through the minister, and that's the entire way this is set up. That's why he is the minister responsible for the Canada Infrastructure Bank, so I don't think Minister Fraser will be intimidated by this committee. He won't be afraid to come. He doesn't need to be protected and taken off of this list. He can come to explain how this has been set up.

As well, part (b) of the motion refers once again to the fact that the government has refused to accept the recommendation of this committee to abolish the Canada Infrastructure Bank. There are two parts of this. First, why did a million dollars get wasted and the project didn't go ahead? Second, why aren't you listening to this

parliamentary committee, which has recommended that the CIB be abolished?

Minister Fraser should be invited. We can talk about the number of hours he should speak or be available to us. We can talk about the composition of the panels that he comes with, or what order he comes in—whether he wants to come first or last. We're open to those discussions. However, to suggest that the minister responsible for the Canada Infrastructure Bank does not have a role to play or anything to offer this committee when we're talking about Canada Infrastructure Bank expenditures, I think is simply the government protecting their minister from having to answer those questions.

He's responsible for the Canada Infrastructure Bank. That is extremely clear. That is part of the mandate. If you look at the CIB's website, there will be a picture of Sean Fraser on the front page, so let's not pretend that he has nothing to answer for here. That would be a decision of this committee, but it would not be based on what is right or what is proper. It would be a political decision.

We think he can come to answer our questions and defend the million dollars that went to a project that didn't get built. Then he can defend why the government insists on keeping the Canada Infrastructure Bank, against the advice of this very committee.

• (1245)

The Chair: Thank you very much. Mr. Strahl.

Go ahead, Mr. Badawey.

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

I do want to thank members of the committee for their interventions. I want to be clear that my intervention isn't to protect anybody. My intervention is just to make time productive. We have a great deal of reports that all parties have put forward that are in the queue right now, and we only have so many sessions in which to get those reports completed before we rise for the summer. They are studies, by the way, that are very important to Canadians in all regions: the northern airline study and the rural communities study, as well as other studies. Following that, there are reports that we want to bring to the House.

I'm just trying to make the best use of the time that we have available to us. Therefore, let's do it in a very strategic and constructive manner, dealing with the business of government versus the business of politics.

Having said that, I'll go back to my earlier comment. It's not my intent to protect anybody. Mr. Fraser has the full ability to stand on his own two feet with a great deal of strength. I think we've noticed that in the House, and we've noticed that at committee. Sean's not only a great part of the Liberal team; he's also a great part of the Parliament team. His intentions are all genuine, and we all appreciate that. I would welcome having him involved in this at some point. I just think it would be best if we take a more layered approach with respect to what the intentions of Ms. Lewis are.

Having said that, again I'll state this fact because I'm going to have a further amendment after my comments on this point: Let's not dismiss the history of leveraging and utilizing other partners to invest in capital projects throughout the country.

Our colleagues, for example, the Conservatives across the way, had 10 years to do something on infrastructure. How many projects did PPP Canada work on? I think that's what the title of it was: PPP Canada. It wasn't the Canada Infrastructure Bank; they called it PPP Canada. It worked on 25 projects with \$1.3 billion. Let us compare that to just under five years with the Canada Infrastructure Bank and 48 projects. Let me go back to that \$1.3 billion that the Conservatives invested in 10 years. That was all taxpayer-funded money. It was all from Canadians. The Canada Infrastructure Bank, in under five years, has had 48 projects and \$10 billion of investment from the government. Do we know what that turned into? It turned into \$28 billion of investment.

That's the intent of this. That's the intent and the meaning behind leveraging. Once again, it's alleviating the financial burden on Canadian taxpayers at all levels of government and accelerating the capital projects that this country so needs.

We heard at committee that investments have been transformational. In fact, I want to quote something we heard from a witness we had at the committee. She spoke about this on her own podcast, *The Raitt Stuff*. The episode is titled "The Infrastructure Deficit: the role of the Canada Infrastructure Bank", and it's from January 30, 2023. Who said this? It was the Honourable Lisa Raitt, a former Conservative minister. She was talking about the Canada Infrastructure Bank, and she said:

...unfortunately, [the bank] has been the topic of a lot of political discussion in the past number of years. It was not supported by the Conservative Party at various times in the last Parliament and in this Parliament as well. However, you're doing a lot of work. You're getting [a lot of] projects done, and you are, I think, filling a need that has been shown to be necessary in order to get projects going here in Canada. So tell me what is going on in 2023 for the Canada Infrastructure Bank and the projects that you're going to be looking at?

Conservative former ministers do not even support the Conservative position on this. As most Canadians know, Conservative math just doesn't add up. They're reckless. They spent more taxpayer money to get fewer projects done in double the amount of time. This is the Conservative math for us.

● (1250)

I'm going to talk about some of these projects that I have heard members here today refer to as slush funds. I find that pretty interesting. They said that only Liberal insiders are getting rich from the Canada Infrastructure Bank, but I want to speak about a project in Alberta, the Arrow Technology Group, which is an \$8.1-million investment. It is building broadband in under-served communities.

These communities are in dire need of broadband services, including 20 indigenous and four rural communities.

Are the Conservatives suggesting that these under-served indigenous communities are rich Liberal insiders benefiting from this bank, or is it that they just can't wrap their heads around how to build the infrastructure that matters?

Once again, Mr. Chairman, I want to emphasize mitigating the financial burden on Canadian taxpayers by leveraging those dollars. It ensures, as I mentioned, that what matters to Canadians is being invested in. It ensures that indigenous communities and rural communities are connected so that they have the ability to stay connected with loved ones and to create economic prosperity in these communities.

It's building infrastructure. It's building Canada. The fact that the Conservatives would insult indigenous and rural communities in Alberta by somehow calling it—

The Chair: You have my apologies, Mr. Badawey.

I have a point of order from Mr. Bachrach.

Mr. Taylor Bachrach: My apologies to Mr. Badawey for cutting off his train of thought or his reading.

Prior to this I had, I think, very graciously tried to allow the discussion about whether the minister should appear to finish up, so that we could vote on the amendment and go back to the original motion. It feels to me like Mr. Badawey is now reading stuff that applies more to the larger motion than to the amendment.

I understand that he has the floor and he can do with it what he will, but I will express my frustration that I was on the speaking list. I would like to speak before the end of the meeting to the main motion, and I'm concerned that we're not moving towards a vote on the amendment. If we can either restore the original speakers list or move to a vote on the amendment, I'd appreciate it.

You can do with that what you will, Mr. Chair.

● (1255)

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

I have indication from Mr. Badawey that he's going to wrap up soon.

Do you have a point of order, Mr. Strahl?

Mr. Mark Strahl: I do, Mr. Chair.

I just want to be clear that you don't have our implied consent to adjourn the meeting at one o'clock. We'd like to deal with this matter. We're prepared to continue to debate this motion going forward.

I just wanted to let you know that we're not expecting the gavel to come down at one o'clock.

The Chair: Thank you, Mr. Strahl.

The floor is yours, Mr. Badawey.

Mr. Vance Badawey: I guess that's presumptuous. We'll deal with that when that motion comes to the floor.

As I was stating, Mr. Chair, it matters for Canadians, as I was mentioning earlier, in particular, indigenous and rural communities. These investments ensure that they're connected, especially with broadband, so that they have the ability to stay connected throughout the country. The fact that the Conservatives would insult indigenous and rural communities in Alberta by calling this somehow a slush fund, as was done in past testimony, is somewhat, quite frankly, deplorable.

In closing, let us talk about Saskatoon and the \$27.3 million to the English River First Nation project for waste-water treatment. This will be the first indigenous-owned waste-water treatment plant, and as more is being invested in Saskatoon and Saskatchewan, will be recognized throughout the CIB.

Is that more Liberal insiders getting rich? I don't think so. Is it real investment for indigenous communities so that they have economic development within their communities and they can ensure that they in fact have clean water?

The development of waste-water treatment plants allows for economic development and growth in Saskatoon. Are the Conservatives suggesting that the jobs created from this infrastructure investment should be lost and that those families should be sent pink slips because Conservatives want to cancel these projects?

There are shovels in the ground, and we're moving forward with needed investment around this country, but again, in doing so, want to accelerate that investment by not putting the financial burden on taxpayers. There are jobs happening in communities right now. Conservatives would see those employees fired as those shovel-ready projects are under way. It is completely reckless to destroy local economies and prevent local families from being able to provide for themselves because of Conservative ideology. The Conservatives do not believe they should be helping to build Canada, so they want to tear it down.

After all that is said, the desire by the Conservatives and others across the floor is to include the minister. On what I mentioned with respect to the history of the—I'll use the word—structure in the past, the Conservative structure, PPP Canada, the structure that we have brought forward with the CIB, the Canada Infrastructure Bank, is the same concept, with this one being obviously more productive.

If we're going to involve the minister, that's fine. Let's get him out. Let's have that discussion. Hopefully, that will satisfy the opposition and opposition members on all sides.

I would like to put an amendment forward that, if that's going to carry or if that's going to be the intent of the opposition, we also include the former minister, the Honourable Lisa Raitt, on that witness list.

Thank you, Mr. Chairman.

The Chair: Thank you, Mr. Badawey.

Mr. Bachrach.

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

Mr. Badawey indicated that he had an amendment, but I guess we're sort of speaking more broadly to this topic. There's an amendment on the floor to remove the minister's appearance from the list of witnesses.

I want to speak to the larger issue. I'll do so now with your indulgence.

I think this might shed light on why the minister's appearance would be appropriate and also on some of the topics that I mentioned earlier in terms of why this is a matter of interest to me and to our party.

I'll just read from this article by Paul Wells, which appeared in *The Logic* on March 21, 2022. I found this very interesting—especially the last part, which I think the committee will also find interesting.

He begins:

Follow the Trudeau government long enough and you start to learn that their announcements are a shaky guide to their actions. Sometimes they do what they say they will! Other times it's more complicated.

I'll try not to insert my own opinions along the way and I'll just read this excerpt. It continues:

It's often handy to wait a while after an announcement and then check back in with two questions: "Have they really done it?" and "Should they really do it?"

Case in point: in April of 2021, the Canada Infrastructure Bank announced an agreement in principle to invest up to \$655 million in the Lake Erie Connector, a 117-kilometre underwater transmission line to move electric power between Ontario and the Pennsylvania hub of the PJM Interconnection, a 13-state U.S. energy consortium.

Eleven months after its initial announcement, the Canada Infrastructure Bank's board still has not approved—

This was at the time of writing.

—its \$655-million investment in the Lake Erie Connector, and no money has flowed to the project, while Ontario's Conservative government is asking hard questions about the impact it could have on greenhouse-gas emissions in the province.

"The Canada Infrastructure Bank's investment will"—

This is a quote.

—give Ontario direct access to North America's largest electricity market," Catherine McKenna, who was then the infrastructure minister, said in the Bank's news release.

Ehren Cory, the Infrastructure Bank's CEO, was effusive. "This project will allow Ontario to export its clean, non-emitting power to one of the largest power markets in the world and, as a result, benefit Canadians economically while also significantly contributing to greenhouse-gas emissions reductions in the PJM market," he said in the Bank's news release. "This is a true win-win for both Canada and the U.S., both economically and environmentally."

It all had an impressive air of certainty about it. There was no hint of doubt in The Globe and Mail's coverage of the announcement. The paper's story said the power line's proponent, Michigan-based ITC Holdings, had all the necessary permits and could start construction before 2021 ended. And indeed the Bank's news release contained 13 uses of the word "will", so it was possible to overlook the note of conditionality in its final bullet point: "The investment commitment is subject to final due diligence and approval by the CIB's Board."

Eleven months after the announcement, the Infrastructure Bank's board still has not approved the huge investment and no money has flowed. The Bank is answering questions about its evaluation process by referring reporters to an evaluation of the Erie Connector project that's being carried out, not by the feds, but by a succession of Conservative provincial energy ministers, who have been asking the project's proponents hard questions about the impact it could have on greenhouse-gas emissions in the province.

Independent analysts and climate activists have had similar questions since the beginning. They're convinced Ontario will struggle to meet its own electricity needs in the next several years; that it won't have surplus energy to send to the U.S.; and that to cover the cost of building the Erie Connector by generating new energy for the purpose of shipping it south, the province would have to rely overwhelmingly on gas plants instead of cleaner energy sources.

Mark S. Winfield, the co-chair of York University's Sustainable Energy Initiative, told The Logic the Infrastructure Bank seems "remarkably clueless about the electricity decision-making process and system in Ontario."

The Canada Infrastructure Bank's potential investment in the Erie Connector comes down to a perfect marriage between a highly motivated investor and a stalled project. By the spring of 2021, the Bank was facing substantial and public pressure to make new investments. That pressure had been building for almost five years.

● (1300)

Bill Morneau, Justin Trudeau's first finance minister, announced the creation of the bank in November 2016. It would be a centrepiece of the Trudeau government's growth strategy, an absolutely massive fund—\$35 billion—with a 10-year mandate to seek major institutional investors as partners in "transformative projects." Once they got into the habit of following the Bank's lead, those investors would multiply the federal effort many times over: Morneau anticipated that each dollar of federal investment could leverage as much as \$11 from deep-pocketed institutional investors such as other countries' pension funds. Dominic Barton, the prominent consultant who had helped conceive the infrastructure bank project is head of Trudeau's volunteer Advisory Council on Economic Growth, told one interviewer in 2017 that the goal was to bankroll really big projects on a scale that could transform the work of a nation. "Fewer, bigger is better than many," Barton said then. He wanted transportation and power transmission projects "that you can see from the moon, maybe."

The moon turned out to be an elusive suitor. Investments from the Bank were rare occurrences and none lured multiples of the Bank's investment from institutional investors. Slow progress led to management churn. The Bank's first head of investments resigned in 2019 after only 10 months on the job. Veteran public-service administrator Michael Sabia became the chair of the Bank's board in April 2020, replacing its inaugural chair and leading to the departure of its first CEO, Pierre Lavallée. Sabia in turn left the Bank after only eight months to become the deputy minister at the department of finance.

It fell to Cory, the bank's CEO since October 2020, to build a "results-focused organization," as the Bank put it in the news release announcing his appointment. As the COVID-19 pandemic dragged on, the Bank was saddled with even higher expectations: Now it was to drive a post-pandemic economic recovery. "I've also been clear to [Cory] and the board that they need to deliver in the first quarter," McKenna, then the minister responsible for the Bank, told The Logic in February 2021. The Erie Connector announcement nearly made that deadline, arriving two weeks into April.

Part of the mystery here is why the Erie Connector needs a dime of government money. Its developer is ITC, the largest independent electricity transmission firm in the United States. ITC in turn a subsidiary of Fortis, a St. John's holding company with a steady track record of stock growth, 48 consecutive years of increasing dividend payments, and \$58 billion in total assets. So the company that's asking for Infrastructure Bank money is almost as big as two Infrastructure Banks.

ITC Corp. acquired the rights to the Erie Connector project—

This said it was a 10-minute read. I'm not sure how I'm doing, but we're getting there.

—from the Lake Erie Power Corp in 2014. The project received approval from Canada's National Energy Board in 2017. But then the momentum went right out of it.

This is exciting.

"The trouble is the project has been shopped for three years and no one has jumped aboard," The Hamilton Spectator reported in 2019. The paper quoted an ITC executive: "There was an excitement a couple of years ago, but it's kind of quiet because it's not built."

There's no necessary scandal in the prospect of the Infrastructure Bank enabling a private project that had stalled. The Bank exists, to some extent, to tip the balance of decision-making on such projects. "In many cases, vital infrastructure projects wait on the sidelines until the risk profile is resolved and the business case for investment by private sector materializes," Félix Corriveau, the Infrastructure Bank's spokesperson, wrote in response to questions from The Logic. "The private sector, in partnership with the CIB, can play a role in delivering important infrastructure. Without—"

Again, this is CIB messaging.

"—CIB acting as a catalyst for private-sector investment, it could mean decades of waiting until the risk and economics are addressed."

Here he's talking about essentially the government de-risking private projects that have questionable merit. It continues:

As with many infrastructure projects, "there is a very long payback period for a project like this," Corriveau wrote. "It will take years to build, and many more years before the line has paid for itself." The demand for power across the line will depend on things like the pace of each jurisdiction's energy transition, he added, and their respective economic growth. "These are all risks that the project must absorb. The CIB is in this project to help mitigate those risks, and in doing so to make it more viable for the operator and more beneficial to Ontarians."

● (1305)

The problem is that publicly available modelling suggests Ontario is heading toward a substantial crunch in generating capacity. The province is unlikely to have extra electricity just lying around, and to make extra electricity for an export market it would need to rely heavily on gas-generated power, with its attendant greenhouse-gas emissions.

The Connector would be able to run electricity southward into the U.S. PJM consortium's grid, or northward into Ontario. Which way would account for most of the freight? The Bank's Corriveau said the "expectation" is that "energy will flow from Ontario to PJM over the long term given that Ontario has a much higher share of the lower marginal cost sources of supply—which is typically non-emitting—compared to PJM."

Over that longer term, according to the latest Annual Planning Outlook from Ontario's Independent Electricity System Operator (IESO), the output of the lowest-emitting source of electricity, the province's three nuclear-generating stations, will be diminished as one is retired and the other two refurbished.

Meanwhile Ontario's domestic demand for electricity will see strong growth as the province experiences "an emerging transformation of the economy" driven by rapid growth in everything from electric vehicles to LRT transit to electric lighting in cannabis grow-ops. The upshot: "Major challenges" to the Trudeau government's hopes of reaching net-zero emissions in the energy sector by 2035, York's Winfield has written with the University of Ottawa's Colleen Kaiser.

That's because energy production on top of current levels will almost entirely come from gas plants. "By the late 2030s electricity-related [greenhouse gas] emissions are projected to be 600 per cent above 2017 levels, with the curve continuing upwards from there," they wrote.

Generating extra energy to push through the Connector would add to that grim greenhouse-gas prospect, said Jack Gibbons, the chair of the Ontario Clean Air Alliance. "The CIB should not be using taxpayer dollars to subsidize increased gas-fired electricity generation and GHG pollution in Ontario."

One of the most surprising parts of this saga is that when asked about its due diligence on the Erie Connector file, the Bank replied with reference to an evaluation the Ontario government is carrying out. "We expect to reach financial close once the discussions between ITC and the IESO have been completed," Corriveau said.

To their credit, Ontario's energy ministers have spent months urging the IESO to give the Connector project's tires a good hard kick. In a May 2021 letter to the IESO, then-minister Greg Rickford asked it to report back to him on "the potential domestic and global greenhouse-gas (GHG) impacts of any electricity imports and exports through this transmission line." If ITC couldn't come up with a model that provides "sufficient value to ratepayers," the Connector project "would not proceed to contract execution," Rickford wrote.

The IESO's responses to the minister aren't public. But in a Jan. 26, 2022 letter to the IESO, Rickford's successor Todd Smith said he is permitting the Connector project to proceed to another, final round of evaluation. Smith sounds encouraged by what he's heard to date: "The project has many potential benefits to Ontario including improved system reliability, the creation of new opportunities to sell Ontario's surplus electricity to the benefit of Ontario ratepayers by lowering electricity costs, and a significant reduction in [greenhouse gas] emissions." He has asked the IESO for a fresh assessment of "the project's value to ratepayers and the IESO's level of certainty in the value proposition."

That report to Smith is due tomorrow, March 22.

Again, this is 2022. It goes on:

Based on the answers he gets, Smith might approve construction on the Erie Connector, which would in turn apparently trigger the \$655-million Infrastructure Bank investment.

What drives Gibbons at the Ontario Clean Air Alliance up the wall is that all of this discussion of a 117-km electricity link under a Great Lake ignores the possibility of a simpler solution to power-sharing in a low-carbon future: linking to Quebec's power grid, which runs mostly on nearly zero-carbon hydroelectricity. Such connections would make 7,500 MW of Quebec hydro available in Ontario at less than half the price Ontario pays for its nuclear-generated electricity, the group argues.

● (1310)

Perhaps it's time to sum up, and to suggest a path forward.

This is where, folks, I think we'll find this interesting. It says:

We have two governments making decisions, in processes of limited transparency, about an international energy link proposed by a subsidiary of one of the richest and soundest companies in Canada. Credible experts worry that the Erie Connector would drive up carbon emissions in Ontario. Independent analysts wonder why governments wouldn't prefer a made-in-Canada solution that is cheaper and would tend to reduce emissions.

All of this is the sort of thing that a committee of the House of Commons might reasonably want to investigate. In a minority Parliament, opposition parties have all kinds of latitude to haul a project like this before MPs and ask questions to which the available answers are so far limited.

The Environment, Natural Resources, and Infrastructure committees, singly or in combination, could play. MPs could approach the Erie Connector, not as a scandal—because there's no reason to suspect it's anything of the sort—but simply as a question about how to make the best choices when allocating substantial government resources in an attempt to build a clean-energy future.

The Bloc Québécois could investigate the Hydro-Quebec alternative. The Conservatives could seek value for money. The NDP and Greens could keep an eye on the climate implications. And the Liberals, who have always claimed the Infrastructure Bank was arm's length from government but whose minister was cheerleading a Bank investment before the Bank had even decided to make it, could get back into the business of showing an interest in the details of gover-

nance. All that's needed is for a few MPs to decide this project is worth their scrutiny.

Thanks for your forbearance, Mr. Chair and colleagues.

I think that spells out, rather clearly, first of all, why the minister should be part of this study, why this study is warranted in the first place and a few of the lines of inquiry that are very much in the public interest and would be a benefit to Parliament and to all Canadians.

With that, I appreciate the ability to read the article in full. I found it very interesting. I understand that now we're several years later, but this is still a matter of great interest because the Canada Infrastructure Bank is still out there. Its CEO is still out there trying to find ways to put public money into private infrastructure to help private investors make a private dollar.

As everyone around this table knows, we do not think that this objective is in the public interest, and that's why we have supported the recommendation that has already been put before the House that the Canada Infrastructure Bank be abolished or that it substantially reform its objectives so that it works more exclusively in the public interest.

I'll leave it at that, and I know we're going to have more opportunities. I sit at this table and I spend lots of time, as others do, listening to Liberals and Conservatives read from documents and talk out the clock. I thought today perhaps I would take a turn at adding more substantially to the record than I usually do.

With that, I'll say thank you again and pass it back to you, Mr. Chair.

● (1315)

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

[*Translation*]

We now go to Mr. Iacono, followed by Mr. Badawey.

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

[*English*]

Mr. Chair, I move a motion to adjourn.

[*Translation*]

The Chair: Thank you, Mr. Iacono.

I'm going to turn to the clerk.

The Clerk: I would like some clarification. Is it a motion to adjourn the meeting?

[*English*]

Mr. Angelo Iacono: Yes.

(Motion negated: nays 6; yeas 5)

The Chair: Mr. Badawey, you have the floor.

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

Maybe a motion to adjourn was not appropriate with respect to the intent that we have, or at least that I have. I'm more than interested in continuing this discussion. However, I have a schedule to abide by today, including getting into the House.

I don't want to finish this discussion. This discussion warrants a lot more thought and a lot more time, so with that, Mr. Chair, there is a difference between adjourning and suspending. I feel that instead of adjourning, I'll put forward a motion to suspend, the difference being that when we come back for the next meeting, we're not starting from scratch. We're going to continue the discussion that we've been having, while respecting each individual's schedule for today.

I'll put forward a motion to suspend.

• (1320)

Mr. Mark Strahl: Is that until Tuesday at 11?

Mr. Vance Badawey: That's correct.

The Chair: Thank you, Mr. Badawey.

Do we have unanimous consent to suspend until Tuesday?

Seeing no objection, this meeting stands suspended until Tuesday at 11 a.m.

[The meeting was suspended at 1:21 p.m., Thursday, February 1]

[The meeting resumed at 11:04 a.m., Tuesday, February 6]

[Translation]

The Chair: I call the meeting to order.

Welcome back to meeting number 98 of the House of Commons Standing Committee on Transport, Infrastructure and Communities, which has been suspended since Thursday, February 1, 2024.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Tuesday, May 30, 2023, the committee is meeting to study the role of McKinsey & Company in the creation and the beginnings of the Canada Infrastructure Bank, or CIB.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders of the House of Commons. Members are participating in person, in the room, and remotely using the Zoom application.

[English]

Although this room, colleagues, is equipped with a powerful audio system, feedback events can occur. These can be extremely harmful to interpreters and cause serious injury. The most common cause of sound feedback is an earpiece worn too closely to a microphone. Therefore, we ask all participants to exercise a high degree of caution when handling the earpieces, especially when your microphone or your neighbour's microphone is turned on. In order to prevent incidents and safeguard the hearing health of our interpreters, I invite participants to ensure that they speak into the microphone into which their headset is plugged and to avoid manipu-

lating the earbuds by placing them on the table, away from the microphone, when they are not in use.

Colleagues, we will now resume debate on the motion moved by Dr. Leslyn Lewis, which has been distributed to all members, both physically in the room as well as by email.

We left off in the discussion on the amendment proposed by Mr. Badawey to Dr. Lewis's motion.

We start the debate off with Mr. Bittle.

Mr. Chris Bittle (St. Catharines, Lib.): Thank you so much, Mr. Chair. It's a pleasure to be back. It was a couple of years that I served on this committee.

I seek unanimous consent from the committee to take Vance's amendment off the table, to remove his amendment.

The Chair: Thank you, Mr. Bittle.

Do we have unanimous consent to remove the amendment proposed by Mr. Badawey?

I see no objection.

(Amendment withdrawn)

Mr. Chris Bittle: I have an amendment of my own, Mr. Chair.

There's a bit of a delay on the mic.

The Chair: You're right, Mr. Bittle. There is a delay. There's an echo, actually, that we hear in the room here.

They're turning the volume down in the room here, Mr. Bittle, so give it a couple of seconds, and then once I get the okay, we'll see whether or not that's worked.

Do you know what? We'll suspend for about a minute or two just to make sure the sound crew can get things sorted out.

The meeting is suspended.

• (1108)

(Pause)

• (1108)

The Chair: I call this meeting back to order.

Thank you, colleagues, for your patience as we sorted that out. I believe we have rectified the sound issue.

Mr. Bittle, I turn the floor back over to you.

Mr. Chris Bittle: Thank you very much.

I move an amendment and will send the language to the clerk to distribute.

The amended motion would read, "Given that the Canada Infrastructure Bank spent nearly \$900,000 in consulting fees on the Lake Erie Connector project, the Standing Committee on Transport, Infrastructure and Communities undertake a study of the Canada Infrastructure Bank's involvement in the Lake Erie Connector project; that the committee hold three meetings to hear from witnesses on the topic; and that the committee invite the Minister of Infrastructure and Infrastructure Canada officials to appear as part of the study."

We'll send that language to the clerk so that it can be distributed to everyone.

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

I'm going to look to our members who are joining us online. I wonder whether they want us to suspend for two minutes, until such time as they receive the amendment in both official languages.

Does that work for you, Mr. Strahl and Mr. Rogers?

Mr. Mark Strahl: Thank you.

The Chair: We will suspend for a couple of minutes until we make sure that all members have access to the amendment.

The meeting is now suspended.

• (1110) _____ (Pause) _____

• (1115)

The Chair: I call this meeting back to order.

I just want to confirm with our colleagues joining us online that they have indeed received the amended motion.

Thumbs-up?

Mr. Mark Strahl: Yes.

The Chair: Okay.

Do we have any discussion, colleagues, or comments on the amended motion?

Mr. Bittle, did you want to speak to it, perhaps?

After that I will go to Mr. Strahl.

Mr. Chris Bittle: Very quickly, just in an effort to get to the main sticking point, which was some of the wording, I think the main point that the opposition wants to see is the minister coming. He's happy to come. That's in the motion, and that we continue this study. It's perhaps taking out a few of the inflammatory words that are in there, but I think it still is the heart of the original motion.

Hopefully, we can pass this and move on to other business.

The Chair: Thank you, Mr. Bittle.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: Given that we did get, I think, three different versions of the amendment, and that we just got the correct one a minute ago, I would ask that we suspend for a few minutes so that we can consider the actual text that we just received, compare it against the original and come back to discuss this more fully—given that we didn't have it until just before you brought the hammer back down.

I would request a short suspension so that we can discuss this.

The Chair: Okay, Mr. Strahl. Are we talking five or 10 minutes? Does that work for you?

Mr. Mark Strahl: Yes, tops.

The Chair: Sounds good.

The meeting will suspend for five to 10 minutes, at which time we will resume to continue discussion on the amendment proposed by Mr. Bittle.

This meeting is now suspended.

• (1120) _____ (Pause) _____

• (1130)

The Chair: I call this meeting back to order.

I will turn the floor over to Mr. Strahl for any comments or questions regarding the amendment put forward by Mr. Bittle.

Mr. Strahl.

Mr. Mark Strahl: Thank you very much, Mr. Chair.

Thank you to Mr. Bittle for his amendment.

I think we are close to having agreement here on how to proceed and we can address the sanitization of the version in the actual meetings, if we do agree to this.

I would say, however, that we would like to see specific reference to an invitation to the CEO and officials from the Canada Infrastructure Bank. I note that Mr. Bittle's version does invite the minister, which we are happy with, and his officials, but it did specifically delete the references to Canada Infrastructure Bank's CEO and officials.

I would actually propose a subamendment to Mr. Bittle's amendment, which would read as follows: Given that, the Canada Infrastructure Bank (CIB) spent nearly \$900,000 in consulting fees on the Lake Erie Connector project; that the Standing Committee on Transportation, Infrastructure and Communities undertake a study of the Canada Infrastructure Bank's involvement in the Lake Erie Connector project; that the committee hold three meetings to hear from witnesses on the topic; and that the committee invite the Minister of Infrastructure and Infrastructure Canada officials, as well as the CEO and officials from the Canada Infrastructure Bank to appear as part of the study.

Of course, that would simply be an invitation. It simply adds them back in to indicate that this committee would like to hear from the CEO and officials. I think it finds a common ground. We're not prescriptive on hours and minimum meetings, etc. We've even taken out the fact that this committee recommended that the CIB be abolished, so we just have a pretty straightforward motion.

I hope the committee will agree that we can add back in the CEO and officials from the CIB.

The Chair: Thank you, Mr. Strahl.

I'm going to pass it over to Mr. Bittle.

Mr. Chris Bittle: I want to propose that we're fine with it. That can be on consent if the committee is amenable to that.

The Chair: I'm looking around and I'm seeing nodding heads approving, so it looks like that is amenable.

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

The Chair: Are there any other questions or comments?

Mr. Barsalou-Duval.

[*Translation*]

Mr. Xavier Barsalou-Duval: Others may have noticed this too, but there still seems to be an issue with the sound. Sometimes we can hear two Mr. Strahls.

[*English*]

Mr. Mark Strahl: [*Technical difficulty—Editor*] That was 10.

The Chair: That's the way I sound to my wife sometimes.

Some hon. members: Oh, oh!

The Chair: Colleagues, we're going to suspend for a couple of minutes just to get that figured out so we don't risk injuring our interpreters.

The meeting will be suspended for a couple of minutes.

• (1135) _____ (Pause) _____

• (1140)

The Chair: I call this meeting back to order.

Once again, we're trying our best to work out the audiovisual issues we're having here in Parliament. Hopefully, those have been rectified.

We left off with Mr. Bittle saying that he was okay with the changes proposed by Mr. Strahl. I think we're all in agreement with those changes. Now we have a revised motion as amended by Mr. Bittle and slightly modified by Mr. Strahl.

Colleagues, do we all know what the revised version looks and sounds like? We're good to go? Okay.

Seeing no further discussion, I'll turn it over to you, Madam Clerk.

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

The Chair: Yes, Mr. Bittle.

Mr. Chris Bittle: I move that we adjourn the meeting.

The Chair: Thank you, Mr. Bittle.

I'll go to the clerk.

(Motion negated: nays 6; yeas 5)

The Chair: I'll turn the floor over to Mr. Strahl, followed by Mr. Bachrach.

Mr. Mark Strahl: Thank you very much, Mr. Chair.

I don't know what to do. I don't know why the French interpretation keeps coming in and showing up on my screen here as being—I think that's your problem with the echo.

I'll try to move this motion.

The Chair: Let me confer here, colleagues, to see what we can do to help move this forward.

Mr. Mark Strahl: Would a longer suspension be helpful, maybe until noon?

The Chair: Mr. Strahl, just to confirm, do you have a speaker on in the room you're in right now, or is it only coming through your headset?

Mr. Mark Strahl: No. I can see when I'm speaking—everyone who's not online won't see this—the West Block 125 French kicks in and is active.

Right now it's doing it again, where I am speaking but it is [*Technical difficulty—Editor*].

I don't know why it is happening that way, but that seems to be when it is an issue.

The Chair: Colleagues, we do have to protect the health of our interpreters. As much as I would like to power through this, and it doesn't sound great for us if we can't power through it, to protect their health, we're being advised to suspend and give our audiovisual team here another opportunity to try to rectify the problem.

Mr. Strahl, they're going to contact you directly to see if they can fix that. We'll resume once we believe that we have fixed it. If we haven't fixed it, we may have to consider perhaps adjourning for the day.

This meeting will be suspended until such time as we fix the audiovisual issue.

• (1145) _____ (Pause) _____

• (1200)

• (13200)

The Chair: I'll call this meeting back to order once again.

We hope we've rectified the sound issue once and for all.

Mr. Strahl, you had the floor. You will be followed by Mr. Bachrach and Mr. Muys.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: Thank you, Mr. Chair.

Thank you to the technical staff for their hard work to keep the committee moving.

I submitted a notice of motion on Friday, February 2. I hope members have a copy of it. I intend to move that motion now.

The motion states:

That, given that the Port of Montreal, a major hub for stolen vehicles to be shipped out of Canada, only has five Canada Border Service Agents to inspect the 580,000 containers that leave the port each year, according to the *Le Journal de Montréal*, with one law enforcement agent saying, "CBSA has no resources to check the containers, they check less than one per cent of containers,"

The committee report to the House its concern with these reports and calls on the Government to immediately address these resource shortages, as the CBSA falls under the Federal Government's mandate.

This motion comes, obviously, out of a *Journal de Montréal* report. It talks about the involvement of the Port of Montreal, which falls under the mandate of this committee through the Minister of Transport.

I would note also that we're hearing reports, or we've had individuals confirm, that vehicles stolen in the greater Toronto area are often put in railway cars and shipped to the port of Montreal, where they make their way out of the country on ships.

This is clearly something that this committee should express its concern with, when we see a 300% increase in stolen vehicles in the GTA and 100% increase in Montreal. This is clearly part of the system. The port is a part of the federal government's responsibility. It's an asset that the federal government is responsible for, and it's being used by organized crime to ship Canadian stolen vehicles abroad.

Clearly, there's a resource issue there if we're talking about 1% of containers being examined. We need to take a whole-of-government approach on this. That includes tightening up the ports and expressing our concern with the lack of resources at the Port of Montreal.

I'm hoping that we can have a discussion about that. I think it would be helpful to express that to the House to let them know that we are monitoring the situation and that we are concerned with the rising problem of auto theft and the port of Montreal being a conduit for vehicles leaving the country after they've been stolen.

I think this falls well within our mandate. It's something that we should discuss, and we should advise the House of our concern.

I'm happy to start the discussion. I hope we can vote in favour of this today.

Thank you, Mr. Chair.

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

I had a speakers list before. I don't know if it's the same group of people who want to be on the speakers list.

I see the hand of Mr. Barsalou-Duval.

Mr. Muys, did you want to speak to this as well?

Okay. There's Mr. Bittle, too.

We'll start with Mr. Barsalou-Duval.

[*Translation*]

Go ahead, Mr. Barsalou-Duval.

● (13205)

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

I appreciate the fact that Mr. Strahl is proposing a motion to examine the problem of vehicle thefts and the lack of effort and inspections by the Canada Border Services Agency to address the issue. We are all concerned about that.

It's no coincidence that the Standing Committee on Public Safety and National Security has undertaken a study to bring to light what isn't being done or, at least, what needs to be done to remedy the situation.

Everyone is concerned by the growing number of vehicles being stolen and the realization that the agency seems to have a certain tolerance or laissez-faire attitude towards the issue. The agency

seems to be throwing up its hands because it doesn't think it can do anything. We can't accept that attitude. If we want to make clear that we condemn what's going on, I'm perfectly okay with moving forward on this.

However, it feels as though we may be duplicating the work that the Standing Committee on Public Safety and National Security is going to do. It has a mandate to get to the bottom of the issue. I think we should let the committee do its work properly, and we should focus on the work we have to do, as per our agenda.

I was hoping that we would make progress on our report on the relationship between McKinsey and the Canada Infrastructure Bank. I'm still hopeful that we can do it today, so I urge my fellow committee members to deal with this as quickly as possible.

Thank you.

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

[*English*]

Mr. Muys.

Mr. Dan Muys (Flamborough—Glanbrook, CPC): I'd like to speak in support of this motion.

We're talking not just about the CBSA and public safety but about a federal port. We know that the port of Montreal is a conduit for... There are 5,800 containers in the port of Montreal and less than 1% are scanned.

I actually did an Order Paper question on this prior to Christmas, and the answer came back with exactly that: that less than 1% are scanned. They didn't specify how many automobiles they thought were being exported—stolen vehicles. They didn't know what that number was. The number they were able to retrieve, and that has been static year over year, was somewhere between 1,000 and 1,100.

Of the 105,000-plus vehicles that are stolen—a lot of that is happening now in the GTA and in southern Ontario—less than 1% are being retrieved at the Port of Montreal.

We know from those who have put Apple AirTags on their vehicles and traced them to the port... In fact, I spoke with a constituent in the fall who was able to track the second vehicle that was stolen from their driveway to the port of Montreal.

That is a federal port, and that is a federal responsibility, as is the CBSA. In fact, in my own community this past weekend, there were two cars stolen at gunpoint. That's a very violent crime. In fact, there was another vehicle that was not stolen at that particular...that was targeted by a very sophisticated organized crime ring. It caused a lot of headlines. The local police are reporting that their hands are tied because this is something that's going on and being exported through a federal port.

I spoke to one of the neighbours, and this community is living in fear. In fact, it's a street that I lived on 20 years ago, so this is quite alarming, but it's not an isolated example. This is on top of.... It's a daily occurrence now, and it's often in the media locally—in Hamilton, in the greater Toronto area, in Niagara, in Kitchener-Waterloo and throughout southwestern Ontario. This is a problem, and I think we should bring in, as the motion calls for, CBSA officials and others to answer for this.

The Chair: Thank you, Mr. Muys.

Mr. Bittle.

Mr. Chris Bittle: Thank you so much.

I sit on the public safety committee, and this is on the agenda for that committee.

Unfortunately, what we're seeing here is that the Conservatives will delay. They talk a good game in terms of an important issue of public safety, which this is. I don't think there's anyone here at this table who believes that this isn't fundamentally important. However, even though there's a study at public safety, we're seeing Conservatives filibuster day after day. We can't get to that study. Here, what do we have? We're taking a headline, and I'm sure it's true, but the Conservatives don't want to have a study. They don't want to look into evidence. They just want to make a statement to bring a concurrence motion in the House of Commons to delay debate, to further the crippling of the House. This is what this is being used for—not for anything productive, not to get to the bottom of things, not to make a reasonable suggestion. This is all this motion is to do.

Even at this committee they're furious about the Infrastructure Bank, and have to find a way to filibuster to get to a report, which is something they want to do. Even their filibusters are conflicting in terms of where they find themselves.

You can see right through this. Again, I appreciate that this is a very fundamental concern for our constituents across the country, but they're not calling for a study. They're just accepting at face value a line from a newspaper report, which again may be true, but they don't want to get to the bottom of it. They don't want to look into things. They just want to have a concurrence debate in the House of Commons to delay legislation that is fundamentally important to Canadians. Again, they don't want to get to the bottom of it.

Really, what they should do is ask their Conservative colleagues on public safety to stop filibustering Bill C-26, so that we can actually get to a study on public safety and speak to not just the CBSA, but to the RCMP, to police chiefs in the greater Toronto area, to port officials.

With respect, this is not the effort that I would expect for a party that says this is a crisis. This is making a statement and delaying debate in the House of Commons, which will produce no recommendations. It's sad actually, if the Conservatives actually believe this is a serious issue and their response is to filibuster in the committee that's seized of the matter, and to have a throwaway motion in this committee so they can delay debate in the House of Commons, not get any evidence, not listen to the experts, because they have all the answers—not the RCMP, not CBSA, not local police

chiefs. They have all the answers on this, and it's disappointing to see.

• (13210)

The Chair: Thank you, Mr. Bittle.

I have Mr. Lewis followed by Mr. Strahl.

Mr. Lewis.

Mr. Taylor Bachrach: Mr. Chair, was I on the list at some point?

The Chair: We had started a new list, and I asked for those who wanted to be put on the new list. I will add your name, Mr. Bachrach.

An hon. member: *[Inaudible—Editor]*

The Chair: Mr. Strahl had his hand up right away, Mrs. Gallant. You are right after Mr. Strahl, followed by Mr. Bachrach.

Mr. Chris Lewis (Essex, CPC): Thank you, Mr. Chair, for recognizing me. I'm sorry to go ahead of everybody else, but I'm honoured to do it.

I have about six things I'm going to chat about here, but it will not be long. This is not a filibuster, but this is really important stuff.

Number one, as chair of the Conservative auto caucus, I have heard this over and over from global automakers, from our manufacturers, and you would think that a company that builds new vehicles to sell would be somewhat excited that vehicles are leaving Canada in droves. In fact, it's quite the opposite. They said they completely need action on this, and they need it really quickly.

I recently—I say recently, last summer—visited the port of Vancouver on two or three various occasions and was right on the shop floor of the port, if you will. I said to the folks who were driving me around, “What are those eight or 10 shipping containers doing in the middle of a parking lot next to a very small building?” They said those containers were the ones that are to be inspected by the CBSA. I said, “You honestly are kidding me, right? Is there radioactive material in there, or is there something that is illegal that you're aware of?” They said no, that those were the ones they took out of the tens of thousands of containers that I was looking at on the port site. It blew my mind.

I realized that the port of Vancouver is not the avenue, not the highway, for the majority of vehicles that are going overseas. I understand that, but I use that as a factual example that when we have so many containers going out of this country, and we don't give our CBSA officers the proper tools and/or the resources, being people, to look at these, then obviously, that only makes sense.

I live next to the busiest international border crossing in North America, the Ambassador Bridge, soon to be the Gordie Howe International Bridge. I would have thought that the majority of this conversation would have been around those bridges, but I do know when I cross the bridge quite often, when you go over top of the Ambassador Bridge on the right-hand side, you will see an X-ray location. Many of these transport vehicles go underneath the mobile X-ray. It's a transport truck that runs alongside a transport truck with a great big arm that X-rays it. They find things right down to such anomalies as cocaine and marijuana, and all the illegal ones that are being exported and imported into Canada.

I have a hard time believing that if they can find something so minute as these drugs, they can't see, with an X-ray machine, a vehicle or three in a shipping container. This goes to my point of why would we not do this study when we realize that folks in Toronto, Montreal, Brampton, down in the Hamilton region, are being so affected by vehicle theft. It's not only the ones who have their vehicles stolen; it's everybody else. One billion dollars is what the insurance companies say the rest of us are going to have to pick up the tab for.

I know, with my children and my wife and my vehicle just how expensive insurance is, so I think at the very least we should be studying this.

Recently I stopped into a constituent's place and had a chat with them on a completely unrelated topic. I asked if they were heading anywhere down south for the wintertime. It was a husband and wife. They said, "Yes, but I have to tell you something, Chris, that's kind of interesting. We have stayed at the same hotel for a number of years in the Toronto area right next to the airport." The gentleman has a Dodge 1500 pickup truck. The hotel has a private parking next door. He called up the hotel and asked, "As in the past, if I pay an extra couple of dollars and I stay there for two weeks, then will I not have to pay for parking across the street at the Park and Fly?" They said, "Yes, you're absolutely correct. However, we don't have pickup trucks here anymore. We will not store pickup trucks, because the truth of the matter is in two weeks when you come home it will likely have been stolen."

● (13215)

If that's where we are now, if that's where Canada has come to, then at the very least we must study this at committee. I don't see why we wouldn't study this at committee.

We are, by the way, the transport committee. I am in full support of this motion, Mr. Chair, and I appreciate the committee allowing time for me to speak to this.

Thank you.

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

Mr. Strahl.

Mr. Mark Strahl: Thank you very much.

I just wanted to respond briefly to some things that were said. I've heard from both the Bloc and the Liberals. One said we shouldn't study this more in depth because public safety is already dealing with it and another said that a motion expressing concern

isn't a fulsome study. I think we're hearing both ways. We're planning to do either too much work or not enough work.

What this motion does is recognize that there is work happening at the public safety committee. It also recognizes the importance of the transport committee weighing in because of the involvement of federal ports. The port of Montreal is the major highway for stolen vehicles. They are stolen in the GTA, the greater Montreal area and all over southern Ontario, put on railcars and shipped to the port of Montreal, where they are exported by organized crime. The idea that the transport committee shouldn't have anything to say about that....

I do have another motion for another time that does call for a more comprehensive study on the port component of this. However, today we're asking simply to take note, raise our concern and report that to the House.

The fact is that 1% of containers going through the port of Montreal are inspected due to a lack of resources. I think we can do this in a way that is respectful of the time in this committee and simply express our concern with that. That's what we're asking for.

I recognize that some people don't want to address this issue or don't want the transport committee...which is responsible for ports and for railways, which are a key component of how these vehicles are moved once they are stolen. They aren't being driven to the port of Montreal. These are using federally regulated assets to move the proceeds of crime.

I think that the idea that the transport committee doesn't have a role to play and that we shouldn't be pronouncing on this is absurd. This simply calls for us to report our concern and call on the government to address the resource shortages that are happening. It's a very simple motion that will allow us to express our concern with what is happening at the port of Montreal. I think this is the best way we can do that right away to say that we've heard the reports.... I don't think anyone is disputing that the port of Montreal is a key transportation hub for stolen vehicles. I haven't heard anyone dispute that.

We can bring forward our concern, note it to the government and indicate that we, as a committee, believe that there are inadequate resources for CBSA at the port of Montreal. We express that concern and then it's up to the government to respond. It's up to the government to note that concern and have a formal response.

I think we're doing our job as members of Parliament. We're doing our job as members of this committee to express concern when things like the ports and the railways are being used to funnel stolen vehicles out of the country to the benefit of organized crime.

Pronouncing on that by way of this motion is the best way to do that. I don't see any reason why anyone would vote against that unless they don't believe there are resource shortages, don't believe that CBSA has a role to play in this, or don't believe that our ports and our railways are an important part of this that needs to be addressed.

Conservatives believe that we need to address the issue of the port of Montreal being that conduit for organized crime to get the vehicles that they steal in this country out of the country. If we're not going to address that as a committee, we would be failing in our duty to Canadians. Let's vote in favour of this, express our concern to the House and move on with it.

Thank you, Mr. Chair.

• (13220)

The Chair: Thank you, Mr. Strahl.

Mrs. Gallant, thank you for your patience.

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

I shouldn't have been surprised, but talk about the accusation in the mirror of Mr. Bittle's accusing us of filibustering. If ever there was an example of filibustering, it was his response to this motion.

One thing I learned very early on here is to never assign motive. There are many reasons—

Are you interrupting again, Mr. Bittle?

• (13225)

Mr. Chris Bittle: Again?

Mrs. Cheryl Gallant: The fact that we're doing this just to get a concurrence motion in the House speaks to the sheer and utter arrogance and the insensitivity to the people who have had their car stolen. Not everybody can turn around and buy a new car. This causes real hardship, and there are very few rentals available to get somebody through that period. For businesses, it impacts productivity, with which Canada has a real problem.

With all of that being said, ports are federal infrastructure. There is infrastructure available whereby the sea cans can go through an arch, and as they go through, it's not just X-ray, but they can detect the contents by material. It could scan for radioactivity, drugs and human smuggling. I think everyone on this committee would agree that human smuggling is far more important, but equally important is the theft of cars. For that reason, I believe that this motion should pass.

The Chair: Thank you very much, Mrs. Gallant.

Next I have Mr. Bachrach.

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

I certainly don't dispute the importance of this topic nor the importance of the motion in front of us. There are a number of different things going on. There is going to be a debate in the House on this topic. I think it's a topic that does concern a lot of people, particularly in central Canada and around the port of Montreal in particular but the port of Vancouver as well.

My concern is that this committee has other business that we want to get to. Folks will remember from the last meeting that I'm particularly interested in the Conservative study on the Lake Erie connector, which I hope we can get to after we deal with our study on the rights of people living with disabilities who are trying to travel by air in Canada and are facing barriers. Those are also important topics to a lot of Canadians.

If, at every meeting, we have additional concurrence motions that take up the committee's time, we're not going to be able to get to those topics.

In terms of importance, I'm not going to argue which one is relatively more or less important than another, other than to say that this committee can do some good work together. It has in the past, and I'm hoping we can continue to do that as long as we sit here at this table together.

In the interest of trying to get us through this and towards a consensus, because I do believe that we've heard that everyone around the table is concerned about this issue of auto theft, I would propose an amendment to change the wording of the last sentence to read, "the committee expresses its concern with these reports and calls on the government to immediately address these resource shortages, as the CBSA falls under the federal government's mandate."

The Chair: Thank you, Mr. Bachrach.

Mr. Taylor Bachrach: I don't know if the clerk would like that in writing.

The Clerk: Yes, if you don't mind.

The Chair: We have an amendment proposed by Mr. Bachrach.

Mr. Bachrach, we'll suspend for two minutes while you get that to the clerk, and we'll make sure it's distributed to all members, Madam Clerk.

This meeting is suspended until we are able to get that information from Mr. Bachrach.

• (1225)

(Pause)

• (1230)

• (13230)

The Chair: I call this meeting back to order.

The change is quite small, colleagues. Unless it's a request of the committee, I don't think we need it to be distributed in both official languages. It's essentially just the addition of one word and the removal of four words.

In English, in the second paragraph, it would state that the committee "expresses its concern" instead of "report to the House its concern".

[*Translation*]

In French, it would read "*Le Comité exprime des inquiétudes*", instead of "*Le Comité fasse part à la Chambre des inquiétudes*".

It would be five words in French, and four words in English.

[*English*]

We'll get debate started on the amendment proposed by Mr. Bachrach.

Does anyone want to speak to that?

Mr. Strahl.

Mr. Mark Strahl: We believe that reporting to the House is the more official response from this committee, and that's why we selected the wording the way that we did. Expressing our concern doesn't compel the government to respond in any way. They can ignore this without even having to respond. We know they've certainly ignored recommendations from this committee in the past, but at least we've forced them to explain themselves when that happens. We believe that by issuing that simple report, it is the official way to register our concern and compel the government to respond.

We will be voting against this amendment.

The Chair: Thank you, Mr. Strahl.

I have no one else on the list, so we'll go to a vote on Mr. Bachrach's amendment.

(Amendment agreed to: yeas 7; nays 4 [*See Minutes of Proceedings*])

The Chair: We'll now go to discussion on the motion as amended.

Mr. Strahl, go ahead.

Mr. Mark Strahl: I guess my question for you, Mr. Chair, is: How does the committee express its concern to the House, or is that not part of the motion? It just says "expresses its concern". I'm wondering what the method is by which we express that, other than perhaps by the passing of this motion. Is there actually something that officially communicates our concern from this committee to the government now that we've removed from this motion—thanks to the Liberals, the NDP and the Bloc—the official nature of a report? What would actually be the effect of this? How would we express that to the House? This isn't entirely rhetorical, but I would like to know how exactly that is expressed now that it will not be done via an official report.

The Chair: Thank you, Mr. Strahl.

I've confirmed with the clerk, and the simple act of adopting the motion is the way it's expressed, but there won't be any official communiqué, letter or report.

I'll turn the floor over to Mr. Bachrach, who had his hand up.

Mr. Taylor Bachrach: Thanks, Mr. Chair.

I would be happy if the committee wanted to write a letter to the minister, to the Prime Minister, to the government. I think all of that is fine. I don't, on principle, object to the use of concurrence motions, but what we've seen is that every committee gets piled up with these motions demanding a government response and a debate in the House, and it prevents us as Parliament from doing other work.

I wouldn't assume nefarious motives, except that those motives have been clearly stated. It's been clearly stated that certain parties are going to do everything they can to obstruct the work of Parliament. As a parliamentarian, I don't think that's in the public interest, so that's why I moved that we remove that particular wording from the motion. I still think it's a very important topic, and the committee should express its view on it, and if it's the will of the committee, I would certainly agree to writing a letter to share the outcome of the vote on the motion with the government.

• (13235)

The Chair: Thank you, Mr. Bachrach.

I have Mr. Muys, who is followed by Mr. Strahl.

Mr. Dan Muys: I think the removal of the report to the House neuters this, and that really is an inappropriate signal to Canadians who are affected by this issue. If you've had your vehicle stolen, as Ms. Gallant pointed out, you may not be able to get a rental. There's a financial hardship. This is impacting businesses as well, in terms of productivity. She's quite correct that productivity is certainly an issue in the Canadian economy. On top of that, \$1.2 billion in insurance premiums were paid out. That's a \$500 per Canadian household increase in terms of insurance premiums that is being seen by many Canadians. In Ontario it's higher.

This is something that's a serious issue, and it's all happening through a federally regulated port and on federally regulated railways. It had a sharp increase in the last number of years. To not report that to the House, to not take it that seriously, I think, is a mistake and an affront to those Canadians impacted by it.

The Chair: Thank you, Mr. Muys.

Mrs. Gallant, go ahead.

Mrs. Cheryl Gallant: The money arising and the profits from the theft of vehicles is known to be used to fund terrorism. We've talked with different departments that it must be a whole-of-government approach when it comes to combatting terrorism. We have it here at home as well.

To have the transport committee appear to just wash its hands of the issue of stolen vehicles and the export of them makes it sound like all it is is a hunk of metal going from point A inside one border to point B outside the border. These are real lives we're talking about, humanitarian crises that are happening around the world. The proceeds of this crime are going towards funding wars.

The Chair: Thank you very much, Mrs. Gallant.

Mr. Bittle, go ahead.

Mr. Chris Bittle: Thank you so much.

There are a lot of statements being made that. They don't want to call experts. They're making these statements, and perhaps they're true, but if these statements are true, like combatting terrorism and this money's going to foreign governments to fund wars, I think Ms. Gallant will want to speak to her Conservative colleagues on the public safety committee, who are filibustering at every opportunity our attempts to get to that study. They're even filibustering bringing in additional motions similar to this, even though there's a study on the books already. It's just the Conservatives flailing their arms, trying to cripple Parliament. That's what we're seeing here.

Ms. Gallant accused me of filibustering. It must have been the world's worst filibuster—I think I spoke for five minutes. I think she has spoken for longer than I have. However, I really think she needs to speak to her colleagues on the public safety committee, because that's where this motion and a comprehensive study on it is currently sitting.

We need to get through Bill C-26, which is on cybersecurity. In that case, we've heard from experts that money from cyber-attacks is being used to fund foreign governments, to fund wars and conflicts, and to fund countries like North Korea. What are the Conservatives doing on that, a Conservative Party that cares about security or pretends to, anyway? They're filibustering it. They're filibustering witnesses who appear, whom Parliament's paying to fly in. They're making them sit there and watch filibuster debates, one after another.

I appreciate the crocodile tears from the Conservative Party that those of us on the other side of the table aren't taking this seriously. When the chips are down on the public safety committee, it's the Conservatives who don't care, who are not showing that they want to see action and hear from experts. Here we just have a motion, which is a one-liner that we can send to the House of Commons to cripple debate and continue their obstruction in the House of Commons. It's disappointing. Canadians deserve better.

Again, I ask the members here—and maybe it's not Ms. Gallant but the other Conservative members—to please speak to their members on the public safety committee. I really want to get to that study, and I don't want to do this piecemeal, like a one-line report. Let's hear from the RCMP, CBSA, port officials and experts on criminal justice. Let's actually find out. Maybe Ms. Gallant is right. Maybe this money is going to fund terrorism. If that's the case, why doesn't she want her colleagues to stop filibustering in the public safety committee to get to that thorough study that Mr. Strahl—and I believe him—says he wants? Even though his motion for a study is, I think, one meeting with two witnesses.... It's pretty weak tea from the Conservatives, who pretend to care about public safety. Clearly, the Liberals, the NDP and the Bloc care about this issue and want a significant study to look at the actual details so we can provide recommendations.

We need to be better on this, as a country, at all levels of government: municipal police forces, provincial police services, RCMP and CBSA. We need to be looking at this from a holistic perspective. It's easy and great for fundraising emails to say, "It's the federal government's fault." There are some opportunities that we need to address, but if you're not going to do it in a serious way, it just shows how unserious the Conservative Party is on issues of security and on a lot of different issues. Pound the table. Get angry.

Housing is another example. During question period, there are 45 minutes when the Conservatives pretend to care about housing and security, but when it gets to actual tangible items, they're nowhere to be found.

Filibustering and obstructing, that's all this motion is. It's truly disappointing, once again, to watch the Conservatives go down this path. They used to be serious on issues of public safety, but not anymore.

● (13240)

The Chair: Thank you, Mr. Bittle.

I have Ms. Koutrakis, followed by Mr. Strahl.

Ms. Annie Koutrakis (Vimy, Lib.): Thank you, Mr. Chair.

I'd like to request a brief suspension of the meeting, if I may, because we would like to discuss amongst ourselves some issues before coming back and continuing the debate.

The Chair: We have a request for a brief suspension from Ms. Koutrakis. I'll oblige. We'll reconvene in five minutes.

This meeting is now suspended.

● (1240)

(Pause)

● (1245)

● (13245)

The Chair: I call this meeting back to order.

Next on the list we have Mr. Strahl.

Mr. Strahl, the floor is yours.

Mr. Mark Strahl: Mr. Chair, I note with some interest that the governing parties always complain about opposition parties bringing forward concurrence debates.

I would ask Mr. Bachrach to go back.... I know he wasn't elected in the time of Jack Layton and Tom Mulcair when they were the official opposition. I can assure him that this tool to bring forward issues was utilized with great frequency. That's the same for Mr. Bittle, who wasn't here when they were the third party.

Concurrence motions are a valid tool of Parliament. They are very much one way to bring attention to a serious matter, as is a report to the House where the chair actually stands in the chamber and tables a report during routine proceedings.

Mr. Bachrach may want a strongly worded letter, a moderately worded letter or a letter with no emotions attached to it whatsoever. We think that the report was the way to go, which is why we moved it that way.

I can appreciate the theatre here of pretending that Conservatives don't want to actually address this issue. Of course we do, which is why we brought it forward. We believe it should have been treated substantially, with a report to express our concern about the parts of this that relate to the mandate of this committee, which is oversight and holding the government to account on issues that are within our purview. That includes ports and railways, both of which are implicated in the organized crime scheme that steals vehicles from the driveways of law-abiding Canadians and ships them via the port of Montreal.

We simply thought our concern and our desire for additional resources to be provided should be reported to the House.

We know that there's a budget coming up. We know that the government is evaluating its priorities. We believe that a priority, as indicated by this committee, should be to give CBSA more resources, so it can do its job of preventing the property of Canadians from being shipped abroad through the port of Montreal to be used by organized crime.

We don't apologize for wanting that to be done in a formal way where it could be discussed in the House and where the seriousness of this matter would be registered with the House, as opposed to through a simple motion here, which will go no further, or a letter from the clerk or the chair, which requires no response from the minister or the government.

It's disappointing that this has been watered down. It seems that the direction the committee wants to go is to not have the force of a report, but to simply take note of something. We believe that the report would have put some more significant weight behind it to express that concern.

It's disappointing that this is where this is going.

● (13250)

The Chair: Thank you, Mr. Strahl.

I have Mr. Bittle.

Mr. Chris Bittle: Thanks so much.

I reached out to a friend of mine who's in the know, and her response was it's false that there are only five officers who are engaged in this. So we don't have the facts. There's dispute about the facts. The importance of the public safety study, which the Conservatives are filibustering, and Bill C-26 focuses on cybersecurity, which I know....

I take Ms. Gallant at her word in terms of being worried about money going to terrorist entities or state actors that Canada is not allied with. That's actually happening on the cyber front. That's being filibustered to prevent us to get to a thorough study. It's great to take a headline and put it into a motion and say, "This is fact." We could have witnesses here, but the Conservatives don't want that.

It was interesting to hear Mr. Strahl talk about the good old days of the 41st Parliament. I'm sure he remembers fondly the Conservative cuts to CBSA. I believe it was about a thousand CBSA jobs that were cut during their time in office. That's interesting. You can send to my personal email account the motions like this that I'm sure he voted on, which were NDP motions like this that were just to set up a concurrence debate. I'm sure that was permitted quite a bit.

There is work being done by the government and in Parliament. I know the Liberal government is working with the Conservative government in Ontario on a big announcement in terms of money for a response to this. I'm looking forward to the outcome of the auto theft summit, and I really want to get to the public safety study on auto theft. Let's hear from all of these witnesses.

Mr. Strahl is right. A concurrence motion is an appropriate tool—it's in the rules—but the way the Conservatives are using it is to just shut down debate and the important work that Canadians expect us to do.

The motion on public safety was unanimous in terms of having a thorough study on the subject. Let's get to that. I'm sure Mr. Strahl, after this meeting, is going to get on the phone with his colleagues on the public safety committee, insist that they end their filibuster tactics and get us to a point at which we can actually debate something important and come up with actual recommendations from

actual experts rather than gripping a headline that may or may not be true and using it as the basis for a motion for a concurrence debate in the House of Commons, which I guess Mr. Strahl is now admitting is the tactic in play.

I can't support this motion since it's based on incorrect information, despite being a serious issue. Let's do it properly. Let's get to the study at public safety.

● (13255)

The Chair: Thank you, Mr. Bittle.

I have Ms. Koutrakis, followed by Mrs. Gallant.

Ms. Annie Koutrakis: Thank you, Mr. Chair.

I want to make sure that everyone who's watching this very important meeting today and this very important discussion understands that no one is saying that this subject is not an important subject. In fact, if you look at what the government recently announced with the summit, the government takes this issue very seriously, but we want to make sure that we are going to be receiving proper and factual information.

We, as parliamentarians, everyone around this table, are responsible. Our obligation is to always provide clear and factual information to Canadians so that they fully understand the subject matter. We can all sit around this table, filibuster and talk things out, but I don't think that Canadians sent us here with that in mind. I think Canadians sent a strong message when they said that they expect parliamentarians of every stripe—opposition members, government members—to work together to deal with very important subjects, such as auto theft.

Every single one of us around here is touched by increased prices of insurance. No one is saying otherwise, but we also have a lot of other studies and a lot of other important work that we have prioritized in previous messages. To drop that very important work that's already in the queue....

We have the high-frequency rail. We have the air passengers. Earlier, Mr. Bachrach spoke about his study on rights for passengers with disabilities. There are so many other studies that are waiting in the queue that are equally important.

The government is willing. The government has shown that this is a top priority for it, and it wants to get the proper information. We want to speak to the officials who need to be spoken to, to get to the bottom of this. Nobody is saying that we want terrorism financing to continue, obviously. This is not something that's acceptable to anyone, but we also have to make sure that we're giving the proper information so that Canadians know exactly what is happening.

From a policy perspective, if we don't have the proper information and facts, then clearly any policy that's put forth would be flawed. I know that I'm speaking for all my colleagues around this table when I say that this is not something that we want. We want to make sure that if and when this issue does come back to transport—and there's nothing to say that it cannot come back to transport at a future date, but let's not put the cart before the horse. Let's see what comes out of this summit.

The government came out and said that they want to bring all the officials and all the stakeholders together to talk about this issue. I think it would be wise that we wait to see what comes out of this

summit. At the same time, we can continue to speak to our own stakeholders. We can have our conversations with the officials who are in a much better position to provide us with facts rather than just hypotheses.

With that said, Mr. Chair, I would like to move the adjournment of this meeting.

The Chair: Thank you, Ms. Koutrakis, I'll turn it over to the clerk.

(Motion agreed to: yeas 7; nays 4)

The Chair: This meeting is adjourned.

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